



OCEAN SPRINGS YACHT CLUB, INC.

BY-LAWS

As Approved by the Membership November 12, 2013

OCEAN SPRINGS YACHT CLUB, INC.

BY-LAWS

Preamble

Charter - Ocean Springs Yacht Club, Inc.

ARTICLE I

ORGANIZATION

Section 1. The Corporation shall be named the Ocean Springs Yacht Club, Inc., and will be domiciled in the City of Ocean Springs, in the State of Mississippi.

Section 2. The Corporation will conduct its affairs according to the terms of its Charter and these By-Laws and appropriate laws of the United States of America, the State of Mississippi, Jackson County, and the City of Ocean Springs, and applicable rules and regulations of any yachting and/or boating organization of which the Club may be a member.

Section 3. The Affairs of the Corporation shall be managed by:

- (a) The following officers: A Commodore, a Vice-Commodore, a Rear Commodore, a Secretary, a Treasurer, and a Fleet Captain.
- (b) A Board of Governors, which shall be composed of the above officers, the immediate Past Commodore and four (4) other members, and
- (c) Such committees as may be specified in these By-Laws or approved thereafter by the Board of Governors.

Section 4. The officers and members of the Board of Governors shall be selected from Class A and A/ C members in good standing by an election at the annual membership meeting in November of each year, and shall serve from 1 January through 31 December of the following year, or until relieved by their successors.

Section 5. For the purposes of conducting corporate business, the Commodore, Vice-Commodore, Rear Commodore, Secretary, Treasurer, Fleet Captain and members of the Board of Governors shall function respectively as President, 1st Vice-President, 2nd Vice-President, Secretary, Treasurer (or Comptroller) and Directors of the corporation, and may be so designated as necessary on appropriate occasions.

Section 6. The Board of Governors shall be charged with the management of all the affairs of the Corporation, subject to the provisions of the Charter and By-Laws.

Section 7. For the purpose of transacting the routine business of this Corporation during intervals between the meetings of the Board of Governors, the Commodore, Vice-Commodore, and Rear Commodore shall constitute the Executive Committee, with full authority to act for the Board, with a full report of their actions given to the Board at the next regular meeting.

Section 8. The Board may appoint such officers and agents as it shall deem necessary, who shall hold their offices for each term and shall exercise such powers and perform such duties as shall be determined from time to time by the Board.

Section 9. The officers and Board of Governors of the Corporation shall hold office until their successors are chosen and qualify in their stead or they resign by written notification to the Board of Governors. Any officer or Board members elected or appointed by the Board may be removed at any time by the affirmative vote of a majority of the whole Board. On removal or resignation, the Officer or Governor loses all rights and obligations granted to an officer or director by these bylaws.

Section 10. In the case of the absence of any officer of the Corporation, or for any other reason that the Board may deem sufficient, the Board may delegate, for the time being, the powers or duties, or any of them, of such officer to any other officer, or to any director, provided a majority of the entire Board concurs therein.

Section 11. This Corporation is a non-profit corporation, with no shares of capital stock heretofore issued, and is organized under the provisions of the laws of the State of Mississippi for the purposes set out in its Charter. There is no provision or contemplation of pecuniary gain or profit to the members, or any of them, and the same is organized for non-profit purposes and whereby no part of any net earnings inures to the benefit of any member or other individual. It is further specifically provided that in the event of dissolution of the Corporation, the net assets of the Corporation, if any, after payment of debts, expenses and legal obligations of the Corporation, shall be distributed solely and exclusively to charitable, religious, scientific, literary or educational organizations which would then qualify under Section 501(c)(3), *et seq.*, of the Internal Revenue Code and companion and related sections of the Mississippi Code of 1972, including Section 27-7-15 of the Mississippi Code of 1972, and related sections and acts amendatory thereof.

Section 12. Except as otherwise provided in these By-Laws, all official meetings of this organization, in any capacity, shall be conducted in accordance with *Roberts Rules of Order*.

ARTICLE II

MEMBERSHIP MEETINGS

Section 1. There shall be one regularly scheduled General Membership Meeting per year, on the 1st Monday of November after November 5th. This will be the Annual

Membership Meeting, and its main order of business shall be the election of officers and members of the Board of Governors for the following year. Other Club business will also be considered.

Section 2.

(a) Special membership meetings may be called by the Board when, in its judgment, the interest of the Club so requires.

(b) Other membership meetings shall be called by the Commodore when he/she is requested to do so by ten percent (10%) of the Class A and A/C members in good standing.

(c) Notice of call for all membership meetings shall be sent to members no less than two (2) weeks, nor more than six(6) weeks, in advance of the meeting, and must include the purpose of the meeting. Only matters relating to the call will be voted upon at a special meeting unless a majority of the Class A and A/C members present approves an expanded agenda.

Section 3.

(a) At all membership meetings, business shall be conducted and actions taken only if a quorum is present. A majority shall rule, except as may be provided elsewhere in these By-Laws.

(b) A quorum of the general membership shall consist of at least ten percent (10%) of the current Class A and A/C members in good standing present at any general membership meeting, exclusive of proxies.

(c) If at any membership meeting, no quorum shall be present, the presiding official shall postpone the meeting after fixing a date for a substitute meeting.

Section 4. Only Class A and A/C members in good standing may vote at a general membership meeting, except that:

(a) In the absence of a Class A and A/C member from a general membership meeting, the voting privilege may be exercised by the spouse of such member.

(b) In the absence of both member and spouse, a member in good standing may designate a proxy to exercise the voting privilege. The proxy shall be a Class A member in good standing, which does not include the spouse of any such designated Class A member.

(c) The written proxy must be designated as a general or special: In the absence of such designation, the proxy shall be considered as special, and restricted to voting on specific matters in the published agenda of any such meetings.

(d) No member designated to vote a proxy for another member may transfer or sub designate such proxy.

(e) To register a proxy, a voting member must complete the form provided in the formal announcement of the scheduled meeting and return it to the Club Secretary no less than three (3) days prior to the scheduled meeting.

(f) The Club Secretary will provide in the announcement of any general membership meeting:

(1) An agenda for the meeting.

(2) A proper proxy form.

(3) Notice that in the event that after designating a proxy, the member or spouse shall attend the meeting, the previously registered proxy shall be revoked.

(g) No member may vote by mail.

Section 5. Any membership meetings shall be conducted in accordance with *Roberts Rules of Order*. If questions arise over parliamentary procedures or interpretations of the Bylaws, the By-Laws Committee Chairman or an appropriate member of the committee shall act as Parliamentarian.

ARTICLE III

OFFICERS

Section 1. The officers of the Ocean Springs Yacht Club, Inc. (OSYC), shall be a Commodore, Vice-Commodore, Rear Commodore, Secretary, Treasurer and Fleet Captain who shall be Class A and A/C members in good standing, elected annually by the membership at the Annual Meeting. They shall be members of the Board of Governors (Board). The Commodore, Vice-Commodore and Rear Commodore should be boat owners and each shall have served at least one (1) year on the Board or as Chairman of a standing committee within the previous five (5) years before taking office. The spouse of a Class A member may serve as an elected officer, provided that such member is not an elected officer or member of the Board of Governors at the same time.

Section 2. The Commodore, with the approval of the Board of Governors, may appoint additional officers. Such officers shall exercise such powers and perform such duties as shall be determined by the Board, but their terms of office shall terminate no later than December 31 of the year appointed.

Section 3. No officer shall serve more than two (2) consecutive terms in the same

office. No member of the Board of Governors shall serve more than four (4) consecutive years, except that any period of time in which a member of the Board is an elected officer or is the immediate Past Commodore shall not be counted therein.

Section 4. The Duties of the Officers Shall be as Follows:

(a) **Commodore:** The Commodore shall be the Chief Executive Officer and President of the Corporation. He/she shall preside at all meetings of the members and of the Board. He/she shall oversee the management of the affairs of the Corporation, and see that all orders and resolutions of the Board are carried into effect. He/she shall have the general powers of supervision and management usually vested in the office of Commodore of a yacht club and shall ensure that all matters pertaining to the Club are conducted in accordance with these By-Laws.

(b) **Vice-Commodore:** The Vice-Commodore shall serve as the 1st Vice-President of the Corporation. In the absence of the Commodore or Rear Commodore, or both, his/her respective duties shall devolve upon the Vice-Commodore.

(c) **Rear Commodore:** The Rear Commodore shall serve as the 2nd Vice-President of the Corporation. In the absence of the Commodore or Vice-Commodore, or both, his/her respective duties shall devolve upon the Rear Commodore.

(d) **Secretary:** The Secretary will record the minutes of all meetings and be responsible for all Club correspondence. He/she shall be custodian of the Seal of the Corporation, and shall affix the same to any instrument requiring it, and when so affixed, it shall be attested by his/her signature. He/she shall give notice of all meetings of the Club, and in case of special meetings, shall designate the business intended. He/she shall receive nominations for membership and transmit same to the Board at the next regularly scheduled meeting. He/she shall perform such other duties as may be enjoined upon him/her by the By-Laws.

(e) **Treasurer:**

(1) The Treasurer shall have charge of all funds of the Corporation and of its disbursements under the direction of the Board. He/she shall keep correct and ample accounts of all receipts and disbursements. He/she shall present at each stated meeting, and whenever so requested by the Board, a detailed account of the financial condition of the Club.

(2) Annually, he/she shall provide for a review of the Club books, as of year-end, by a certified public accountant selected and approved by a majority of the officers and Governors and report this review to the Board and the membership.

(3) He/she shall have charge of all leases, title deeds, and evidences of value, which shall be deposited, in a safe place as designated by the Board of Governors.

(f) **Fleet Captain:** The Fleet Captain is a position dedicated to a sailing member of the club and is a voting member of the Board of Governors. The Fleet Captain is charged with supporting internal and external sailing and racing by the membership of OSYC. They shall act as the liaison between the Ocean Springs Yacht Club and the Ocean Springs Sailing Squadron in enhancing sailing and racing activities at the Ocean Springs Yacht Club. If requested, the Fleet Captain agrees to serve on the Board of Directors of the Ocean Springs Sailing Squadron and shall support the organizations' mutually beneficial goals. The Fleet Captain shall report regularly to the OSYC on the progress of the OSYC/OSSS' sailing programs and make recommendations to improve and advance sailing at OSYC.

ARTICLE IV

BOARD OF GOVERNORS

Section 1. The Board shall be composed of eleven (11) regular voting members in good standing of the Corporation who shall be elected by the membership at the Annual Meeting in November of each year. Six (6) of these shall be regular officers of the Club as denoted in Article I. One (1) shall be the immediate Past Commodore or in his absence a past commodore of the club in good standing, and the remaining four (4) elected from the general membership for two (2) year terms that should be staggered to provide continuity. The spouse of a eligible member may serve as an elected member of the Board of Governors, provided such member is not an elected officer or member of the Board of Governors at the same time.

Section 2.

(a) Nominations for officers and for vacancies on the Board of Governors will be made by the Nominating Committee appointed by the Board.

(b) The committee will nominate a candidate or candidates for each office or vacancy on the Board, which after approval by the Board of Governors, will be circulated to the general membership by the Secretary at least four (4) and no more than eight (8) weeks prior to the annual meeting.

(c) Additional nominations may be made by any voting member with the endorsement of at least four (4) other voting members, provided such nominations are received by the Secretary at least twenty-one (21) days prior to the Annual Meeting for circulation to the membership at least two (2) weeks prior to the annual meeting.

(d) All nominations shall be with the consent of the nominated.

Section 3. In the event any Board member fails to attend three (3) successive monthly meetings, or a total of five (5) such regular meetings in any calendar year, his/her office shall become vacant. If a vacancy occurs on the Board of Governors, the Board will select from the nominees offered by the Nominating Committee a Class A and A/C member in good standing to serve on the Board until the next Annual Membership Meeting and election.

Section 4. Regular meetings of the Board shall be held at such time and place as the Board may determine. Special meetings of the Board may be called by the Commodore or Vice-Commodore on three (3) days' notice to each Board member, either personally or by email or telephone; special meetings shall be called by the Commodore or Vice-Commodore in like manner, and on like notice on the written request of two (2) Board members.

Section 5. Five (5) Board members, in addition to the presiding officer, shall constitute a quorum of the Board. All questions before the Board will be decided by majority vote. The presiding officer shall vote only in the event of a tie.

Section 6. In addition to the powers and authorities of these By-Laws expressly conferred upon it, the Board may exercise all such powers of the Corporation and do all such lawful acts and things as are not by statute or by the Articles of Incorporation or by these By-Laws directed or required to be exercised or done by the members.

Section 7.

(a) The Board of Governors shall have full power to enforce the By-Laws.

(b) The Board is responsible for proposing, voting upon, and enforcing the House Rules and all of its sub-parts. Proposed changes to these rules can be submitted to the Board in writing by any member, provided they are accompanied by signatures of ten (10) voting members of the club.

(c) Members will abide by the bylaws, House Rules and other rules established by the Board. By majority vote, the Board has full power to investigate and enforce violations of all such Rules and take appropriate disciplinary actions when warranted. Examples of such actions include but are not limited to: suspension of charging privileges, suspension of club use privileges, financial assessment, limitation of membership and termination of membership.

Section 8. The Board of Governors shall ratify the appointments of all committee chairpersons and members not specifically provided for in these By-Laws.

Section 9.

(a) The Board of Governors shall make all appropriations (i.e.: budget

allocations) for the use of the officers and committees of the Club; and

(b) Shall define all duties of officers, agents, and committees not otherwise defined in these By-Laws.

Section 10. The Board of Governors shall issue appropriate corporate resolutions, letters of authorization, contracts, etc., as may be necessary to authorize its officers or agents to execute Board or membership-approved actions.

Section 11. The Board of Governors may conduct routine business between meetings via email. If any of the business requires a vote, the Board member asking for the vote will maintain readily available electronic records of the outcomes and responses. The outcome of any business requiring a vote will be recorded in the minutes of the next Board meeting

ARTICLE V

COMMITTEES

Section 1. Standing and *Ad Hoc* Committees shall be appointed by the Commodore, subject to approval by the Board. Whenever the Board is not in session, the committees appointed by the Commodore may act, subject to ratification at the next meeting of the Board, at which time the appointments made by the Commodore may be either approved or disapproved.

Section 2. Committees shall contain representation from the general membership in addition to appropriate representatives from the Board.

Section 3. All classes of membership, including family members, shall be eligible for committee membership. The Commodore shall be an ex-officio member of all committees, except the Nominating Committee.

Section 4. In the month following the beginning of the term of office, the Commodore with the approval of the Board shall appoint members of the Board of Governors to establish the following standing committees. The committees will report on a regular basis to the Board and the general membership. Their duties if not defined by the By-Laws, shall be defined by the Board of Governors. At least one (1) member of the Board will serve on each of these committees.

(a) **Race Committee.** A Flag Officer, the Fleet Captain, the Sailing Committee Chairman and the GYA coordinator will be members of this committee.

(b) **House Committee.** A Flag Officer will serve as a member of this committee.

(c) **Finance Committee.** The Treasurer will serve as a member of this committee.

(d) **Swimming Pool Committee.**

(e) **By-Laws Committee.**

(f) **Sailing Committee.** A Flag Officer and the Fleet Captain will be members of this committee.

(g) **Social Committee.**

(h) **Grounds Committee.**

(i) **Publicity, Web Site, and Public Relations.** The Club's General Manager will serve as chairperson of this committee.

Section 5. The Nominating Committee shall be a standing committee appointed by the Board of Governors. The Committee will include the immediate past Commodore who will serve as chairman; one (1) other past Commodore; one (1) Board member, and two (2) representatives from the general membership. The present Commodore is excluded from membership in this Committee.

Section 6. Ad Hoc Committees. The Commodore may appoint such Ad Hoc Committees as he/she deems necessary or as directed by action of the Board of Governors.

ARTICLE VI

MEMBERSHIP

Section 1. Classes of Membership

(a) There will be seven (7) active and two (2) inactive classes of membership:

- (1) Class A Regular, full voting.
- (2) Class A/C Corporate, limited voting.
- (3) Class B Non-resident, non-voting.
- (4) Class C Intermediate, non-voting.
- (5) Class F Senior, non-voting. (Closed to new entry Nov 2008)
- (6) Class G Inactive, in good standing or balance owed, non-voting.
- (7) Class M Military, non-voting.
- (8) Class Y Youth, non-voting. Discontinued; see Section 2 below.
- (9) Class Z Terminated/Resigned, bad standing. Discontinued; see Section 10 below.

(b) The membership of this Club shall be limited to three hundred seventy-five (375) Class A members, seventy-five (75) Class A/C members, and fifty (50)

Class C members. There is no restriction on the number of Class B, F, G, M, Y and Z members.

(c) Members of all classes must be elected to membership by the Board of Governors.

Section 2. Class A (voting) Members.

(a) A Class A member may be a boat owner or an individual with a *bona fide* interest in the support of boating activities. Class A members in good standing have full voting privileges and may be elected to Club office. All Class A members are required to pay an initiation fee.

(b) When a Class A member dies, the Board may, at its discretion, transfer the membership to the surviving spouse.

(c) If a Class A member divorces, and upon the Final Decree, upon the member's request, the Board may, at its discretion, transfer the membership to the former spouse or otherwise equitably resolve the membership.

(d) If an applicant is currently a member in good standing of any Gulf Yachting Association Club at the time of application to this Club and has been for two years prior, the applicant may be admitted as a Class A member. Dues will be the same as those of other Class A members, and the initiation fee will be one-half ($1/2$) of the regular Class A membership, of which fifty percent (50%) must be paid at time of application and the balance paid within six (6) months.

Section 3. Class A/C (Corporate, limited voting) members have all the rights and privileges of Class A membership, except that corporate membership may be transferred to another corporate member and all fees (dues and initiation) are transferred to the new corporate member. There will be one (1) initiation fee paid to the Club per each corporation member, *i.e.*, five (5) corporate members, five (5) dues, and five (5) initiation fees be paid. Each Corporation shall be limited to three (3) votes. Each Corporation shall be responsible for all bills (charges) of its corporate members.

Section 4. Class B (non-resident, non-voting) members will be accepted as long as there is a *bona fide* interest in Club activities. A Class B member is normally a person who holds membership in another recognized yacht club, and whose residence is located twenty-five (25) road miles or further from OSYC; however, a person desiring Class B membership who is not a member of a recognized yacht club, and who does not have such a yacht club located within twenty-five (25) road miles from his residence, may qualify for Class B membership. A Class A member of OSYC who moves twenty-five (25) road miles or further from OSYC to a location where there is no yacht club within twenty-five road miles of his new residence may have his membership changed to Class B with approval of the Board. Dues for Class B members will be fifty percent (50%) those for Class A members, fifty percent (50%)

initiation fee will be charged, and any assessments as levied. Class B members may enjoy all Club activities with the exception of voting or holding elected office.

Section 5. Class C (intermediate, non-voting) membership will be normally open to single former family or junior members of OSYC between the ages of 18 - 26 who are not otherwise eligible for family membership. The category is designed to provide an interim membership for former family members of Class A members; however, this membership may be extended at the discretion of the Board, to other individuals who fall within the stated age group and exhibit an active interest in sailing. Class C members may enjoy all Club activities with the exception of voting or holding elected office. Class C members shall pay no more than fifty percent (50%) of the initiation fees and fifty percent (50%) of the dues of regular voting Class A members and fifty percent (50%) of any assessments as levied. If the Class C member later chooses to apply for Class A (voting) membership, the amount of his Class C initiation fee will be applied against the amount of the regular initiation fee charged new Class A members.

Section 6. Class F (senior) Members. A Class A member, seventy (70) years of age or older, as defined in previous versions of Club Bylaws is hereby discontinued. All rights, privileges, and restrictions granted to existing Class F members shall continue in force for those existing members only. No new Class F member shall be added.

Section 7. Class G, Inactive. This inactive administrative class is used to receive the names of all members who have terminated their membership either owing nothing to the Club and therefore in good standing (Class G) or those owing a balance and therefore in bad standing (Class G – Balance Owed). The latter category includes those who have recently resigned but have not yet paid their final bill. Once paid, their category is changed to Class G. The latter category also includes those who have resigned but have consistently refused to clear their debts to the Club. These members are maintained as Class G – Balance Owed, until all debts are paid. At that point, their status may be changed to Class G at the discretion of the Board.

Section 8. Class M (military) members will be charged fifty percent (50%) of Class A members' initiation fee. Dues will be the current fee charged by the club for Class A members. This class of membership is non-voting, cannot hold or be appointed to office and is restricted to a maximum of five (5) years, at which time, should the member wish to continue membership in the Club, he/she must convert to one of the other classes of membership. Charge privileges are the same as a Class A member.

Section 9. Class Y (Youth) Members. This class is discontinued. All future youth sailing only memberships will be offered through our partner, the Ocean Springs Sailing Squadron.

Section 10. Class Z, Terminated/Resigned, bad standing. This administrative class, now discontinued, was used to receive names of delinquent members, all membership classes, whose membership was terminated at the direction of the board or who resigned prior to clearing all debts to the club. The designation under Class G of "Class G, Balance Owed,

replaced this class.

Section 11. Vacancies and Waiting List: At such time when the club has reached a membership cap, a Waiting List will be established. As a Class A membership becomes available, prospective members on the Class A Waiting List shall be offered the opportunity to join as a Class A member. Preference shall be granted first to active Class C members, and then respectively to, Class G members, Class B members, Class M members, and prospective members at large. The Club Secretary will maintain the Waiting List and ensure it is posted in the club.

(a) The Board will consider names on the waiting list for admission to membership per the preferences above. At each Board meeting, the Board will consider names on the waiting list for admission as the list stood at the end of the last regularly scheduled Board meeting. This is done so that a prospective member in the number one position does NOT get bumped for a higher precedence applicant that month. The Board will go to the waiting list as it stands from the last meeting, admit applicants to fill vacancies, and then add names from applications received in the last month in their proper place on the list per the precedence above and reissue the list – for use at the next meeting.

(b) Class B, C, and M members who become Class A members will be required to pay any difference between the initiation fee for their first class of membership and that of Class A members.

(c) Further, all members who have applied to join another membership class and are not permitted to do so because of membership limits may remain a member of their current class until openings occur and they are selected for admission. In the event this would pose a financial penalty, the Board may temporarily adjust the cap upward to fit the situation.

Section 12. Membership cards shall be issued upon joining the Club by the secretary. The OSYC club card/annual date sticker will be made available upon receipt from GYA. Acceptance of the card/date sticker obligates the member to pay dues for that year and to pay any charges made by anyone for which the member is responsible.

Section 13. Membership Election Procedure shall be as follows:

(a) One (1) regular voting member in good standing of the Yacht Club must sponsor the proposed new member, and two (2) other regular voting members in good standing must second the proposal. One (1) of the three (3) Members must be a Board member. A sponsor may be related by business to a new applicant for Club membership, but the two (2) cosigners must not be business associates. No person may be proposed or seconded by any member of their immediate family, and a Board member shall excuse him/herself from voting on a member of his immediate family; however, at any time a Board member, for whatever reason, may ask the Commodore for permission to excuse him/herself from a membership vote.

(b) When a new membership application is received by the Club, the Secretary will post the application on the Club bulletin board where it will remain for ten (10) days. During this period, Class A members having comments regarding any applicant so posted may submit same to any member of the Board. At the end of this period, the Board shall vote on the application. This voting may be performed by email or during a regularly scheduled Board meeting by secretarial ballot as long as the vote is taken within 30 days or less of the date the applicant submitted his application. In either case, any comments received by any Board member shall be made available for consideration by the Board, and also in either case, approval of the new member will require a majority vote of the Board members. The Secretary shall maintain complete records of voting by Board on new members whether by email or ballot and shall include the results of the voting in the minutes of the Board meetings.

(c) Each new membership application must be accompanied by a minimum payment of one-fourth (1/4) of the current initiation fee, plus one (1) month's dues. If the application is not approved, the fees and dues will be refunded to the applicant. In the event of a waiting list condition, such payment shall not be required until membership has been granted.

Section 14. Resignations. Members should resign by giving written notice to OSYC, with the effective date being the date the notice is received by OSYC. The Secretary shall notify the Board and the office of same. The Treasurer shall provide the Board with the financial status of those not in good standing and recommend action for each. Members terminating their membership are responsible for returning any and all Club keys, membership cards and/or other Club property, which they may have.

(a) Members who resign in good standing and are absent for less than twelve (12) months may, at the discretion of the board, be allowed to rejoin, membership limits allowing. They will be required to pay all back dues and required usage fees that would have accrued during their period of absence plus any assessments levied during that time.

(b) Members who resign in good standing and are absent for twelve (12) months but less than three (3) years may, at the discretion of the board, be allowed to rejoin, membership limits allowing. They will be required to resume payment of dues and required usage fees and pay any assessments levied during the last twelve (12) months of their period of absence.

(c) Members who resign in good standing, and are absent for a period of three (3) years or more, may rejoin only by applying for a new membership and paying the initiation fee specified at that time. These applicants will have no placement privileges on the waiting list.

(d) Former members not in good standing may be allowed to transfer into the good standing classification upon settlement of all debts owed to the club.

ARTICLE VII

CLUB FINANCES

Section 1. Revenues.

(a) Club revenues may be derived from membership dues, initiation fees, required usage fees, gifts, assessments, or charges for Club activities, facility usage fees, food or beverages.

(b) Funds received by the Club or pool use fees, rental fees and non-restricted or non-specified gifts or revenues will be considered as general funds and may be employed to meet any and all expenses of the Club.

(c) Funds raised by special assessments or appeals for specific purposes may be expended only for the purpose for which they were raised until all obligations incurred for that purpose have been met. Surplus funds available thereafter may be assigned to the general fund or to another special purpose fund at the discretion of the Board.

(d) Such funds, received by the Club on a continuing basis, such as payments on initiation fees or special assessments issued for clubhouse, pool or pier construction, which may be received in a given month in excess of the amount needed for current assigned expenses or scheduled payments may be used only for current assigned expenses or scheduled payments and may be used only to prepay the obligated loan or to be placed in escrow for the purpose of making future payments on the obligation. This would not include new construction or improvements.

Section 2. Fees, Dues, and Assessments.

(a) Dues and initiation and required usage fees will be approved at the Annual Membership Meeting by a majority vote of a quorum of voting members present.

(b) Special assessments must be approved by two-thirds (2/3) of a quorum of voting members present at a general membership meeting.

(c) Membership dues and other recurring payments of any kind are due on the 1st of each month and payable on the 15th.

(d) The initiation fee and any additional fees, if any, at the time of election to membership, may be paid in full or at the discretion of the Board, payable within six (6) months of becoming a member. All fees are non-refundable.

(e) The Board, at its discretion, after posting notice on the official bulletin board, and by a two-thirds (2/3) majority vote, may elect to change the initiation fees, when it is in the best interests of the Club. The Secretary will maintain records of the voting and incorporate the results in the minutes of the Board meeting.

Section 3. Charges.

(a) All members in good standing may charge food, beverages, or services in a manner specified in the House Rules.

(b) If authorized by the Board, Flag Officers or General Manager, guests and visitors, as defined in Article VIII, may incur charges. Unpaid indebtedness incurred by guests may be charged to the account of the host member, or to the Yacht Club or organization, which the guest or visitor represents.

(c) Reciprocal Charges. Billings from other clubs for services extended to OSYC members will be charged to the account of the member as permitted by the Board and shall be paid to OSYC.

Section 4. Indebtedness.

(a) All indebtedness (dues, fees, assessments, monthly payments on accounts for past indebtedness, any other recurring payments, etc.) are due on the 1st and payable by the 15th of each month. Failure to discharge one's financial obligations to the Club by the 30th triggers specific procedures for addressing that indebtedness.

(b) These procedures will be developed by the Finance Committee and proposed to the Board for approval per Article IV, Section 7(b) of these By-Laws for inclusion in House Rules. These procedures shall include as a minimum Board and Board Member actions required, notification to the delinquent member, and advisement of the following consequences if the delinquent does not respond satisfactorily in addressing his/her indebtedness.

(1) One (1) month in arrears: Charging privileges withdrawn at OSYC; public notification at OSYC that the member is not in good standing; other Gulf Yachting Association (GYA) clubs notified of same and that OSYC will not honor any reciprocal charges.

(2) Two (2) months in arrears: Suspended from all Club activities including sailing, pool, lounge, bar, voting and holding office, and any other activities using the facility; and member's account frozen. Other

GYA clubs advised of same.

(3) Three (3) months in arrears: Account turned over to attorney for collection.

(c) A member out of town for a period of time, and in good standing when leaving, who notifies the Treasurer in writing in advance, will be exempt from penalties and delinquent notices until he/she returns, with the understanding that his/her account becomes due within thirty (30) days of his return.

Section 5. Reinstatement.

(a) A member whose account is two (2) months or less delinquent will be reinstated to active status upon bringing their account current, or, at the discretion of the Treasurer, after making appropriate arrangements with him/her to do so.

(b) A member whose account is more than two (2) months delinquent seeking reinstatement must request written reinstatement to the Board. The Board may grant such request only after payment of all obligations. Further, the delinquent member will be required to sign up and keep a valid automated clearing house (ACH) debit form for future dues and charges prior to returning to good standing. If the now fully-paid up member desires, they may request transfer to inactive in good standing as defined in Article VI. The Board may grant such transfer at its discretion.

(c) The board may, at its discretion, move any delinquent member who fails to make payment arrangements for all obligations, including costs of collection, to inactive, bad standing status (Class G – Balance Owed).

ARTICLE VIII

GUEST PRIVILEGES

Section 1. Guest privileges will be extended to the guests of members, as provided in House Rules. Members are responsible for all non-reimbursed expenses incurred by their guests.

Section 2. At the discretion of the Board, guest privileges may be extended to *bona fide* participants in regattas and other interclub events held at OSYC.

Section 3. Visitors who are members of recognized yacht clubs situated outside of a fifty (50) mile radius or of recognized yacht clubs within a fifty (50) mile radius who extend guest privileges and billing privileges to OSYC members, may be accorded guest privileges at the Club on an occasional basis, provided they present evidence of current membership in such

a club and obtain approval of a Flag Officer of the Club or the General Manager. Extension of billing privileges to members of these clubs is at the discretion of the Board, the Flag Officers of the Club, or the General Manager.

ARTICLE IX

AMENDMENTS

Section 1. Additions, deletions or corrections of the By-Laws (also called amendments) must be approved by two-thirds (2/3) of members voting at a general membership meeting.

Section 2. Although proposals for changing the By-Laws normally come from the By-Laws Committee through the Board, proposals for such changes will be accepted from the Class A membership, providing the proposals are submitted in writing to the Board with the signatures of ten (10) Class A members. These proposed amendments must reach the Board at least thirty (30) calendar days prior to the next general membership meeting. All proposed amendments, regardless of source, shall be posted on the OSYC bulletin board at least fourteen (14) days prior to the meeting. Additionally, copies shall be available at the club and by email distribution upon request.

ARTICLE X

These By-Laws are current and reflect the amendments approved by the general membership in 1978, 1979, 1980, 1982, 1983, 1984, 1986, 1987, 1988, 1991, 1997, November 2007, November 2008, November 2009, April 2010, November 2010, November 2011, and November 2013.

APPROVED:

(signed)

DEE SMELLEY, COMMODORE

(signed)

ROGER GARDNER, VICE COMMODORE

(signed)

STEVEN BUSSARD, BYLAWS COMMITTEE HEAD