

FAIRFIELD HARBOUR YACHT CLUB

NEW BERN, NORTH CAROLINA

CONSTITUTION and BYLAWS

Originally adopted at regular meeting April 12, 1984

Amended: September 12, 1985

June 13, 1986

October 9, 1990

January 9, 1997

April 12, 2007

September 9, 2010

March 12, 2015

October 8, 2020

CONSTITUTION and BYLAWS

ARTICLE I NAME, LOCATION AND INCORPORATION

Section 1. This organization shall be known as the FAIRFIELD HARBOUR YACHT CLUB, LTD.

Section 2. This Club shall be located at Fairfield Harbour, New Bern, Craven County, North Carolina.

Section 3. This Club is a non-profit organization incorporated under the laws of the State of North Carolina on April 3, 1984.

ARTICLE II PURPOSE

The purpose of the Club shall be to promote yachting, promote the science of seamanship, encourage social events among its members, and promote safety on and preservation of the waterways. The Club shall not be maintained, nor shall

any of its objective be pursued for monetary profits and, in addition, shall have those purposes set forth in the Articles of Incorporation. To the extent that this instrument is inconsistent with the Articles of Incorporation, the said Articles shall govern.

ARTICLE III MEMBERSHIP

Section 1. MEMBERSHIP: A MEMBERSHIP shall be awarded to an individual or couple who is a property owner, or condominium owner of the Fairfield Harbour development located in New Bern, North Carolina, pays Full Property Owners Association (POA) dues and who owns a registered or documented sail or power boat. (In the absence of a registration or documentation certificate, evidence of a pending application for registration or documentation will suffice.) Each MEMBERSHIP shall have one vote in matters requiring membership resolution.

Section 2. REGULAR MEMBER: A REGULAR MEMBER shall be an individual holding a MEMBERSHIP in the Club. When a MEMBERSHIP is held by a couple, both shall be considered REGULAR MEMBERS. Each MEMBERSHIP shall have one (1) vote.

Section 3. LIFE MEMBER: A LIFE MEMBER shall be a REGULAR MEMBER who has been voted a LIFE MEMBERSHIP by unanimous vote of the Board of Governors. A LIFE MEMBER will not be required to pay dues, but will have all of the privileges of a REGULAR MEMBER. LIFE MEMBERSHIP shall be extended to both husband and wife unless otherwise specified.

Section 4. MEMBERSHIP Acceptance procedures:

(a) MEMBERSHIP in the Club shall be by Board of Governors' acceptance only.

(b) Prospective members must have written endorsement from at least two MEMBERSHIPS (not family related), one sponsor having been a Club member for at least one year, and their applications for membership must be reviewed by a committee established for that purpose.

(c) After satisfaction of the provisions of sub-paragraph (b) above, prospective member applications shall be presented to the Board of Governors to be acted upon at that time. Two negative votes shall be sufficient to prevent acceptance of prospective members.

(d) Recognizing that extraordinary personal situations occasionally exist, the Board of Governors is empowered to approve the membership application of an individual(s) not meeting the criteria set forth in Section 1. Such acceptance

requires the unanimous secret ballot approval of all members of the Board of Governors.

Section 5. The criteria for re-admittance of a prior member shall be established by the Board of Governors.

ARTICLE IV RESIGNATIONS AND TERMINATIONS

Section 1. MEMBERS wishing to resign from the Club are expected to so notify the Secretary. The Board of Governors will officially acknowledge the resignations only after any outstanding financial/property obligations have been satisfied.

Section 2. Any member who fails to pay the required dues and/or assessments as established by the Board of governors within four months of the date they are due shall be considered by the Club to have resigned and their membership in the Club shall cease.

Section 3. The Board of Governors is empowered to terminate the MEMBERSHIP of, or take punitive action against, an individual whose conduct is considered damaging to the good name and interests of the Club. Such proceedings must include advising the MEMBER of the reason(s) for the contemplated action and providing opportunity for the individual to address all complaints presented. Such action requires the secret ballot approval of all members of the Board of Governors.

ARTICLE V OFFICERS AND BOARD OF GOVERNORS

Section 1. The Flag Officers of the Club shall be the Commodore, Vice Commodore, Rear Commodore, Secretary, and Treasurer. Flag Officers shall be elected by a majority vote of the MEMBERSHIP present at the annual meeting in November.

Secretary and Treasurer serve two-year terms and are elected in alternate years. The Commodore progression is a three-year term served as one-year posts in succession as Rear, Vice, and then Commodore. Terms will begin in January of the following year or until their successors are elected. A person to be eligible for a Flag Office must be a REGULAR MEMBER for at least two (2) years. No Flag Officer shall succeed him/herself in the same office more than once.

Section 2. The Board of Governors shall consist of the Commodore, Vice Commodore, Rear Commodore, Secretary, Treasurer, immediate Past Commodore, and six elected Directors. A person to be eligible for a Director must

have been a REGULAR MEMBER for at least two (2) years. The six elected Directors shall be elected by majority vote of the MEMBERSHIPS present at the annual meeting in November; two Directors elected each year for terms of three (3) years (beginning in January of the following year) or until their successors are elected. No Director shall serve more than one (1) successive three-year term as a Director.

Section 3. Vacancies in any of the Flag Officer positions shall be filled by appointment by the Board of Governors. A person so appointed shall serve the remainder of the unexpired term.

Section 4. Should a Director be elected a Flag Officer, that person shall relinquish his/her position on the Board and the vacancy thus created shall be filled by election of a person at that time to complete the unexpired term. Should a Director of the Board of Governors be appointed a Flag Officer to fill the unexpired term of a previous incumbent, that person shall relinquish his/her prior position on the Board and the vacancy thus created shall be filled by appointment by the Board of Governors. A person so appointed shall serve the remainder of the unexpired term.

ARTICLE VI DUTIES OF OFFICERS AND BOARD OF GOVERNORS

Section 1. Commodore

(a) It shall be the duty of the Commodore, enlisting the assistance of Club members as necessary, to:

(1) Preside at all meetings of the Club and the Board of Governors. The Commodore is ex-officio a member of all committees of the Club except the Nomination Committee.

(2) Carry out provisions of the Constitution and Bylaws and enforce all Club rules and regulations.

(3) Advance the PURPOSE of the Club.

(4) Prepare an annual budget for the operation of the club.

(b) The Commodore shall vote on the acceptance of all prospective members, but shall cast his/her vote on other Board of Governors business only in the event of a tie.

(c) It shall be the privilege of the Commodore to appoint a Fleet Surgeon and/or a Fleet Chaplain to honorary Club positions as appropriate. Such positions have no voting privileges on the Board of Governors.

Section 2.

Vice Commodore It shall be the duty of the Vice Commodore to assist the Commodore in the discharge of his/her duties and, in the absence of the Commodore, to act as Commodore.

Section 3.

Rear Commodore It shall be the duty of the Rear Commodore to aid the Commodore and Vice Commodore and, in their absences, to discharge their duties.

Section 4. Secretary

It shall be the duty of the Secretary to keep a correct roster of the MEMBERSHIPS and boats of the Club; to keep full records of the proceedings of each meeting; to have custody of all reports and documents connected with the business of the Club; to provide notices of special meetings; to notify all members of their election to Office and of their appointments to serve on committees; and to notify the Treasurer of the acceptance of new MEMBERSHIPS.

The Secretary shall keep a current copy of the Constitution and Bylaws, as amended, and make same available to members on request. A committee or committees may be established to utilize information processing technology to assist the Secretary in carrying out these duties.

Section 5. Treasurer

It shall be the duty of the Treasurer to have custody of the funds of the Club and to pay all bills contracted by the Club, when approved by the Board of Governors. He/she shall maintain an accurate balance sheet of same and shall receive all dues and make a report of same to the Board of Governors.

The Treasurer may be bonded in the amount to be determined by the Board of Governors, the premium for such bond to be paid by the Club. An audit shall be conducted annually. The Treasurer shall maintain a set of operating procedures for the conduct of the Office and shall submit these procedures annually to the Board of Governors.

Section 6. Board of Governors

The Board of Governors shall have general charge of the affairs and title to the funds and property of the Club. It shall have full power to see to it that the PURPOSE of the Club is carried out in accordance with this Constitution and Bylaws. To this end:

- (a) It shall keep a record of all its official acts.
- (b) It shall have the power to regulate dues and initiate fees or other charges.
- (c) It shall have the power to fill vacancies among the Flag Officers and Directors.
- (d) It shall have the power to remove for cause any Flag Officer or Director and to reprimand, suspend, or expel any REGULAR MEMBER for conduct considered damaging to the good name and interests of the Club following a complaint or petition made to any member of Board of Governors. Any member of the club may make such a petition or complaint. These must be in writing and specific.

A Flag Officer, Director, or REGULAR MEMBER so charged shall be notified of all complaints, as well as the time and place at which they will be officially presented and will be given opportunity to address all such complaints. The decision of the Board of Governors in such matters shall be considered final.

- (e) It shall have the power to establish the allowable number of MEMBERSHIPS.
- (f) It shall have the power to interpret the Constitution and Bylaws when portions thereof may be in conflict or of doubtful meaning.
- (g) It shall maintain oversight of all committees.
- (h) Its members shall strive for good attendance at all Board of Governors' meetings and should not accept nomination to a Director or Flag Officer position if they expect to be absent for a substantial number of Board of Governors' meetings.

ARTICLE VII COMMITTEES

The Commodore may establish any committees that he/she and the Board of Governors believe necessary for the proper functioning of the Club. Chairpersons for all committees, except the Nomination Committee, will be appointed by the Commodore. Prior to the annual election meeting, each chairperson shall present to the Commodore a report of the activities of the committee during the year.

ARTICLE VIII DUES, FEES AND ASSESSMENTS

Dues, fees and any assessments needed shall be established by the Board of Governors. All prospective members must pay an initiation fee, which must accompany their application for membership.

ARTICLE IX MEETINGS

Section 1. The latest edition of *Robert's Rules of Order* shall be considered the authority in deciding all points of order and parliamentary procedure at all meetings of the Club and the Board of Governors.

Section 2. Club Meetings

(a) Monthly meetings of the Club shall be held on the second Thursday of each month unless changed by the Board of Governors.

(b) At any official Club meeting the presence of fifteen percent of the MEMBERSHIPS shall constitute a quorum for the transaction of Club business.

Section 3. Board of Governors Meetings

a) The Board of Governors shall hold meetings on a regular basis.

(b) A special meeting of the Board of Governors may be held at any time upon the call of four members of the Board, or by the Commodore. Such a meeting requires at least twenty-four hours' prior notice in order that time, place and purpose of the meeting can be made known.

(c) At any meeting of the Board of Governors, six members of the Board, excluding the presiding officer, shall constitute a quorum for the transaction of normal business. Any Board meeting lacking a quorum must adjourn to a later date to be determined by the Commodore or presiding officer.

ARTICLE X NOMINATIONS AND ELECTIONS

Section 1. Nominations

(a) The Nomination Committee shall consist of at least five (5) REGULAR MEMBERS to include the immediate Past Commodore as Chairman, or, if unavailable, the next most recent Past Commodore. The committee members shall be selected by the Nomination Committee Chairman with the approval of the Board of Governors (the present Commodore excluded). The committee members shall be selected in equal numbers from the Board of Governors and the REGULAR MEMBERS at large.

(b) Members of the Nomination Committee and members nominated for an office must have been REGULAR MEMBERS for at least TWO (2) years.

(c) The Nomination Committee shall present to the Club membership nominees for positions to be voted upon, i.e., each Flag Officer position and two (2) or more Director positions depending upon the number of vacancies expected.

This presentation shall be given no later than the regular October monthly membership meeting preceding the annual (election) meeting.

(d) When the Nomination Committee has completed presenting their nominees to the Club membership, the Commodore shall retire the Nomination Committee and immediately open and invite nominations from the REGULAR MEMBERS.

(e) At the time of and preceding the November election, these persons already nominated shall be announced (introduced) and nominations shall be re-opened to the Club membership

(f) No person shall be considered nominated unless that person has consented to serve if elected.

(g) A qualified REGULAR MEMBER may accept nomination to only one (1) elected office.

Section 2. Elections

(a) When all nominations have been made and the nomination procedures closed, the election will be conducted by secret ballot and tallied by individuals from the Club membership appointed by the Commodore.

(b) A secret ballot shall not be required in instances where only one (1) candidate has been nominated for a particular position.

(c) Each MEMBERSHIP shall have one (1) vote.

ARTICLE XI AMENDMENTS

A proposed amendment to the Constitution and Bylaws must be in writing and signed by 10% or more REGULAR MEMBERS or by a unanimous vote by the Board of Governors. It must be presented at a membership meeting. The Secretary shall provide a copy of a proposed change to each MEMBERSHIP at least two weeks prior to the meeting at which the proposed change will be voted upon. A two-thirds majority of votes cast will be necessary for adoption.

ARTICLE XII INDEMNIFICATION

Section 1. Any person who at any time serves, or has served, as a Flag Officer, Director, employee or agent of the Club, or in such capacity at the request of the Club for any other corporation, partnership, joint venture trust, or other enterprise shall have a right to be indemnified by the Club to the fullest extent permitted by the law against:

(a) Reasonable expenses, including fees incurred by him/her in connection with any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, and whether or not brought by or on behalf of the club, seeking to hold him/her liable by reason of the fact that he/she is or was acting in such capacity; and

(b) Reasonable payment made by him/her in satisfaction of any judgment, money decree, fine, penalty or settlement for which he/she may become liable in any such action, suit or proceeding.

Section 2. The Board of Governors of the Club shall take all such actions as may be necessary and appropriate to authorize the club to pay the indemnification required by the Bylaws, including without limitation, to the extent needed, making a good-faith evaluation of the manner in which the claimant for indemnity acted and of the reasonable amount of indemnity due him/her and giving notice to, and obtaining approval of the MEMBERSHIPS.

Any person who at any time after adoption of this Bylaw serves or has served in any of the aforesaid capacities for or on behalf of the Club shall be deemed to be doing so or to have done so in reliance upon, and as consideration for, the right of indemnification provided herein. Such right shall inure to the benefit of the legal representatives of any such person and shall not be exclusive of any other rights to which such person may be entitled apart from the provision of this Bylaw.