

# BYLAWS OF THE WOLFEBORO CORINTHIAN YACHT CLUB

## As Amended through July 25, 2015

### ARTICLE 1 - PURPOSE; ADMINISTRATION

- 1-100 PURPOSE. The mission of the Wolfeboro Corinthian Yacht Club is to provide to Club members the highest level of both marine and member services and social amenities at the lowest possible cost, through an uncompromising commitment to safety, quality, service, competitive pricing, and optimum utilization of its existing property resources; thereby:
- Serving non-club members, both private and commercial, as their marine service provider of choice.
  - Attracting and retaining the highest quality employees resulting from a high level of job satisfaction and above area average compensation, benefit and job security opportunities in a safe, attractive and congenial workplace.
  - Serving as a responsible contributor to the quality and growth of the Wolfeboro community.
  - Promoting safe boating through education, enforcement of New Hampshire boating regulations and cooperation with the New Hampshire Marine Patrol.
- 1-200 ADMINISTRATION. The administration of the Wolfeboro Corinthian Yacht Club (sometimes referred to herein as the "Club") shall be governed by these Bylaws.

### ARTICLE 2 - YACHT CLUB MEMBERS; MEETINGS

- 2-100 SHAREHOLDING MEMBERS AND VOTING RIGHTS. Each shareholding member shall be issued a share of Club Stock. The holder of each share of stock shall be entitled to one vote at the meeting of the Club. Only shareholding members shall be entitled to vote, and shall be sole owners of the assets of the Club. Members may vote by absentee ballot or in person for the election of Governors, and by absentee ballot or facsimile for all other matters except Bylaw changes pursuant to Article 9, which require the voting member to be present.
- 2-101 NUMBER OF MEMBERS. The number of shareholding memberships is limited to 150. Other, non-voting classes of membership may be established by the Board of Governors with the approval of a majority of the shareholding members, but shall have no ownership interest in the Club assets.
- 2-200 MEMBERSHIP RESIGNATION / SHARE REDEMPTIONS. A Shareholding Member wishing to resign from the Club, thereby relinquishing all equity interests in the Club, shall render the issued share of Club Stock to the Club for redemption. The Club shall redeem the rendered share for an amount of money equal to the original Initiation Fee plus any Special Assessments paid by the resigning

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Shareholding Member, less any remaining obligations of that member to the Club at the time of redemption including payment of dues, assessments, charges for goods and services owed to the Club, including accrued interest. Redemptions may not be transacted at a profit to the resigning Shareholding Member. The Club shall fund and transact up to four regular redemption requests per fiscal year, though it may do more, and may also transact an unrestricted number of Direct Replacement Redemptions as defined below. All redemption requests must be submitted in writing to the Board of Governors and, excluding Direct Replacement Redemptions, will be transacted in the exact order of date and time they are received by the Board of Governors. In cases where Hardship can be demonstrated by a member or their heirs, the Board of Governors shall have the authority to redeem a member's share outside of the stated process. The Board of Governors will establish and maintain a pending queue for regular redemptions based on the date and time of receipt in order to track and sequence redemption requests. A Shareholding Member who renders his/her share to the Club for redemption and subsequently declines to be redeemed at the time the share becomes eligible, or who withdraws his/her request prior to redemption will be removed from the redemption queue and will be required to submit anew should conditions change. All obligations of the resigning Shareholding Member to the Club shall continue until the date the redemption is transacted.

- a) To qualify for a Direct Replacement Redemption the resigning Shareholding Member is required to independently secure and bring forth a new Replacement Member who commits to join Club at the then current Initiation Fee. Under such conditions, confirmed in writing jointly by the resigning Shareholding Member and Replacement Member, the Club will transact the redemption for such resigning Shareholding Member upon receipt of payment of the then current Initiation Fee from the Replacement Member. Direct Replacement Redemptions shall not count towards the Club's obligation to fund and transact up to four regular redemptions per fiscal year. All obligations of the resigning Shareholding Member to the Club shall continue until the date the redemption is transacted.

2-210 SHARE TRANSFERS BY GIFT OR INHERITANCE OR TO FAMILY TRUSTS. A share which transfers by inheritance or by gift of whole or part interest to spouse, child or children, sibling or siblings, child or children of siblings is not subject to Bylaw 2-200. Transfers may be made to family trusts but trusts may not be used to expand the aforesaid exceptions. Prior to transferring share ownership on the books of the Club, the Board of Governors may request any documentation necessary to determine if Bylaw 2-200 applies to the transfer. The liability of the Shareholding Member shall continue until the transfer has been approved and all such transferees shall be deemed liable for any outstanding obligations to the Club at the time of transfer including payment of dues, assessments, charges for goods and services, and accrued interest.

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- 2-220 DOCK AND MOORING RIGHTS. Any rights to a mooring or dock space that have been assigned by the Club to a member may be transferred with the transfer of that member's whole share if the share is transferred by inheritance or by gift as defined in Article 2-210.
- 2-300 ANNUAL MEETING. Commencing in 1982, the annual meeting of the Association will take place on the third Saturday in July of each year at 3:00 PM. at the Club premises, or at such other reasonable place of time or date as may be designated by written notice of the President or a majority of the Board of Governors.
- 2-400 SPECIAL MEETINGS. Special Meetings of the members may be called at any time for the purposes of considering matters which, under New Hampshire law or these Bylaws require the approval of the voting membership or for any other reasonable purpose. Said meeting shall be called by the President, by a majority of the Board of Governors or upon written petition of not less than twenty percent of the voting members, provided that in all cases at least seven (7) days prior written notice of said meeting shall be given to the members.
- 2-500 QUORUM. At any meeting of the club, the presence in person at the beginning of such meeting of members holding at least one-fourth of the total voting power, shall constitute a quorum, but less than a quorum may transact business if members holding fifty percent of the voting power not present subsequently assent to the decisions made at said meeting by signing a copy of the Minutes thereof to be filed with the records of the Club. When a quorum is present, unless otherwise provided in the Bylaws or by law, a majority of the members' total voting power present in person or by proxy shall decide any business brought before the meeting.
- 2-600 REMOTE PARTICIPATION IN ANNUAL AND SPECIAL MEETINGS. Eligible Shareholding Members of any class may participate in any meeting of shareholders by means of remote communications including, but not limited to, audio or video conferencing and computer Web-based or Internet-based virtual meeting technologies. Shareholders participating in a shareholders' meeting by means of remote communication shall be deemed "present" under Article 2-100 for general voting purposes, Article 2-500 for quorum purposes and under Article 9-100 for Bylaw Amendment voting purposes as if the member were physically present. The Club will apply reasonable measures to:
- a) verify that each person participating remotely is a shareholding member and eligible to cast a vote,
  - b) restrict remote access to eligible shareholding members only via passwords, passcodes or other measures,
  - c) provide such shareholders a reasonable opportunity to fully participate in the meeting, including an opportunity to hear and be heard, to pose questions, and

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- to read or hear the proceedings of the meeting, substantially concurrently with such proceedings, and
- d) allow remote participants to vote on matters submitted to the shareholders and have that vote verified and retained.

### ARTICLE 3 - BOARD OF GOVERNORS

- 3-100 GOVERNORS. The affairs of the Club will be managed by a Board of Governors who shall fulfill the functions of a board of directors, and specifically those functions set forth in Articles 3 and 4 hereunder. The Board of Governors shall consist of not less than seven (7) nor more than nine (9) persons as shall be determined by the Board of Governors from time to time.
- 3-200 VACANCIES. Vacancies in the Board of Governors may be filled until the date of the next Annual Meeting by the remaining Governors.
- 3-300 TERMS OF OFFICE. The Governors shall be elected for staggered three year terms, with no more than three Governors' terms expiring in any one year. A Governor may not be elected to a third consecutive three year term.
- 3-301 REMOVAL. Any Governor may be removed for cause by the affirmative vote of three-fourths of the Governors present at any meeting of the Board provided that written notice of intent to seek removal shall have been sent by certified mail to the last recorded address of the Governor at least fifteen (15) days before the meeting at which such vote is taken. This notice shall include the time and place of the meeting and a summary of the reasons advanced for removal. The Governor shall be given the opportunity to be heard in response to a motion for removal before vote thereon and may participate in such vote. If a Governor is removed the vacancy thus created shall be filled as provided in Section 3-200.
- 3-400 MEETINGS. Regular meetings of the Board may be held at such time and place as shall be determined from time to time by a majority of the Board. Meetings may be held in-person, via conference call, video conference or other means of remote communication enabling all participants in the meeting to simultaneously hear each other and communicate with each other during the meeting. Any one or more of the members of the Board may participate by means of remote communication and shall be deemed "present" for quorum purposes and eligible to vote on all matters before the Board. Special meetings of the Board of Governors may be called by the President or by a majority of the members of the Board of Governors by giving three (3) days personal notice to all of the members of the Board at the time and place of said meeting and the purpose of the meeting. A quorum shall be considered to more than one-half of the members of the Board.

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- 3-400 CONDUCT OF MEETINGS. Board meetings shall be announced in advance and shall be open to the members, except that the Board may vote to enter an Executive Session to address and act upon legal issues, personnel matters, business matters or such other matters as in the reasonable judgment of the Board require confidential treatment.
- 3-401 MINUTES OF MEETINGS. The Board shall cause written minutes to be prepared of each meeting which shall include a record of all decisions made and votes on all motions. Minutes shall be made available to a member upon request.
- 3-500 PRESIDING OFFICER. The presiding officer of the Board of Governors' meetings shall be the President of the Club. In the absence of a presiding officer, the Governors present shall designate one of their number to preside.
- 3-600 COMMITTEES. There shall be six (6) standing committees, each chaired by a member of the Board of Governors. The committees are:
- |                    |                       |
|--------------------|-----------------------|
| Club Operations    | Buildings and Grounds |
| Membership         | Social                |
| Financial Planning |                       |

The BOG may create additional committees as deemed necessary for the proper governance of the Club.

**ARTICLE 4 - POWERS AND DUTIES OF THE BOARD OF GOVERNORS**

- 4-100 POWER AND DUTIES OF THE BOARD OF GOVERNORS. The Board of Governors shall have the power and duties specifically conferred upon it by law, the Articles of Agreement, and these Bylaws and all other powers and duties necessary for the administration of the affairs of the Club, except as otherwise provided by law, the Articles of Agreement or these Bylaws, including, without limiting the generality of the foregoing, the power and duty to fulfill the following functions for the benefit of the Club:
- 4-101 To make and collect assessments against members to defray the costs of the Club.
- 4-102 To use the proceeds of assessments in the exercise of its powers and duties.
- 4-103 To provide for the acquisition, construction, management, maintenance and care of Club property, whether real or personal.
- 4-104 To provide for the reconstruction of improvements after casualty and for the future improvement of the property.

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- 4-105 To enforce by legal means the provision of the Instruments, the Articles of Agreement, these Bylaws and such Club regulations as may be enacted for the use of the property of the Club.
- 4-106 To contract for management of the Club and to delegate to such contractor such powers and duties of the Board except such as are specifically required to have the approval of the Board of Governors or the membership of the Club.
- 4-107 Pay taxes and assessments, which are liens against any part of the Club property, and to assess the same against the members.
- 4-108 Carry insurance for the protection of the Club and its employees, officers and property against casualties and liabilities, including but not limited to fire insurance with extended coverage endorsements, public liability insurance policy or policies, and worker's compensation insurance as required by law or as the Board may determine.
- 4-109 To pay the cost of all power, water, sewer and other utility services rendered to the Club.
- 4-110 To employ personnel for reasonable compensation to perform the services required for the proper administration of the purposes of the Club such as, but not limited to, any legal and accounting services necessary or proper for the operation of the Club or the enforcement of the provisions of these Bylaws and Club Regulations and the furtherance of Club activities.
- 4-111 To provide for such painting, maintenance, repair and landscaping of the Club property and facilities and such furnishings, tools, equipment, appliances and other personal property for the Club as the Board shall determine is necessary or proper.
- 4-112 To sell Club property, real or personal, when in the opinion of the Board, said sale would be in the best interests of the Club. Any sale of property having an appraised value or selling price in excess of Ten Thousand Dollars (\$10,000) must be approved by a majority of the shareholding members' total voting power, with the exception of the sale of new membership shares.
- 4-200 **FINANCIAL LIMITATION.** The Board's power shall be limited in that it shall have no authority to acquire and pay for out of Common Expenses, capital additions and improvements or structural alterations having a cost in excess of Ten Thousand Dollars (\$10,000) unless such additions, improvements or alterations have been approved by a majority of the shareholding members' total voting power. Nothing herein shall be construed as limiting the Board's power to perform its maintenance functions as set forth in 4-103 and 4-104 above or the Board's share redemption functions, powers and obligations as set forth in Bylaw 2-200.

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4-300 RIGHT TO CONTRACT. The Board shall have the exclusive right to contract for all such items referred to in this Article.

### ARTICLE 5 - OFFICERS OF THE CLUB

5-100 EXECUTIVE OFFICERS. The Executive Officers of the Club shall be a President, who shall be a Governor, a Vice President, a Secretary and a Treasurer, all of whom shall be selected annually by the Board of Governors and who may be removed by a majority vote of the Governors at any meeting. The Board of Governors shall, from time to time, elect such officers and committees and designate their powers and duties as the Board determines necessary to manage the affairs of the Club.

5-200 THE PRESIDENT. The President shall be the chief executive officer of the Club; the President shall preside at all meetings of the members and of the Board of Governors. The President shall have all of the powers and duties which are usually vested in the office of president of a voluntary association, including but not limited to the power of appointing committees from among the members from time to time as the President may, in the President's discretion, determine appropriate to assist in the conduct of the affairs of the Club, and the power to sign all written contracts of the Club.

5-201 THE VICE PRESIDENT. The Vice President shall serve as chief executive officer in the absence of the President.

5-202 THE SECRETARY. The Secretary shall keep the Minutes of the proceedings of the Board of Governors and of the shareholding members. The Secretary shall attend to the giving and serving of all notices required by law. The Secretary shall have custody of the seal of the Club, if any, and shall affix the same to instruments requiring a seal when duly signed. The Secretary shall keep the records of the Club, except those of the Treasurer and shall perform all other duties incident to the office of Secretary of a voluntary association and as may be required by the Governors or the President.

5-400 THE TREASURER.

5-401 CUSTODY OF FUNDS. The Treasurer shall oversee the safekeeping of Club funds and securities and shall cause full and accurate accounts of receipts and disbursements to be kept in books belonging to the Club, and shall cause all monies and other valuable effects to be deposited in the name and to the credit of the Club.

5-402 DISBURSEMENTS OF FUNDS. The Treasurer shall oversee the disbursement of

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the funds of the Club as may be ordered by the Board in accordance with these Bylaws, making proper vouchers for such disbursements, and shall render to the President and the Board of Governors at the regular meeting of the Board of Governors, or whenever they may require it, an account of all the Treasurer's transactions and of the financial condition of the Club.

- 5-403 COLLECTION OF ASSESSMENTS. The Treasurer shall cause the assessments to be collected and shall promptly report the status of collections and of all delinquencies to the Board of Governors.
- 5-404 REPORTS OF TRANSFEREES. The Treasurer shall also give status reports to potential transferees, on which reports the transferees may rely.
- 5-500 COMPENSATION. The compensation of all officers, employees and contractors of the Club shall be fixed by the Governors. This provision shall not preclude the Board of Governors from employing a Governor as an employee of the club, nor preclude the contracting with a Governor for the management of the Club.

### ARTICLE 6 - FINANCIAL AFFAIRS

- 6-100 DEPOSITORY. The funds of the club shall be deposited in a bank or banks in Wolfeboro, New Hampshire, designated by the Board of Governors, in an account or accounts for the Club under resolution approved by the Board of Governors.
- 6-200 ADOPTION OF AND CONTENTS OF BUDGET. The Board of Governors shall adopt a budget for each fiscal year which contains estimates of the cost of performing the functions of the Club, and the income of the Club, including but not limited to the following items:
- (a) common expense budget for:
- (1) maintenance and operation of docks, landscaping, streets, buildings and equipment;
  - (2) maintenance and repairs of structures;
  - (3) fund for common furnishings replacement;
  - (4) capital funds established by vote of shareholding members;
  - (5) utilities;
  - (6) liability insurance;



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- (7) casualty insurance;
  - (8) administration, including legal and accounting;
  - (9) membership dues;
  - (10) cost of goods sold.
- (b) proposed assessments against each member.
- 6-300 **DELINQUENCIES.** In the event an assessment or other debt is not paid within sixty (60) days of the date it is due and payable, the Board of Governors may proceed to enforce and collect the assessment or debt against the shareholding member responsible for the same, including interest charges. The shareholding member shall be liable to pay the costs incurred by the Club incident to the collection process and, in addition to any other remedy provided under these Bylaws, other Club rules or at law, the Board may suspend any or all membership privileges of the delinquent member. In addition, and notwithstanding any other provision of these Bylaws, where the delinquent amount exceeds \$1,000 the Board may terminate the shareholding member's right to a dock or mooring and reassign the same as determined by the Board. Further, the Board may elect to exercise the right of offset, whereby a delinquent member's share is forfeited and the outstanding member's balance owed to the Club is eliminated. (Amended at annual meeting on July 19, 2014).
- 6-400 **CONFLICTS OF INTEREST.** The Governors and Officers of the Club may be interested directly or indirectly in any contract relating to or incidental to the operations conducted by the Club and may freely make contracts, enter transactions or otherwise act for or on behalf of the Club so long as any and all transactions shall be bona fide arms-length transactions. Where any contract or other monetary transaction between the Corporation and one or more of its Governors, or between this Corporation and any other entity in which the Governor is a Director or Officer, or has substantial financial interest (hereinafter referred to as interested parties), the Governor or Officer shall comply with the following rules:
- a. Each interested party is obligated to disclose at least annually to the Board, in writing, the material facts of his/her interest in any and all contracts and/or monetary transactions with this Club, prior to the discussion and vote on such contracts and/or monetary transactions by the Board or one of its committees
  - b. At any meeting of the Board or a committee authorizing or ratifying such a contract or transaction, any and all interested parties shall not vote on such action, shall not be present during the discussion or voting, shall not attempt to

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influence the vote on such action, and shall not be counted in determining a quorum for such action. Any and all such interested parties may present factual information and are obligated to answer in good faith, all questions raised in preparation for authorizing such action.

At least annually the Treasurer of the Club shall provide to the Board, in writing, the dollar amount for the previous fiscal year of all contracts or monetary transactions with each interested party.

- 6-500 INDEMNIFICATION. Each Governor or Officer of the Club, now or hereinafter serving as such shall be held harmless and indemnified by the Club to the extent permitted by law and against any and all claims and liabilities and expenses including but not limited to attorney's fees and disbursements which he/she has become subject by reason of serving on or having served as a Governor or Officer or by reason of any action alleged to have been taken, omitted or neglected by him/her as such Governor or Officer; however, no such person shall be held harmless or indemnified against such loss in connection with any claim or liability arising out of his/her own action resulting in criminal conviction, or upon judicial determination that the person was acting in bad faith.

### ARTICLE 7 - NOTICE

- 7-100 NOTICES. Whenever notices are required to be sent hereunder, the same shall be sent:
- 7-101 TO SHAREHOLDING MEMBERS. To the shareholding members at the addresses such members may have designated to the Board of Governors.
- 7-102 TO CLUB. To the Wolfeboro Corinthian Yacht Club, by certified mail, return receipt requested, at P.O. Box 605, Wolfeboro, New Hampshire 03894.
- 7-200 DEEMED SENT WHEN MAILED. All notices shall be deemed and considered sent when mailed.
- 7-300 CHANGE OF PLACE NOTICE. Any shareholding member may reserve the right to change the place of notice to him or it by written notice in accordance with the terms and provisions of the Article by notification to the Secretary.

### ARTICLE 8 - SEVERABILITY; INTERPRETATION

- 8-100 SEVERABILITY. The invalidity of any part of these Bylaws shall not impair or affect in any manner the validity, enforceability or effect of the balance hereof.
- 8-200 INTERPRETATION. The provisions of these Bylaws shall be liberally construed to

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effectuate its purpose of creating a uniform plan for the development and operation of the Wolfeboro Corinthian Yacht Club consistent with the law of the State of New Hampshire.

### **ARTICLE 9 - AMENDMENTS**

9-100 BY PROPOSAL OR PETITION. If 10 or more active shareholding members in good standing so request it or if the Board of Governors so proposes the Secretary shall include a copy of such proposed amendment or amendments in the notice for any meeting of the membership including the annual meeting at which time the same shall be acted upon. If at such meeting the amendment or amendments are approved by two-thirds of the members present, the same shall forthwith become part of these Bylaws.

The foregoing were adopted as the Bylaws of the Wolfeboro Corinthian Yacht Club, a voluntary association, not for profit, organized under the laws of the State of New Hampshire at the first shareholders meeting on September 18, 1982 and have been amended through the Annual Meeting of the Shareholders on July 19, 2003, July 16, 2005, July 15, 2006, July 19, 2014 and July 25, 2015.

Certified to be the true and accurate Bylaws as amended through July 25, 2015

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Secretary