

**AMENDED AND RESTATED BYLAWS  
OF THE  
SAILING CLUB OF WASHINGTON**

**PURPOSE**

The corporation, is a nonprofit corporation incorporated in the District of Columbia as the Sailing Club of Washington (hereinafter, the “Club”), shall provide its membership with opportunities to sail, to exchange information about sailing, to learn safe boating procedures, and to meet others in the Potomac River/Chesapeake Bay area with similar interests. The Club shall plan activities for both the novice and experienced sailor.

**ARTICLE I: OFFICES**

The principal office of the Club shall be located in Washington, District of Columbia. The Club may establish such other offices, either within or outside of the District of Columbia, as the Board of Directors may designate, or as the business of the Club may require from time to time.

**ARTICLE II: MEETINGS**

**Section 1. Annual Meetings.** The Annual Meeting of the members shall be held on the second Monday in November of each year for the purpose of electing officers and directors and for the transaction of such other business as may come before the meeting. If the Board of Directors, hereinafter called the Board, determines that the Annual Meeting should not be held on the date specified, it shall establish another date and cause the meeting to be held at that time.

**Section 2. Special Meetings.** Special Meetings of the members for any purpose may be called by the Commodore, by a majority of the Board, or by written petition to the Commodore, signed by ten (10) percent of the total membership entitled to vote at such meeting.

**Section 3. General Meetings.** General membership meetings will be held when scheduled by the Board.

**Section 4. Notice of Meetings.** Written or printed notice, stating the place, day, hour, and purpose of each Annual or Special Meeting, shall be mailed or delivered to each member not less than ten (10) nor more than thirty (30) days before the date of the meeting.

**Section 5. Fixing Date of Record of Membership.** The Board may set a date of record for determining members entitled to notice of and to vote at an Annual or Special Meeting. Such date of record shall not be more than thirty (30) days prior to the meeting in question. If no action is taken to set a date of record, the date of record for voting shall be at midnight of the day preceding the meeting in question.

**Section 6. Membership List.** The Secretary shall make available, to any member who requests it, a true and complete roster, including name and address, of each member entitled to vote.

**Section 7. Quorum.** Fifteen (15) percent of the entire membership entitled to vote, in person or by proxy, shall constitute a quorum at an Annual or Special Meeting. At a General Meeting unless a majority of the Board objects to a vote at the time of that vote, those members present in person and by proxy shall constitute a quorum.

**Section 8. Proxies.** Except for votes under Article IV, Section 9, at all meetings of the members, a member may vote by written proxy signed by the member, noting the specific item(s) for which the vote is to be recorded. A member’s proxy may be voted only by another member present at the vote in question.

**Section 9. Voting of Members.** Each member shall be entitled to one vote on each matter submitted for a vote at any meeting. A simple majority shall decide any issue. Commencing January 1, 2011, the Club will

utilize electronic/online voting or may use other methods deemed appropriate by the Board for Club elections, annual meetings and special meetings. Paper ballots will be issued Club member(s) who request paper ballots be sent to said member(s).

**Section 10. Vote Inspectors.** Two (2) or more vote inspectors may be elected by the members present at a meeting, or, without objection by any member, may be appointed by the Commodore. The inspectors shall open and close the polls, shall receive proxies, and shall decide all questions as to the standing of member, the validity of proxies, and the acceptance or rejection of votes.

### ARTICLE III: ELECTIONS

**Section 1. Time and Place.** The election of officers and directors shall be held each year at the Annual Meeting by secret ballot. Polls will close thirty (30) minutes after the stated time for the meeting, unless otherwise decided by the Board.

**Section 2. Nominating Committee.** Not less than sixty (60) days prior to each Annual Meeting, the Board will appoint a Nominating Committee to prepare a list of nominees for election to the positions that will be open for election at the Annual Meeting. The Committee will nominate at least one (1) candidate each for the Officer positions of Commodore, Vice Commodore, Secretary, Treasurer, and at least one (1) candidate each for the following seven (7) Director positions: (1) Training Director, (2) Skipper Certification Director, (3) Social Activities Director, (4) Maintenance Director, (5) River/ Bay Activities Director, (6) Racing Director and (7) Membership Director. The Nominating Committee report will be presented at the regular Board Meeting and the regular General Meeting for the month preceding the Annual Meeting at which the election is to take place. Additional nominations may be made from the floor by Club members at the regular General Meeting preceding the Annual Meeting and, upon acceptance of a second, the name(s) will be entered in nomination. Nominations will then be closed.

**Section 3. Acceptance of Nomination.** The Nominating Committee will contact each proposed candidate to be certain of the candidate's interest in the position and the candidate's possible acceptance of the nomination, should the committee decide to include the candidate's name on the slate, before the ballot is prepared. The Committee shall also contact members nominated from the floor at the meeting preceding the Annual Meeting to determine their availability for office. These nominees, if available, are automatically placed on the ballot. Candidates may run only for a single Officer or Director position and the Nominating Committee shall identify the Officer or Director position for which each candidate is running in its report and on the ballot.

**Section 4. Procedures.** The Board shall prescribe procedures to ensure secrecy and fairness of the election, including provision for absentee balloting. The election procedures shall be provided to all members at least twenty-five (25) days prior to the elections. The committee shall provide information about the candidates and a ballot to all members at least ten (10) days before the Annual Meeting.

**Section 5. Election Returns.** A team of two (2) or more vote inspectors shall monitor the election, count the secret ballots, and announce the results of the election at the Annual Meeting. For each Officer and Director position on the ballot, the candidate for that position receiving the highest number of votes cast shall be declared elected.

### ARTICLE IV: OFFICERS AND BOARD OF DIRECTORS

**Section 1. Officers and Directors.** The Officers of the Club shall be a Commodore, a Vice Commodore, a Secretary, and a Treasurer. The number of Directors shall be between ten (10) and twelve (12) and shall include the duly elected Commodore, Vice Commodore, Secretary, and Treasurer and at least six additional Directors with titles as follows: (1) Training Director, (2) Skipper Certification Director, (3) Social Activities Director, (4) Maintenance Director, (5) River/Bay Activities Director, (6) Racing Director and (7) Membership Director.

**Section 2. Elections.** The election of the Officers and Directors shall be at the Annual Meeting, as presented in Article II and Article III. In the event that a quorum is not present for elections, the existing Directors shall serve until such time as the election is held.

**Section 3. Chairman, Organization.** The Commodore shall be Chairman of the Board. The Commodore, or, in the absence of the Commodore, the Vice Commodore; or in the absence of the Commodore and the Vice Commodore, the Secretary; or, in the absence of the Commodore, the Vice Commodore and the Secretary, the Treasurer; or in the absence of the Commodore, the Vice Commodore, the Secretary, and the Treasurer, a member of the Board selected by the members present, shall preside at meetings of the Board. The Secretary of the Club or an Assistant Secretary, as designated by the Commodore or other presiding officer, shall act as Secretary and record the minutes of such meeting.

**Section 4. Tenure.** Each Director shall hold office from January 1 to December 31, following the date of election or appointment, except as prescribed in Section 10 of this Article.

**Section 5. Meetings.** The Board may hold meetings at its discretion without notice to the Club membership. All members of the Board must be given reasonable notification and opportunity to participate in each meeting of the Board. For most purposes “reasonable notification” will be three (3) calendar days. In situations of some urgency, this time limit may be reduced to one (1) calendar day. Any member of the Club may attend a Board meeting as an observer and/or to address the Board regarding Club business. Members wishing to address the Board should advise the Commodore (or other officer presiding over the Club pursuant to Article V) in advance so that they may be placed on the agenda. Any or all of the Directors may participate in a meeting of the Board or any committee thereof by conference telephone, remote meeting software, or similar communications mechanisms by means of which all persons participating in the meeting can hear each other.

**Section 6. Action by Directors Without a Meeting.** Unless otherwise restricted by the Certificate of Incorporation or these Bylaws, any action required or permitted to be taken at any meeting of the Board, or of any committee thereof, may be taken without a meeting if all members of the Board or of such committee, as the case may be, consent thereto in writing, and the writing or writings are filed with the minutes of proceedings of the Board or committee.

**Section 7. Qualifications.** In order to be elected or appointed as an Officer or Director, a candidate must be a Club member in good standing.

**Section 8. Quorum and Adjournment.** A majority of the number of Directors fixed by Section 1 of this Article shall constitute a quorum for a Board meeting. Except for votes under Article IV, Section 10, Board members may vote by proxy and the proxy shall be counted as part of the quorum necessary to conduct business. The proxy shall be delivered in writing to the Commodore (or other officer presiding over the Club pursuant to Article V) in advance of the meeting specifying the Board member authorized to vote the proxy and shall be entered into the minutes of the meeting. If Board business must be conducted between regular meetings, the Commodore (or other officer presiding over the Club pursuant to Article V) may conduct such business by telephone or electronic mail poll, with such votes recorded in the minutes of the next regular Board meeting. Except for actions taken under Section 10 of this Article, any action taken by a majority vote of the members of the Board present shall constitute an action taken by the entire Board, unless a written dissent is entered into the minutes of the meeting at which the action was taken. In the event of such a dissent, no official action may be taken until a full quorum is present. Whether or not a quorum is present to conduct a meeting, any meeting of the Board (including an adjourned meeting) may be adjourned by a majority of the Directors present, to reconvene at a specific time and place. It shall not be necessary to give to the Directors present at the adjourned meeting notice of the reconvened meeting or of the business to be transacted, other than by announcement at the meeting that was adjourned; provided, however, that notice of such reconvened meeting, stating the date, time, and place of the reconvened meeting, shall be given to the Directors not present at the adjourned meeting in accordance with the requirements of Section 6 hereof.

**Section 9. Resignations and Vacancies.** Any Officer or Director may resign at any time by giving written notice to any member of the Board or the Secretary. Unless otherwise stated in such notice of resignation, the acceptance thereof shall not be necessary to make it effective; and such resignation shall take effect at the time specified therein or, in the absence of such specification, it shall take effect upon the receipt thereof. Any vacancy occurring in any Officer or Director position will be filled by appointment of a qualified Club member by the remaining members of the Board within thirty (30) days of the occurrence of the vacancy. In the event of simultaneous vacancies in the offices of Commodore and Vice Commodore, or in the absence or disability of both, the Board of Directors shall choose an Acting Commodore within thirty (30) days. An Officer or Director so appointed shall serve the unexpired term of the predecessor, unless removed from office as prescribed in Section 10 of this Article.

**Section 10. Removal.** An Officer or Director of the Board may be removed with or without cause by a two thirds (2/3) majority of all of the members of the Board entitled to vote generally in the election of directors. Any officer appointed by another officer may be removed with or without cause by such officer.

**Section 11. Compensation.** No salary shall be paid to the Officers or Directors of the Club, nor shall they receive any fee or travel money for attending Board meetings. However, subject to the restrictions in Article VII, Section 5, they shall be reimbursed from the Treasury of the Club for properly receipted advances made in its behalf by them, for properly approved travel other than to and from Board meetings, and for other properly receipted personal expenses necessarily incurred in exercising their responsibilities of office, subject to the restrictions in Article VII, Section 5.

**Section 12. Manner of Acting.** Except as otherwise provided in the Certificate of Incorporation, these Bylaws and the laws of the District of Columbia, all actions taken by the Board shall be taken by a majority vote of the members then in office. The act of the majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board. Any action required or permitted to be taken by the Board may be taken without a meeting if all the members of the board consent, in writing, to the action and the consents are filed with the minutes of the meetings.

**Section 13. Presumption of Assent.** A Director of the Club who is present at a meeting of the Board at which action on any corporate matter is taken shall be presumed to have assented to action being taken on such matter unless he or she files a written dissent to such action with the person acting as the Secretary of the meeting the meeting before the adjournment thereof, or shall forward such dissent by registered mail to the Secretary of the Club immediately after the adjournment of the meeting. Such right to dissent shall not apply to a Director who voted in favor of such action.

**Section 14. Indemnification.** The Directors, officers and former Directors or Officers shall be indemnified by the Club against expenses actually and reasonably incurred by that person in connection with the defense of any action, suit or proceeding, civil or criminal, in which that person is made a party by reason of being or having been a Director or officer of the Club, except in relation to matters in which that person was adjudged, in the action, suit or proceeding, to be liable for gross negligence or misconduct in the performance of corporate duties.

**Section 15. Execution of Instruments.** Checks, notes, drafts, other commercial instruments, assignments, guarantees of signatures and contracts (except as otherwise provided herein or by law) shall be executed by the Commodore, Vice Commodore, Treasurer, Secretary or such officers or employees or agents as the Board or any of such designated officers may direct.

**Section 16. Mechanical Endorsement.** The Commodore, Vice Commodore, Treasurer or Secretary may authorize any endorsement on behalf of the Club to be made by such mechanical means or stamps as any of such officers may deem appropriate.

## **ARTICLE V: DUTIES AND POWERS OF OFFICERS AND DIRECTORS**

**Section 1. General Powers.** The following business and affairs of the club can be exercised by the general membership only at the Annual Meeting or at a Special Meeting called for that purpose: election of officers

under Article III; removal of officers; voting on changes in fees, dues and assessments under Article VIII, Section 5; and voting on the form of the corporate seal under Article X. All other business and affairs of the Club shall be managed by its Board of Directors, which shall establish the policies and procedures for Club operations. The Officers shall carry out the policies and procedures established by the Board. The policies and procedures duly established by the Board shall remain in effect until repealed, revised, or superseded by a newly adopted policy or procedure. A brief description of existing policies and procedures adopted by the Board, along with the date of their adoption, shall be published each year in the Membership Directory.

**Section 2. Commodore.** The Commodore shall be the principal executive officer of the Club and, subject to the control of the Board, shall supervise and control all of the business and affairs of the Club. The Commodore shall preside at all meetings of the membership and of the Board. The Commodore may sign, with any one of other Officer, any deeds, contracts, and other instruments that the Board has authorized. The Commodore shall have the authority to appoint program coordinators, committee members or advisors to the Club or Board to support the conduct of Club business.

**Section 3. Vice Commodore.** In the absence of the Commodore or in the event of the Commodore's inability or refusal to act, the Vice Commodore shall perform the duties of the Commodore, and, when so acting, shall have all the powers of and be subject to all the restrictions on the Commodore. The Vice Commodore shall be an ex officio member of all committees that shall be established by the board or Commodore. The Vice Commodore shall perform such other duties as from time to time may be assigned to him or her by the Commodore or the Board. To provide continuity in club affairs, the Vice Commodore would be expected in the normal course of events to be nominated as a candidate for election to the position of Commodore in the following year; however, this expectation would not prevent the Vice Commodore from declining such nomination or preclude others from also standing for election as Commodore.

**Section 4. Secretary.** In the temporary absence of the Commodore and Vice Commodore, the Secretary shall perform the duties of the Commodore, and, when so acting, shall have all the powers of and be subject to all the restrictions on the Commodore. The Secretary shall (a) keep the minutes of all business transacted at Club and Board meetings; (b) provide each new member with a copy of these Bylaws at the time the member first joins the Club and a replacement copy each time the Bylaws are revised; (c) see that all notices are duly given in accordance with the provisions of these Bylaws; (d) be custodian of the Club records; (e) keep a current register of the name, address and telephone numbers of each Club member; (f) have general charge of the membership books of the Club; and (g) perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned by the Commodore or the Board.

**Section 5. Treasurer.** In the temporary absence of the Commodore, Vice Commodore, and Secretary, the Treasurer shall perform the duties of the Commodore, and, when so acting, shall have all the powers of and be subject to all the restrictions on the Commodore. The Treasurer shall (a) have charge and custody of and be responsible for all funds of the Club; (b) receive and give receipts for money due and payable to the Club from any source, and deposit all such money in the name of the Club in such banks and other depositories approved by the Boards; (c) be custodian of the Incorporation Seal of the Club, and see that the seal is affixed to all documents authorized by the Club or Board; and (d) perform all duties incident to the office of Treasurer and such other duties as from time to time may be assigned by the Commodore or the Board. The Board shall obtain bond or other surety for the Treasurer.

**Section 6. Succession.** If both the Commodore and Vice Commodore are unable or unwilling to act, the position of Commodore shall be filled according to the procedures specified in Article IV, Sections 9 and 10.

**Section 7. Directors** The Directors elected pursuant to Article III, Section 2 shall have the following general duties:

- (1) Training Director: responsible for organizing the Club's training programs;
- (2) Skipper Certification Director: responsible for ensuring that skippers who use the club's boats are properly checked out and qualified;
- (3) Social Activities Director: responsible for organizing the club's social events;
- (4) Maintenance Director: responsible for organizing the maintenance of the club's boats;

- (5) River/Bay Activities Director: responsible for organizing activities for members on the Potomac River and Chesapeake Bay;
- (6) Racing Director: responsible for organizing the Club's racing program; and
- (7) Membership Director: oversees recruitment and retention of membership.

The Commodore may assign the Directors such other functions as may be necessary to carry out the affairs and programs of the club. With the approval of the Board, the Commodore may appoint up to two additional Directors as required to carry out new programs or other duties for which the Commodore deems Board membership to be appropriate. Also, with the approval of the Board, the Commodore may reassign Director responsibilities.

**Section 8. Additional Duties of Officers, Directors or Coordinators.** Each Officer, Director or Coordinator shall maintain an inventory of SCOW equipment utilized in their area of responsibility, and a "pass down" book to consist of SCOW procedures and policies, a current position description, schedules or timelines followed in the past, planning forms, training materials, contracts and other records pertinent to their area of responsibility. The inventory list and "pass down" book shall be updated by the outgoing Officer, Director or Coordinator to reflect dispositions and additions of equipment, and changes in procedures, policies, schedules or forms during the current year, and delivered to the newly elected Commodore for distribution to the appropriate Officer, Director or Coordinator following the November elections.

## **ARTICLE VI: COMMITTEES**

**Section 1. Nominating Committee.** The Nominating Committee shall consist of at least five (5) Club members. The term "Club members" as used in this article shall mean members of SCOW in good standing. Its composition shall include at least one (1) past Commodore, if available; one (1) member of the Board; and one (1) non-Board Club member. Its duties are defined in Article III.

**Section 2. Boat Asset Committee.** The Boat Asset Committee shall be appointed by the Board and shall consist of a minimum of six (6) Club members, including the current Director responsible for maintenance and at least one other member of the Board and two (2) Club members who are boat owners. Its duties shall include planning for the utilization of and recommending acquisition of boats for Club use to the Board and the general membership. The Boat Asset Committee shall use a professionally licensed marine surveyor to conduct a full and proper marine survey of any new or used boat to be purchased if such boat is twenty (20) feet or longer in length overall (LOA) measurement. Such survey shall be conducted with the boat hauled from the water as well as in the water for purposes of detailed hull inspection and include a rigging inspection aloft. A proper written report of this marine survey shall be required of said surveyor for review by the Committee and the Board before final purchase of the boat. The Boat Asset Committee shall inspect all club boats at least semi-annually to ensure that all required safety equipment is available and in working condition and shall ensure that the Director assigned to oversee maintenance inspects the boats for safety on an ongoing basis. The Boat Asset Committee annually shall provide to the Commodore and incoming Board a report on the status of club boats with recommendations for the following year.

**Section 3. Audit Committee.** The Audit Committee shall be composed of Club member(s) other than the current Treasurer or the Treasurer from the year being audited.

**Section 4. Training and Skipper Certification Committee.** A Training and Skipper Certification Committee shall be appointed by the Board and shall consist of a minimum of five (5) Club members, including at least one past Training Director (if available). In addition, the current Training Director and the Director or Coordinator of Skipper Certification shall be members ex officio. The Committee shall advise and assist the Training Director and the Skipper Coordinator with respect to the establishment of standards and procedures for training and skipper certification, and the planning and implementation of their responsibilities. The Committee shall ensure that standards and procedures for training and skipper certification promote safety and safe boating skills, as well as compliance with any applicable laws or regulations. The Training and Skipper Certification Committee shall also give advice and assistance to the

Directors responsible for Training and Skipper Certification with respect to the establishment of standards and procedures for appointment and removal of trainers and check-out skippers. Annually, these Directors shall present to the Board a list of trainers and check-out skippers who satisfy these standards for approval by the Board. These Directors may also recommend that the Board remove such trainers or checkout skippers from the approved list. No person shall be authorized to skipper the club's boats unless he or she has shown evidence of completing a safe boating course or test approved by the National Association of State Boating Law Administrators (NASBLA)

**Section 5. Investment Committee.** SCOW shall have an Investment committee that shall manage the investment assets of the club. The Investment Committee shall oversee investment research and analysis (whether conducted by a member of SCOW or an investment adviser or an investment firm) and shall recommend to the Board how Club assets are to be invested for consideration. The Board is not bound by the Committee's recommendation and may, in its discretion, approve or disapprove the investment, in whole or part. The Investment Committee shall develop and maintain an investment strategy with the goal of achieving the maximum rate of return on investments, while minimizing risk. The investment of Club assets shall comply with the SCOW Investment Policy currently approved by the Board. The investment Committee shall submit a written report to the Board each quarter on the status of Club investments. The Investment Committee shall be composed of no more than five members. Members of the Investment Committee shall be members of SCOW in good standing. The SCOW Commodore and SCOW Treasurer shall each be a member of the Investment Committee. If available and a member in good standing, the immediate past Treasurer of SCOW shall be a member of the Investment Committee. The Commodore shall recommend and the Board shall approve other members of the Investment Committee in accordance with the provisions of Article VI, Section 5.

**Section 6. Other Committees and Positions.** The Board may create itself, or empower the Commodore to create, such positions or committees as may be desirable to carry out the program and affairs of the club. The Board or Commodore shall define the duties of such positions or committees and shall appoint and/or remove the member(s) to fill them. The Commodore may assign an Officer or Director to oversee the activities of such positions or committees.

## ARTICLE VII: CONTRACTS AND FINANCIAL ACTIVITIES

**Section 1. Contracts.** The Board may authorize and/or withdraw authorization from any Board member to enter into any contract or execute and deliver any instrument in the name of the Club. No Club member shall enter any contract or make any expenditure on behalf of the Club without specific authorization of the Board. Such authorization may be general or confined to specific instances. Debt may be incurred only for periods not to exceed ninety (90) days, and only for the purposes of paying operating expenses.

**Section 2. Budget.** The Board shall approve the annual budget no later than the February Board meeting of each year, and published in the SCOW newsletter no later than April. A mid-year review of the budget shall be held and the budget adjusted accordingly. If the Board fails to enact a budget, the actual operating receipts and expenditures from the prior year shall be the budget. No later than the December Board meeting, the outgoing Board shall prepare a draft budget proposal for the following year, with supporting details relative to proposed income and expenditure items, to be delivered for consideration by the newly elected Board. Establishment of the annual budget, either through Board approval or, by reverting to the prior year in the event of failure by the Board to enact a budget, shall constitute authorization for the responsible person (Board Member, Coordinator or Chairperson, as indicated by the budget as passed by the Board) to expend funds in accordance with the annual budget. Such expenditure shall be within the scope of each responsible person's area of responsibility and shall not exceed the budgeted amount approved by the board except as described in section 5, below.

**Section 3. Checks, Drafts, Etc.** All checks, drafts or other orders for payment of money, notes, or other evidences of indebtedness issued in the name of the Club shall be signed by any two (2) of the Board authorized signatures for amounts greater than \$500; any one signature shall suffice for amounts less than or equal to \$500.

**Section 4. Deposits.** All Club funds, not otherwise employed, shall be deposited within thirty (30) days of receipt to the credit of the Club in such federally-insured banks or depositories as the Treasurer may select and the Board has approved.

**Section 5. General Expenditures.** Establishment of the annual budget under section 2 of this Article constitutes authorization for the responsible Board member, Coordinator or Chairperson (“responsible person” as defined in Article VII, section 2) to obligate and/or expend funds in accordance with the purpose for which the budget allocation was made and subject to remaining within the total amount allocated in the budget. During any calendar year, a responsible person may not obligate a total amount above their approved budget allocation without further consultation with the Board. Any additional budget allocation in excess of the budgeted amount for the calendar year must be approved in advance by a majority vote of the Board. Such approval may be obtained by a telephone or e-mail poll of the Board or remote meeting such as Zoom, conducted by an officer during which reasonable attempts must be made to contact all Board Members, and a majority of Board Members approve the obligation. If the responsible person does not obtain such approval in advance, that person may request that the obligation be ratified at the next Board meeting after the obligation is incurred. However, the individual requesting such “after the fact” approval must recognize that some or all of the obligation may not be ratified and that the individual will not be reimbursed should that be the case. Member requests to the Treasurer for reimbursement of expenses must have been authorized in advance by the responsible person and be accompanied by appropriate receipts. Absent such approval and supporting documentation, it must be recognized that some or all of the obligation may not be reimbursed.

**Section 6. Boat Asset Fund.** The Board shall establish a Boat Asset Fund. The funds shall be maintained in a separate bank account from the Club’s general account and all interest shall accrue to the Boat Asset Fund. Any use of these funds other than for boat-related capital expenditures shall require the approval of the membership at a Special Meeting. A minimum of nine (9) percent of the annual gross receipts of the Club from training fees, skipper fees and membership dues shall be transferred to the Boat Asset Fund each year, however, the Board may transfer a larger amount should the Club's financial situation warrant. The sale proceeds of any boat-related capital asset shall be deposited to the Boat Asset Fund.

**Section 7. Reserve Fund.** The Board shall establish and maintain a reserve fund equal in amount to the total fixed expenditures (e.g., insurance, slip fees, rents, service of debt, etc.) that are projected for the then current year budget. This reserve fund shall be maintained to ensure the financial viability of the club in case total disbursements in any year has significantly exceeded budgeted levels. The reserve fund is intended to allow the club to pay its fixed costs and ensure continuity of operations in the year following the overrun until such time as the general fund is restored to balance. Withdrawals from the Reserve Fund may be authorized only by the Board after notice to the general membership and a plan for restoration of the Reserve Fund and balancing of the general fund shall be announced to the membership at time withdrawal is made. At or before the December meeting each year, the outgoing Board will establish the dollar amount of the Reserve Fund based on the fixed expenses for the current year, and this amount will be passed on to the incoming Board in the Reserve Fund. The Board shall budget and plan its annual expenses to ensure that adequate operating funds will remain in the club’s accounts at the end of the year so that the succeeding Board will not have to make use of the Reserve Fund.

**Section 8. Audit.** The Club accounts shall be audited annually and a written audit report prepared by the Audit Committee. A summary of this report shall be published in the SCOW newsletter.

## **ARTICLE VIII: MEMBERSHIP**

**Section 1. Eligibility.** All persons 18 years of age or older interested in sailing are eligible for membership. Memberships may be offered on an individual or household basis. If the Club offers household memberships, only persons in the household 18 years of age or older may be members.

**Section 2. Application.** Each applicant for membership shall sign a Membership Agreement, including a waiver of claims against the Club, its officers, directors, members and agents, in such form as the Board may prescribe. The Membership Agreement and waiver shall thereafter bind the applicant in perpetuity



while participating in sailing or any other activities conducted by the Club, unless terminated by the applicant or the Club. For a household application, each person over 18 must sign the Membership Agreement and waiver. A parent or legal guardian may sign the Membership Agreement and waiver on behalf of persons between 5 and 17 years of age residing in that household. Membership Agreements may be signed electronically.

**Section 3. Membership and Shareholders.** Each applicant who is current in payment of dues, assessments and debt to the Club is a member of the club and a shareholder, without financial interest in the Club.

**Section 4. Responsibilities.** Members of the Club shall abide by the rules, policies, and Bylaws of the Club. While aboard vessels of the Club, members shall obey the commands of the person in charge of the vessel. All members shall help maintain the Club's boats and assist with other Club functions.

**Section 5. Fees, Dues, and Assessments.** Members are liable for fees, dues and assessments that shall be established by the Board from time to time. Any fee, dues, or assessment set by the Board may be reduced, increased, or canceled by a majority vote of all members voting, in person or by proxy, at a Special Meeting of the members.

**Section 6. Financial Delinquency.** The Club shall provide notice to any member who is sixty (60) days in arrears of any assessment, dues, or debt owed the Club.

**Section 7. Tenure and Transferability.** Membership in the Club is not transferable, and it shall absolutely cease and terminate when the member dies, resigns, or is expelled from membership.

#### **ARTICLE IX: DISCIPLINARY ACTIONS**

**Section 1. Grounds.** The Board, either on its own motion or upon the written complaint of any Club member accompanied by justification, may consider disciplining a member for cause, such as violation of Club policy, violation of State or Federal maritime laws, destruction of or damage to Club property, injury to other individuals or behavior otherwise not consistent with the purposes of the Club.

**Section 2. Procedures.** Procedures shall be established by the Board and distributed to all members. If the Board resolves to consider a complaint, the Secretary shall schedule a meeting to review the complaint and shall notify the person(s) about whom the complaint has been made not less than ten (10) days prior to the meeting, of the time and place of the meeting.

**Section 3. Sanctions.** The Board may impose sanctions including suspension of boat or other membership privileges, suspension of membership, fines, reimbursement of costs to the Club, or expulsion from the Club. Expulsion shall require a two thirds (2/3) vote of the entire Board. Lesser sanctions shall require a majority vote.

#### **ARTICLE X: SEAL**

The Board shall provide a Corporate Seal that shall be in a form voted on by Club members and in accordance with the designated specifications for a Seal of Incorporation in the District of Columbia.

#### **ARTICLE XI: WAIVER OF NOTICE**

Whenever any notice is required to be given to any member or Director of the Club under the provisions of the Bylaws or under provisions of the Articles of Incorporation, a waiver thereof in writing, signed by the person or persons entitled to such notices, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

#### **ARTICLE XII: PARLIAMENTARY AUTHORITY**

The most recent edition of Robert's Rules of Order, Newly Revised, shall govern the Club, unless inconsistent with these Bylaws.

### **ARTICLE XIII: AMENDMENTS**

These Bylaws may be altered, amended, or repealed, and new Bylaws adopted by a majority vote of all members voting, in person or by proxy, at any Annual, Special, or General Meeting, when the proposed amendment and notice of the time and place of the meeting have been submitted in writing to the membership at least (10) days and not more than thirty (30) days prior to the meeting. The current Bylaws shall be published annually in the Membership Directory.

### **ARTICLE XIV: INDEMNIFICATION**

**Section 1. Indemnification provisions in Certificate of Incorporation.** The provisions of this Article XIV are intended to supplement the Certificate of Incorporation pursuant. To the extent that this Article XIV contains any provisions inconsistent therewith, the provisions of the Certificate of Incorporation shall govern. Terms defined in the Certificate of Incorporation shall have the same meaning in this Article XIV.

**Section 2. Undertakings for Advances of Expenses.** If and to the extent the Code requires, an advancement by the Club of expenses incurred by an indemnitee pursuant to the certificate of Incorporation (hereinafter an "advancement of expenses") shall be made only upon delivery to the Club of an undertaking (hereinafter an "undertaking"), by or on behalf of such indemnitee, to repay all amounts so advanced if it shall ultimately be determined by final judicial decision from which there is no further right to appeal (hereinafter a "final adjudication") that such indemnitee is not entitled to be indemnified for such expenses under the certificate of Incorporation or otherwise.

**Section 3. Claims for Indemnification.** If a claim for indemnification under the Certificate of Incorporation is not paid in full by the Club within sixty (60) days after it has been received in writing by the Club, except in the case of a claim for an advancement of expenses, in which case the applicable period shall be twenty days, the indemnitee may at any time thereafter bring suit against the Club to recover the unpaid amount of the claim. If successful in whole or in part in any such suit, or in a suit brought by the Club to recover an advancement of expenses pursuant to the terms of an undertaking, the indemnitee shall be entitled to be paid also the expense of prosecuting or defending such suit. In any suit brought by the indemnitee to enforce a right to indemnification hereunder (but not in a suit brought by the indemnitee to enforce a right to an advancement of expenses) it shall be a defense that, and in any suit by the Club to recover an advancement of expenses pursuant to the terms of an undertaking, the Club shall be entitled to recover such expenses only upon a final adjudication that, the indemnitee has not met the applicable standard of conduct set forth in the District of Columbia Nonprofit Corporation Act (the "Act") (or any successor provision or provisions thereto). Neither the failure of the Club (including the Board or independent legal counselor) to have made a determination prior to the commencement of such suit that indemnification of the indemnitee is proper in the circumstances because the indemnitee has met the applicable standard of conduct set forth in the Act (or any successor provision or provisions), nor an actual determination by the Club (including the Board or independent legal counsel) that the indemnitee has not met such applicable standard of conduct, shall create a presumption that the indemnitee has not met the applicable standard of conduct or, in the case of such a suit brought by the indemnitee, be a defense to such suit. In any suit brought by the indemnitee to enforce a right to indemnification or to an advancement of expenses hereunder, or by the Club to recover an advancement of expenses pursuant to the terms of an undertaking, the burden of proving that the indemnitee is not entitled to be indemnified, or to have or retain such advancement of expenses, under the certificate of Incorporation or this Article V or otherwise, shall be on the Club.

**Section 4. Insurance.** The Club may maintain insurance, at its expense, to protect itself and any Director, trustee, officer, employee or agent of the Club or another enterprise against any expense, liability or loss, whether or not the Club would have the power to indemnify such person against such expense, liability or loss under the Act.

**Section 5. Severability.** In the event that any of the provisions of this Article XIV (including any provision within a single section, paragraph or sentence) is held by a court of competent jurisdiction to be invalid, void or otherwise unenforceable, the remaining provisions are severable and shall remain enforceable to the full extent permitted by law.

(As Amended at Annual Membership Meeting November 09, 2020)