

**BYLAWS**  
**of**  
**WASHINGTON YACHT & COUNTRY CLUB**

**ARTICLE I**

Organization and Purpose

1. **CORPORATE NAME.** The name of this corporation shall be Washington Yacht and Country Club, Inc. (hereafter “the Club” or “WYCC”)
2. **PURPOSE.** The purpose for which the corporation is formed is to own and operate a Country Club and as a part of the operations of a Country Club to own and operate a golf course, swimming pool, tennis and pickleball courts, a marina, dining facilities and a Clubhouse. This is to establish and maintain our facilities for its Members in order to provide a convenient and pleasant place for their recreation and enjoyment.
3. **DURATION.** The Corporation shall be of perpetual duration.
4. **ORGANIZATION.** The Corporation is organized as a non-profit corporation under the provisions of Chapter 55A, General Statutes of North Carolina. All rights of ownership in and to the Corporation and its assets shall be vested in the stockholders. Stock in the Corporation may not be held in the name of a corporation, partnership or other business entity.

The Corporation does not contemplate a pecuniary gain or profit, incidental or otherwise, to its members.

Nothing herein shall prevent the Club from filing tax returns and electing to be taxed as a “for profit” entity from time to time, if such election is beneficial and permitted by law.

5. **PRINCIPAL PLACE OF BUSINESS.** The main office of the Club and the principal place of business for the Club’s activities shall be at 7155 River Road, Washington, North Carolina. The Club may use such other locations for meetings or the conduct of the Club’s affairs as the Board of Directors may from time to time decide; however the social and recreational activities provided for the use of the members shall not be removed from the main office location as described above unless such change of location is approved by at least one more vote than fifty percent (50%) of the members entitled to vote, in person or by proxy, at a Shareholders Meeting held to consider a change of location.

6. **GENDER & SIGNIFICANT OTHERS.** As used in these by-laws the masculine shall include the feminine unless otherwise indicated and the term spouse shall include both legally married individuals and significant others of either sex.

7. **CONDITIONS.** Membership in Washington Yacht & Country Club shall not be restricted to exclude individuals based on sex, race, creed, religion or national origin.

## **ARTICLE II**

### Limitations of Members

1. The Corporation shall be limited to 600 Stockholding Members as defined in Article IX hereof, but other classifications of Members may be permitted to be affiliated with the Corporation as the Board of Directors may from time to time declare and authorize. Voting rights shall be limited to stockholding Members.
2. Each stock holding Member, upon payment of all fees and charges fixed by the Board of Directors for admission to stockholding Membership, shall be issued a non-transferable stock certificate.

## **ARTICLE III**

### Board of Directors

#### **1. BOARD COMPOSITION**

1. There shall be a Board of Directors consisting of nine (9) directors.

The officers of the Club shall be a President, Vice President, Treasurer and a Secretary. The Treasurer and Secretary, if elected outside of the directorship, shall be non-voting members of the Board of Directors ex-officio. All officers except the Board of Directors shall hold office for one year and until their successors are elected. Any officers or directors, however, may be removed from the Board of Directors for cause.

2. Each director shall be elected for a period of three years with the term of office commencing immediately following the annual stockholders meeting at which the director is elected. Only a stockholding member of the corporation or his or her spouse is entitled to be elected as a director. Members must be over the age of thirty (30) as defined in Article IX and they must have been a member of the Washington Yacht & Country Club in good standing for a minimum of three (3) consecutive years immediately preceding their election.
3. At all times, at least six members of the Board of Directors shall be full-time residents of Beaufort County.
4. A director is entitled to seek re-election at the completion of a three-year term or such shorter period if he / she was appointed to replace a director who left office between successive stockholder meetings. A director who has served two (2) consecutive three-year terms is not eligible to seek re-election within a period of three (3) years.

5. The Board of Directors shall be elected by ballot of eligible shareholders at the annual stockholders meeting of the Club. The President, Vice President, Treasurer and Secretary shall be elected by ballot by the Board of Directors from amongst their membership at the first meeting of the Board held following the annual stockholders' meeting.

## 2. MEETINGS

1. The Board of Directors shall hold regular meetings monthly and such other meetings as necessary. Meetings of the Board of Directors are customarily held at the Club but may be held at such other places within Beaufort County as directed by the Board of Directors. At the request of any two members in writing, the President will be required to call a special meeting of the Board of Directors. Other special meetings of the Board of Directors may be called by the President at their sole discretion.

## 3. NOTICES

1. Written notices of all regular meetings of the Board of Directors shall be mailed or otherwise delivered by the Secretary to each member of the Board of Directors to arrive at least two (2) days prior to the date of the meeting. Special meetings called by the President shall require such notice as may be practical.

## 4. QUORUMS AT ALL MEETINGS

1. Six (6) members of the Board of Directors shall be necessary at any meeting for a quorum for the transaction of business, but less than a quorum may vote to adjourn. In the event a quorum is not present the business on the agenda can be discussed by those directors in attendance, but without voting.

## 5. DIRECTOR ATTENDANCE

1. A director who is absent, without excuse, for more than three (3) regularly scheduled board meetings during a calendar year, may be terminated as a member of the Board of Directors, and the remaining portion of their term as a director, shall be filled by appointment made by the remainder of their Board of Director members.

## 6. NOMINATING PROCEDURES

1. The President of the Club shall appoint a nominating committee consisting of one outgoing board member as chairman and two other stockholders. The appointments shall be made at the first board meeting of September and must be approved by the Board at that meeting. The nominating committee shall submit a list of at least three (3) qualifying candidates to the President no later than November 1st. The names of approved candidates shall be placed on the Club bulletin board no later than November 15th and shall be mailed to each stockholder with the monthly billing for November. Any qualifying member who was not selected by the nominating committee will be added to the nominated list provided a petition nominating the candidate, signed by at least sixty (60) members eligible to vote, and presented to the nominating committee no later than December 15th. The names of all candidates, together with their written statements

of objectives/experience, will be mailed to voting members with the notice of the annual Stockholders meeting.

7. **ELECTION**

1. The President shall appoint a special committee of not less than two persons (one of whom should be an employee of the Club) to ensure that proxies received are eligible and validly completed; the committee shall count the eligible votes for each candidate and provide the totals to the President. The three candidates receiving the greatest number of votes at a duly called annual shareholders meeting at which a quorum has been established shall be elected to the Board of Directors for a three-year term. A stockholder is entitled to vote for not more candidates than there are vacancies to be filled; in the event a stockholder chooses to vote for less than the number of vacancies, their proxy is not entitled to vote for additional candidates unless specifically so authorized.

8. **VACANCIES**

1. In the event a director resigns or becomes unable to fulfill the duties of the office then their position will be filled by a majority vote of the remaining directors even if it is less than a quorum. The nominees from the most recent stockholder's election shall be invited to fill the vacancy (ies) in descending order of the votes they received at the annual shareholders meeting. In the event the vacancies (ies) are not filled by these members, the Board of Directors shall choose a member(s) who is qualified as defined in Article III, Section 1. In either case, the new director(s) will serve until the next stockholders annual meeting. A director that is finishing the term of an elected director who was unable to finish their term is eligible to serve for up to two complete terms in addition to the term that they are finishing.

9. **AUTHORITY**

1. All corporate power of the Club shall be exercised by, or under the authority of, the Board of Directors. The business and affairs of Club shall be managed by the Board of Directors who shall have the power, by a majority vote (except as noted) at a meeting where a quorum is present to act as follows:

- a) Make and amend rules and regulations for the conduct of the members and the operation of the activities of the Club.
- b) Make and amend rules and regulations for the admission of visitors to the premises and facilities of the Club.
- c) Prescribe penalties for the violation of the rules and regulations and to waive or remit such penalties
- d) Receive and redress any submitted complaints
- e) Provide for the financing of the Club activities and the proper handling of the funds of the club
- f) Elect the officers of the Club
- g) Fill any vacancy on the board of Directors or the slate of officers in the event of the resignation or death of such director or officer; vacancies filled by a director shall be until the next stockholders annual meeting
- h) Engage, discharge and supervise such employees as are necessary for efficient operation of the properties of the Club

i) Authorize the officers to make and execute contracts, notes and deeds of trust or other necessary documents to provide for the proper operation, maintenance or expansion of the Club provided such action is approved by at least six (6) directors of the board

j) Authorize the officers to acquire property, both real and personal, by purchase, exchange, gift or otherwise and to mortgage, sell or otherwise dispose of the personal property to the Club provided such action is approved by at least six (6) directors of the board; authority to dispose of real property of the Club must be approved by more than fifty percent (50%) of the members entitled to vote at a stockholders meeting as defined in Article IV, Section 8.

k) Elect, suspend and expel members pursuant to Article X.

l) Undertake such other acts and exercise such powers not inconsistent with the charter of the corporation and these bylaws as may be deemed proper in promoting the general welfare of the Club.

10. **CHANGES TO BYLAWS**

1. Amendments to the Bylaws of the Club shall be proposed by the Board of Directors or by means of a petition signed by not less than one hundred and fifty (150) members who are entitled to vote, in person or by proxy, at a meeting called in compliance with the provisions of Article IV, Section 9, Annual meeting or Article IV, Section 10, Special meetings. Any such proposal shall be presented at the annual shareholders meeting or a duly called Special meeting and must be approved by a majority of the members present, in person or by proxy, who are entitled to vote in accordance with the Bylaws.

**ARTICLE IV**

**Stockholders**

1. **STOCK ISSUANCE**

1. Stockholders of the Corporation shall be entitled to a certificate issued in numerical order from the stock certificate book for each share recorded in their name on the books of record of the Corporation. Each certificate shall be numbered, bear the signature of the President, the signature of the Secretary and the Seal of the Corporation.

2. **SERIES I STOCK**

1. The Certificate of Incorporation of Washington Yacht and Country Club Inc dated May 17<sup>th</sup>, 1949, authorized the issue of one thousand shares of Common Stock at a par value of \$100 each. Effective October 1<sup>st</sup>, 1984, the outstanding shares were classified as Series I stock, and issuance was discontinued. The owners of Series I stock who are not Charter members as defined in Article IX, Section 1 and do not

qualify as members of the Club due to resignation or non-payment of monthly dues have no voting rights and are not permitted to utilize the Club facilities, other than as a duly authorized guest, nor attend, in person or by proxy, any meeting of the stockholders. The shares held by such non-members shall be classified Series I non-voting stock within Stockholders Equity and will be redeemed at any time by the Corporation upon presentation of the original stock certificate or, if it cannot be traced, a legally acceptable signed statement from the individual, or his duly appointed executor, notifying that the certificate is not traceable. Charter members and other holders of Series I stock who are members in good standing are entitled to use all of the Club's facilities and to attend and vote at, in person or by proxy, all stockholder meetings of the Corporation.

### **3. SERIES II STOCK**

1. The Corporation authorized the issue of an additional one thousand shares of Common Stock at a par value of \$100 on October 1<sup>st</sup>, 1984, to be classified as Series II stock. All members, except Social and Tier One Junior members, who joined the Club on or after October 1<sup>st</sup>, 1984, are required to hold one share of Series II stock which entitles the owner to attend and vote at, in person or by proxy, all stockholder meetings of the Corporation. Holders of Series II stock are required to surrender their stock certificate upon leaving the Club either voluntarily or at the direction of the Board at which time the par value of \$100 will be credited to their final account statement. The par value of Series II stock held by former members who have not returned their certificate(s) for redemption will be transferred to Series II non-voting stock within Stockholders Equity. Former members, or their legally appointed executors, holding Series II stock will be refunded the par value upon presentation of the original stock certificate or, if it cannot be traced, a legally acceptable signed statement notifying that the certificate is not traceable.

### **4. A SERIES 1 PREFERRED STOCK**

1. The Corporation authorized the issue of one thousand shares of Preferred Stock at a par value of \$1,000 on June 1, 2015, to be classified as Series 1 Preferred Stock. All members are able to acquire the Series 1 Preferred Stock in increments of one share per \$1,000. This is non-voting stock, and the Series II Stock will still stand as the only voting stock. The Series 1 Preferred Stock places the shareholder above common stock shareholders with regards to retained equity in the Club, purchased shares may be redeemed in accordance with the directors have assigned.

### **5. STOCK TRANSFERS**

1. Shares of stock in the Corporation cannot be transferred from the owner to another individual. Stockholders who cease to be members and decide, or are required under the Bylaws, to surrender their stock must return the certificate, or a legally acceptable statement of ownership, to the Corporation for cancellation and refund of the par value.

### **6. VOTING RIGHTS**

1. Only a Stockholding member or his or her spouse who are members of the club in good standing is entitled to one vote. If both stockholder and spouse are present at a duly called meeting, only one may vote. They must designate who will vote. They are to exercise one vote for each share of stock held in their name

as recorded on the Stock record books of the Corporation. Members on Leave of Absence do not have voting rights during their absence.

**7. FIXING DATE OF RECORD**

1. The Board of Directors shall fix a record date not more than thirty (30) days and not less than ten (10) days prior to a duly called meeting of stockholders to establish the members entitled to notice of, or to vote at, such meeting. The total number of shares held by all qualifying voting members shall be determined at that time. In the event the meeting is changed or adjourned to a later date the stockholders of record shall be unchanged for a period not to exceed fifteen (15) days.

**8. PROXIES**

1. Stockholders are permitted to appoint a proxy to represent them and exercise their voting right at a stockholders meeting. The proxy form distributed with the notice of a stockholders meeting must be signed and completed by the member and delivered to the Secretary of the Club no later than twelve o'clock noon on the day of the meeting. The proxy form shall allow the member to vote on any or all items called for a vote at the meeting or permit his duly appointed proxy to exercise the vote on any or all items in the manner determined by the proxy holder. The vote for new members of the Board of Directors generally permits choice of three names from a list of candidates but if a member chooses to select less than three his choices will be included in the count and his proxy is not entitled to add any additional names. In the event a member does not choose, or delegate, a voting preference on a particular item it will be assumed he has abstained.

**9. QUORUMS FOR MEMBERS' MEETINGS**

1. The holders of twenty five percent (25%) of the outstanding shares of the Club entitled to vote as of the record date, represented in person or by proxy, shall constitute a quorum at a meeting of stockholders. If a quorum is not available, the meeting shall be adjourned to another time not later than fifteen (15) days later.

**10. ANNUAL MEETING**

1. The annual shareholders meeting of the Club shall be held no later than March 15<sup>th</sup> of each calendar year; the day and time shall be set by the Board of Directors. The purpose of the annual meeting is to elect members to the Board of Directors and to transact such other business as may be properly brought up for consideration by the stockholding members and / or the Board of Directors. Written notice of the meeting, documents supporting items subject to a vote and a blank proxy form shall be mailed to each stockholding member no less than ten (10) days prior to the date of the meeting. Financial reports, reviewed as required in Article V Fiscal Year, shall be available at the Club office no less than ten (10) days prior to the date of the meeting.

At all annual shareholders meetings of the members of the Club, the President shall preside, or in their absence, the President - Elect.

The order of business shall be as follows:

- Establish a quorum
- Reading of the minutes of the last annual shareholders meeting and of all special meetings held subsequent thereto
- Report of the Nominating Committee
- Nomination and election of the Board of Directors
- Report of the President
- Report of the Treasurer
- Reports of the Operating Committees
- Report of Election Results
- Unfinished Business
- New Business
- Adjournment

#### 11. **SPECIAL MEETINGS**

1. A special meeting of the stockholders may be called at any time pursuant to a resolution by the Board of Directors or a call for such meeting signed by twenty five percent (25%) of the holders of the outstanding common stock of the Corporation as shown by the stock records no more than sixty (60) days prior to the proposed meeting date. Notice of such Special meeting shall be mailed to each stockholder entitled to vote, in person or by proxy, no less than ten (10) days prior to the date of the meeting.

#### 12. **RESERVED POWERS**

1. The following powers are reserved exclusively to the stockholders of the Club who are members in good standing:

- A) Power to amend the Charter of the Club.
- B) Right to sell and transfer Club-owned real estate other than the right to borrow against the real estate
- C) Right to amend that portion of the Bylaws pertaining to meetings of stockholders.

#### 13. **CORPORATE DISSOLUTION**

1. As stated in Article I, Section 3 Washington Yacht and Country Club Inc was incorporated to be of perpetual duration however a majority of voting stockholders can approve a resolution of dissolution of the Corporation. Such resolution shall specify, but not be restricted to, the following:

- a) Applications for membership shall be suspended on the date the proposal for dissolution is first introduced by the Board of Directors or the stockholders.
- b) The total face value of stock certificates held by members, including non-voting stock, to be distributed to the stockholders shall not exceed the total Stockholders Equity as reported in the financial report reviewed by the duly appointed certified public accountant at the end of the financial year immediately preceding the date of the stockholder approved resolution to dissolve the Corporation.



c) All stockholders, including non-voting stockholders, shall be repaid the par value of \$100 for each share of stock registered in their name. In the event the net proceeds of dissolution are insufficient to redeem stock at par value a lower redemption price will be applied equally to each share of stock. In the event non-voting stockholders cannot be traced the value of their shares of stock shall be distributed as specified by the State of North Carolina for unclaimed private property.

d) In the event the net proceeds of dissolution exceed the amount required to redeem the issued stock but are equal to, or less than, the amount distributable to stockholders as fixed in compliance with Article I, such amount will be distributed to the stockholders who are members in good standing as of the date of dissolution of the Corporation. The amount available for distribution shall be divided by the cumulative total of years of membership of all the members entitled to share in the funds available to determine the amount for a member year and such amount will be paid to each participating member for each of the years he / she was a member of the Club.

e) Any funds remaining after the distributions as established by Article I, Section 4 shall be distributed to not-for-profit organizations engaged in the provision of golf, tennis, swimming or yachting activities. A majority of the stockholders who participated in the distribution under Article I, Section 4 shall decide the organization(s) to benefit from such distribution and the amount(s) to be paid to each beneficiary.

## **ARTICLE V**

### **Fiscal Year**

The fiscal year of the Club shall be from January 1st through December 31st of the same calendar year. The accounting records and annual financial statements shall be reviewed by a certified public accounting firm, selected by the Board of Directors, prior to presentation to the stockholders.

## **ARTICLE VI**

### **Officers**

#### **1. ELECTION OF OFFICERS**

1. The Board of Directors, immediately following the annual stockholders meeting, shall meet and elect a President, Vice President, Secretary and Treasurer. The positions of Secretary and Treasurer may be combined and held by one person who does not have to be a stockholder, but cannot be an employee of the corporation.. All officers except the Secretary and Treasurer must be stockholders and be a director or eligible for nomination as a director as provided in Article III, Section 6.

#### **2. DUTIES OF THE PRESIDENT**

1. The President shall preside at all meetings of stockholders and shall sign all certificates of stock and, in conjunction with the Secretary or Treasurer, all bills, notes and contracts of the Corporation. The President shall, at each annual meeting of the stockholders, submit a complete report of the operation of the Club and the Corporation for the preceding fiscal year together with a statement of the Corporation's financial status as determined by the duly appointed certified accounting firm. The President, with the concurrence of the Board of Directors, shall have the power to employ and discharge any and all employees of the Corporation and to set their compensation. The President shall be an ex-officio member of all standing committees of the Board of Directors. The President shall see that all corporate responsibilities are adequately provided for and shall have such powers as may be reasonably construed as belonging to the chief executive of the organization, including the power to delegate such powers.

### 3. **DUTIES OF THE VICE PRESIDENT**

1. The Vice President shall, in the absence or disability of the President, possess all the powers and perform all the duties of the President.

### 4. **DUTIES OF THE SECRETARY**

1. The Secretary shall attend all meetings of members and of the Board of Directors and keep full minutes of all meetings, including a detailed record of all votes and business transactions that will be retained as supporting documentation of stockholders and directors. A copy of all minutes shall be maintained in the office of the club for the purpose of being open to inspection by any member of the Board of Directors or by members upon proper request to the Secretary.

2. The Secretary shall notify stockholders and directors of the place, date and time of their meetings, have charge of and keep the seal of the Corporation and affix the same to stock certificates and such other instruments as may be required. The Secretary shall keep a stock certificate book and sign, with the President, all contracts and other instruments when authorized to do so by the directors.

3. In case of absence or disability of the Secretary, the Board of Directors shall appoint a temporary Secretary who is a member of the Board of Directors.

### 5. **DUTIES OF THE TREASURER**

1. The Treasurer shall have general charge of the financial affairs of the Club subject to the supervision and control of the Board of Directors with the authority in the name and on behalf of the Club: to collect all fees, dues and other accounts due to the Club; to pay all bills as may be directed by the Board of Directors; to borrow money upon the vote of the Board of Directors, and to execute and deliver the Club's notes or other evidence of indebtedness therefore.

2. The Treasurer shall keep regular books of accounts for the Club, such books to be open for inspections by members of the Board of Directors whenever and at such regular intervals as the Board of Directors may specify. The Treasurer shall be required to give bond for the faithful performance of the duties of this office, the form and amount of this bond to be approved by the Board of Directors. The Treasurer shall also require adequate bonding of employees who may be directly involved in the management of club business and assets, such as the General Manager and Office Manager.

3. Annually, upon the close of the Club's fiscal year, and prior to the annual meeting of stockholders, the Treasurer may be required to have all books of accounts and other financial records examined by a Certified Public Accountant (CPA) and have the CPA's report delivered to the Board of Directors. The Treasurer shall have custody of all financial records and documents and the seal of the Club. The Treasurer shall have such powers as may reasonably be construed as belonging to the chief financial officer of the organization, including the power to delegate such powers.

4. In case of absence or disability of the Treasurer, the Board of Directors may appoint a temporary Treasurer.

## 6. **DUTIES OF BOARD MEMBERS**

1. The Board of Directors shall control and manage all affairs, property and expenditures of the Club and may exercise all powers of the Club, except such as are expressly reserved to preferred shareholders pursuant to the law, the agreement of the association, or in accordance with these Bylaws except for those matters which require consent of the membership of the Club. They shall prescribe the rates and conditions of income such as green fees, dues, initiation fees and any other significant rate of revenue.

2. The Board of Directors shall adopt such "Club Regulations" as are necessary to provide the orderly use of the Club facilities and as are necessary to accomplish the goals and purposes of the corporation. The Board of Directors is authorized to print such "Club Regulations", copies of which will be made available to all members.

3. The Board of Directors. May organize itself into various committees or otherwise to properly administer the Club business.

## **ARTICLE VII**

### **Committees**

#### 1. **APPOINTMENT**

1. The President shall appoint the committee Chairperson, with the concurrence of the Board of Directors, for all standing committees and any special committees which may be required as determined by the Board of Directors. The Committee Chairperson must meet the requirements for election to the Board of Directors as specified in Article III, Section 2. Each Chairperson shall appoint the necessary committee members from the Club membership – appointees do not have to be stockholders but must be members in good standing. The President shall be an ex-officio member of all the standing committees.

#### 2. **STANDING COMMITTEES**

1. The standing committees of the Club shall be as follows: -- Membership, Policy and Bylaws, Finance Long Range Planning, Golf Course, House and Grounds, Pool Tennis / Pickleball, and Marina.

3. **TERM OF OPERATION**

1. The committees shall operate from the date of appointment until such time as their successors are appointed or their tenure is extended or shortened by the President with the concurrence of the Board of Directors. Notwithstanding other provisions of these bylaws, all committees shall report to and act only pursuant to authority granted by the Board of Directors.

4. **COMMITTEE DUTIES**

1. All committees shall at all times be under the direct supervision and control of the Board of Directors and shall provide the director responsible for their field of operation with a monthly report of any meetings, developments, requirements or other factors affecting matters handled by their committee. No committee has the right to obligate the Club for any sum in excess of the specific amount budgeted for such committee's use during the current fiscal year without prior express approval of the Board of Directors. The specific duties of each standing committee are as set out in the Policy and Procedures manual of the Club.

5. **MEMBERSHIP COMMITTEE**

1. The committee shall meet as necessary to consider modifications to existing membership categories and pricing for those categories deemed as possibly beneficial for the overall fiscal and well-being of the Club. Recommendations regarding possible changes will be presented to the board for formal consideration. The committee Chairperson will determine the size of the committee that best suits the club needs for these evaluations. The General Manager will be consulted regarding any proposed changes.

6. **POLICY & BYLAWS COMMITTEE**

1. The committee shall consist of the Chairperson and five (5) members not less than three (3) of who shall be current members of the Board of Directors. The committee shall make recommendations to the Board of Directors for all policy matters that are not specifically and solely the responsibility of a given standing committee, documentation of and amendments to, the bylaws, documentation of and amendments to, the policy and procedures manual and documentation of Club rules and regulations established by other standing committees. The committee shall meet as needed but not less frequently than twice per year.

7. **FINANCE COMMITTEE**

1. The committee shall consist of the Chairperson and two (2) members. The committee is responsible for reviewing all of the Club's financial, accounting, budget and financial control functions. The committee shall make recommendations to the Board of Directors regarding financial policy and guidance. The committee shall make recommendations on a rolling five (5) year capital asset plan.

2. The annual budget and any changes thereto must be approved by the Board of Directors, but the committee has authority to take emergency action when the General Manager deviates from approved plans

and budget until the Board of Directors shall have an opportunity to meet and approve, modify, or rescind such action. The committee shall meet as needed to satisfy its responsibilities to the Board of Directors.

8. **LONG RANGE PLANNING COMMITTEE**

1. The committee shall consist of the Chairperson and two (2) members. The committee is responsible for making recommendations for the long-range planning and forward-looking future of the Club relating to all of its functions including the clubhouse, golf course, swimming area, tennis / pickleball courts, docks and yachting facilities, maintenance sheds, drainage systems, irrigation systems and mechanical equipment.

It shall develop plans for a rolling five-year period including evaluation of need, acquisition and financing. The committee shall meet as needed to satisfy its responsibilities to the Board of Directors.

9. **GOLF/GREENS COMMITTEE**

1. The committee shall consist of the Chairperson and three (3) members. Ex-officio members shall be the Course Superintendent, Golf Professional and one representative each of the Ladies Golf Association, Men's Senior Golf Association and the Men's Golf Association. The committee shall make recommendations to the Board of Directors for the maintenance and upkeep of the golf course, pro shop, maintenance areas, rest areas, carts and cart houses as well as establishment of rules and regulations for their use by members and their guests. The committee shall meet on a monthly basis or more frequently if circumstances make it necessary.

10. **HOUSE & GROUNDS COMMITTEE**

1. The committee shall consist of a Chairperson and Vice Chairperson, both who shall be Directors, and a maximum of six (6) members. The General Manager may be ex-officio members of the committee. The committee is responsible for making recommendations for the maintenance of and improvements to the clubhouse, dining room, kitchen and all grounds, parking lots and structures not delegated to other committees. The committee shall also make recommendations for the establishment of rules and regulations for the use of these facilities. The committee shall meet as needed to satisfy its responsibilities to the Board of Directors.

11. **POOL & TENNIS COMMITTEE**

1. The committee shall consist of the Chairperson and two (2) members. The docks superintendent shall be an ex-officio member. The committee is responsible for making recommendations for maintenance of the swimming pool and tennis and pickleball courts, for ensuring State regulations applicable to the pool are observed and for the establishment of rules and regulations for their use by members and guests. The committee shall meet not less frequently than monthly when the pool is open for use and at other times as necessary.

12. **MARINA COMMITTEE**

1. The committee shall consist of the Chairperson and four (4) members. The docks superintendent and the Commodore of the Washington Yacht Club shall be ex-officio members. The committee is responsible for making recommendations for the maintenance of the docks, piers, boathouses, gazebo and bathroom facilities and the establishment of rules and regulations for their use. The committee shall meet on a monthly basis or more frequently if necessary.

## **ARTICLE VIII**

### **Management and Operation of the Club**

#### **1. GENERAL MANAGER**

The Board of Directors will employ a General Manager that reports to the Club President. The General Manager acts as the chief operating officer of the Club and shall be responsible for the day-to-day operation and maintenance of all Club properties and personnel and shall perform other duties as the Officers and Board of Directors may require.

In the absence of a general manager the Board of Directors may otherwise delegate this authority to such employees as they may decide. The duties assigned to the general manager shall be established by the Board of Directors and set out in a detailed written job description, outlining their job responsibilities and accountabilities. This document shall be signed by the General Manager to acknowledge acceptance of and responsibility for the specified duties.

The Golf Professional, Golf Course Superintendent and other Club Department Heads, shall be under the direction and supervision of the General Manager. The General Manager will ensure all staff have detailed written job descriptions that clearly articulate their position, outlining their job responsibilities and accountabilities.

The General Manager will submit oral and written reports at each Board of Directors meeting detailing the operations and activities of the facilities under his direction.

The General Manager will implement the Club's policy as defined by the Board of Directors and will utilize guidance as necessary from the appropriate committees. The General Manager will see that all activities, services and events planned and authorized by the Board of Directors and Committees are carried out, and that all expenditures are either within budget limits or approved in Board of Director action.

The General Manager and other employees shall be bonded to the extent and in the manner deemed advisable by the Board of Directors.

#### **2. EMPLOYMENT OF RELATIVES**

No department head or supervisor may be a close relative of another department head or supervisor. "Close Relative" means parents, brother, sister, spouse, children, nephew, niece, aunt, uncle or first cousins, either in-law or by blood. No person who is related by blood or marriage to a representative of the WYCC may be employed by the WYCC unless the relationship has been disclosed to and approved by WYCC's Board of Directors.

## **ARTICLE IX**

### **Membership**

Ages of Members: All Members of the Club (except dependent Members as hereinafter described) shall be at least twenty-one (21) years of age.

#### **1. CHARTER MEMBERS**

1. Charter members of WYCC are those persons whose date of membership was effective on or prior to December 31<sup>st</sup>, 1949. Charter members are exempt from monthly dues but are subject to the Club's minimum dining room purchase rule as set by the Board of Directors.

#### **2. ENROLLMENT**

1. All other membership shall be by application only; such applications shall be signed and submitted by one member of the Board of Directors. Applicants who were previously members of the Club are required to pay any amounts due to the Club which were unsettled at the date their original membership was discontinued. Individuals admitted to membership are subject to terms as prescribed by the Board of Directors which include but are not restricted to purchasing one share of stock from the Corporation, payment of the current initiation fee and acceptance that monthly dues and fees for services used shall be paid in full within thirty (30) days of the billing date. Membership shall be in one name only which shall be the name of the approved applicant.

#### **3. MEMBERSHIP CLASSES**

1. The Board of Directors will determine the available classes of membership and any associated fees and dues. These membership classes will be promulgated separately.

2. Series II stock shares will be available for purchase by all members in good standing.

#### **3. DEPENDENTS**

1. Dependents are limited to (i) a spouse of a Member, (ii) children of a Member under the age of twenty-one (21) and who resides with said Member or said Members' former spouse, or (iii) children of a Member under the age of twenty-five (25) that attend an accredited college or university on a full-time basis. The Member is responsible for all charges made by their Dependents.

#### **4. DIVORCE AND MEMBERSHIP**

1. Divorced spouses of current members may apply for membership within 90 days of the divorce being finalized. The divorced non-member spouse may select the membership category desired. The requirements of sponsorship and the initiation fee are waived but they are required to purchase a share of stock if it is required by the membership category selected. They shall pay all

other dues, fees and assessments at the selected membership rate. In the event a divorced member remarries they will be changed to a membership category that allows for couples. New rates for dues, fees and assessments will apply.

#### 4. **SPECIAL MEMBERSHIP**

1 The Board may choose to add, modify, or delete membership categories for the purpose of increasing revenue to the Corporation. The Board may choose to not require stock purchase for some special membership categories, if it is considered to increase total revenue from that membership category. Categories that do not own stock shall not have voting privileges.

A Corporation may apply for a Club Corporate Membership by making an application and paying a one-time \$1,000.00 initiation fee, which upon approval is non-refundable. The Corporation will be called a Corporate Member. The Corporate Member is assigned an account number for corporate changes only.

The Corporate Membership is in name only but allows the Corporation a charge account for corporate functions and to designate up to five Corporate Associate Members to apply for regular membership. Each approved designated member will be called a Corporate Associate Member and is a member at the pleasure and will of their corporation. A designated Corporate Associate must follow the new-member application process including purchasing one share of Club stock. Upon approval, the Corporate Associate Member will be entitled to full regular membership privileges and be responsible for their dues, minimums, and other charges.

##### 2. Corporate Benefits:

Provide a quality, low-cost executive perquisite of a Club membership for up to five designated corporate associates.

Provide access to private corporate luncheons, corporate dinners, corporate business meetings and corporate golf outings, with direct billing through an approved corporate account. Note: Corporate related charges are not billed or credited to any of the five designated corporate associate's membership accounts.

##### Designated Corporate Associates:

Corporation/business is entitled to designate up to five corporate associates for a full Club membership. A membership for additional corporate associates above the five designated slots is subject to discussion and consideration.

The full membership initiation fee is waived for the five designated corporate associates.

The designated corporate associates will be required to purchase a share of Club stock for \$100, which is refundable for terminating members in good standing.

Each designated Corporate Associate must make an application to the Club. Upon approval and the purchase of one share of WYCC stock, they will receive full membership status. They will be responsible for their monthly membership dues, dining room minimum, and other charges. The dining room minimum may not be applied to a corporate sponsored event or dinner.

Should a designated Corporate Associate be terminated or transferred, the Corporate Member may designate another Corporate Associate to make an application for the vacated corporate slot. Upon



approval, the new Corporate Associate would be required to purchase a share of Club stock and be responsible for their monthly membership dues, minimums, and charges.

Examples of special membership may include, but not limited to the following categories:

- A) Golf Only Memberships that do not include Marina privileges
- B) Marina Only Memberships that do not include Golf privileges
- C) Seasonal Memberships, i.e., Pool, Tennis
- D) Limited Dining Only Memberships
- E) First Responders, Educators and Active-Duty Military
- F) Corporate Membership

## **5. INITIATION FEES, MONTHLY DUES & ASSESSMENTS**

1. Initiation fees for new members and monthly dues for all members, except Charter members, shall be assessed at the rates determined from time to time by the Board of Directors. The Board is authorized to establish these rates at different levels for each class of membership described in Article IX, Section 3 Membership Categories. The Board may impose other assessments on all classes of membership as may be necessary to meet the financial requirements of the Club which exceed funds available from regular operations.

## **6. PAYMENT OF DUES AND FOR SERVICES**

1. Monthly dues, other fees and amounts due for services obtained by members or their dependents will be charged to the member's account and monthly statements will be mailed to each member immediately following the end of each calendar month. Cash payments are not permitted except for gratuities to staff and payment for snacks and beverages in the Pro-shop. Guests of members are not permitted to pay for services received by Credit Card or, with the member's agreement by charge to his account. Amounts due as recorded on the monthly statement are to be paid by the twentieth (20<sup>th</sup>) of the month in which the statement was mailed by personal check.

2. Any member who is thirty (30) days past due in settling amounts due the Club shall be notified that all rights to use the Club facilities are automatically suspended and will not be reinstated except on payment of all delinquencies and the amount of fees, dues and assessments charged individually to members between the date of suspension and the date of reinstatement. Suspension for delinquent fees and dues constitutes a leave of absence. Suspension of any member more than one time in a consecutive period of twelve (12) months shall be cause for revocation of membership at the discretion of the Board of Directors.

## **7. LEAVE OF ABSENCE**

1. All leaves of absence must be approved by the Board of Directors and do not become effective until the month following the date of approval. A member is only entitled to one (1) leave of absence in a consecutive five-year (5) period; suspension for delinquent dues constitutes a leave of absence as noted in Article IX, Section 5.2. Leaves of absence will only be granted in cases of medically certified extreme disability which prevents the member from using Club facilities and/or where the member is moving to a location that is more than two hundred (200) miles from the borders of Beaufort County, NC. A leave of absence shall be for a period of not less than one (1) year nor more than three (3) years during which time

the member shall not be permitted to use any of the facilities of the Club except that a member granted leave for temporary relocation may attend the Club as the guest of a member upon payment of the applicable guest fees.

## 8. **RESIGNATION / TRANSFER**

1. Any member may resign from membership at any time by giving notice to the Board of Directors in writing, provided all dues, fees, assessments, conditions of new membership contracts and any other charges are paid for the current period.
2. Such resignations shall be effective on the last day of the month in which the resignation is received. The resigning member shall immediately surrender their Series I or II stock and the surrender value of \$100 (one hundred dollars) will be credited to their account and any balance due at the end of the month must be paid prior to the end of the following month. Any stock not returned for credit at the time of resignation will not have the original \$100 value returned later. Members who have resigned may not re-apply for membership within twelve (12) months of resignation, unless specifically approved by the board. Resigned members re-applying may have special requirements to re-join the Club imposed at the board's sole discretion.
3. The Club shall have a lien upon each share of stock for any indebtedness of the Member to the Club, and the Stock Certificate shall be redeemed by the Club for the par value thereof (\$100.00), only after all dues and accounts of the resigning Member have been fully satisfied.
4. No Membership may be transferred except as provided in the By-Laws.
5. If a Member resigns from the Club and re-applies for Membership, such Member shall be responsible for the lesser of (i) the new initiation fee or (ii) all past due dues, fees, and other assessments which have accrued since resignation.

## 9. **CONDUCT OF MEMBERS**

1. All Members are subject to the rules, regulations and By-Laws of the Club, and are responsible for the conduct of and indebtedness incurred by their Dependents and Guests.

## 10. **SURVIVOR RIGHTS**

1. Upon the death of a Member leaving a surviving spouse, such spouse shall be entitled to continue in the category of Membership existing at the time of death, provided such surviving spouse notifies the Board of Directors in writing within three (3) months from the date of death. If such surviving spouse continues Membership, said surviving spouse shall assume all of the obligations of the deceased Member. If the deceased Member was a Stockholding Member, the Stock Certificate shall be re-issued to the surviving spouse at no cost.
2. If a surviving spouse does not elect to continue Membership, any Stock Certificate previously held by the deceased Member shall be surrendered and delivered to the Club within three (3) months from the date of death. Failure to surrender and deliver the Stock Certificate in accordance with this section of the By-Laws shall void said Stock Certificate.

3. A surviving spouse, meeting all other criteria, may make an application to become a non-golf Member regardless of Stockholding vacancies.

## ARTICLE X

### Suspension, Expulsion, or Censure

1. In the event of any infraction of any By-Law or any rule or regulation of the Club, or any conduct on the part of any Member or dependent of any Member of the Club which may tend to endanger the good order, welfare, or character of the Club, the Board of Directors, by majority decision, may withdraw all privileges of the Club from such Member for a designated period. In the event such conduct is on the part of the dependent of a Member, the Board of Directors may withdraw all privileges or from the entire family of the Member whose dependent is involved.

2. In the event of any infraction of any By-Law or rule or regulation of the Club, or any conduct on the part of any Member or dependent of a Member of the Club, which may tend to endanger the good order, welfare, or character of the Club may be permanently expelled by a two-thirds (2/3) vote of a quorum of the Board of Directors, provided that ten (10) days' notice in writing shall have been given to the offending Member or the Member whose dependent is involved, and to each Member of the Board of Directors attending the meeting at which such expulsion shall be considered. Any Member so charged with misconduct shall have the opportunity of defending himself, either in person or by a representative at the meeting of the Board of Directors, when the charges against him or her shall be considered. The decision of the Board of Directors shall be final. Upon expulsion, the Stockholding Member shall surrender to the Club his or her share of stock.

3. Any Member of the Board of Directors or any officer of the Club may be expelled from office by a majority vote of a quorum of the Members of the Club for misconduct or neglect of duty at a special meeting called for that purpose.

4. All members shall pay their account for dues and all charges by the twentieth (20) of the same month in which the monthly statement is rendered. The policy for late fee charges will be promulgated in the corporation's Policy and Procedures document. If an account remittance is not received by the 15th of the following month, the members name will be posted as delinquent, and the Board of Directors shall be authorized to suspend the member until his / her account is paid in full and pays a reinstatement fee of \$50, including all back dues, food minimums, and handling fees. During the period of suspension, the members and his / her dependents shall not be privileged to utilize the club or its facilities. The Board of Directors will receive status reports on suspended members. Reinstatement by payment of \$50 fee will be permitted only twice.

5. Any Membership which has been suspended in accordance with the section above for a period of sixty (60) days shall be automatically revoked and thereupon the stock held by such Member will be applied to any indebtedness due the Club, and such Member expelled. Any person whose Membership has been revoked in accordance with this section who desires readmission must apply as a new Member. If Members

debt remains unsatisfied thirty (30) days after expulsion for non-payment, the Club is to proceed with a judgement claim through small claims court. Any repayment plan that is offered by the former Member is to be approved by the Finance Committee.

## **ARTICLE XI**

### **General Rules and Regulations**

1. The Clubhouse and all facilities of the Club are primarily for the use, entertainment and enjoyment of the Members and their families. However, any member may sponsor a non-member event under the guidelines set forth by the Board of Directors. The rules and regulations for the operation of the Club shall be designed in writing to facilitate and promote Member usage.

(a) The Club shall not be responsible to Members or guests for personal injury, or for loss of, or damage to their personal property in the Clubhouse, Pro Shop, Tennis, Pickle-ball or the Pool, or anywhere on Club grounds.

(b) Members shall not reprimand Club employees directly. Any Member having a complaint against any Club employee shall refer such complaint to the Club General Manager, or the committee or officer having jurisdiction over the activity in which the employee is engaged. Violation of this By-Law is misconduct contemplated under Article IX, Section 8 hereof.

(c) Information such as schedules and fees which are subject to frequent change will be developed by appropriate committees and will be published separately and approved by the Board of Directors.

(d) The General Manager and Head Golf Professional are entitled to full Club privileges, as if they are non-voting members. Further, they may host visiting Members of their professions who, as their guests, will not be required to pay greens fees and cart rental.

No other employee, regardless of position, will be entitled to any Club privileges unless extended by Board of Director action.

## **ARTICLE XII**

### **Indemnification**

#### **1. INDEMNIFICATION**

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

a) reasonable expenses, including attorneys' fees, actually and necessarily incurred by him in connection with any threatened, pending or completed action, suit or proceedings, whether civil, criminal, administrative or investigative, and whether or not brought by or on behalf of the corporation, seeking to hold him liable by reason of the fact he is or was acting in such capacity.

b) reasonable payments made by him in satisfaction of any judgment, money decree, fine, penalty or settlement for which he may become liable in any such action, suit or proceeding.

## **2. PAYMENT OF INDEMNIFICATION**

1. The Board of Directors of the corporation shall take all such action as may be necessary and appropriate to authorize the corporation to pay the indemnification required by this Bylaw, 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 and giving notice to and obtaining approval by the stockholders of the corporation.

## **3. NON – EXCLUSIVITY**

1. Any person who at any time after the adoption of this Bylaw serves or has served in any of the aforesaid capacities for or on behalf of the corporation shall be deemed to be doing or 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.

## **4 BY-LAWS REVISION HISTORY**

1. The Board of Directors shall have the power to repeal or amend any of these By-Laws provided that such action shall not be effective until approved by a majority vote of the shareholders of the Club at a meeting held in accordance with the provisions herein. No amendment or repeal of any provision of this Article shall alter to the detriment of any director, officer, employee or agent of the Washington Yacht and Country Club the right to indemnification provided by this Article with respect to any acts or omissions which took place prior to such amendment or repeal.

- Revised by the Board of Directors June 2013 and Approved by Stockholders at the June 2013 meeting.
- Approved by stockholders at June 2016 Annual Meeting.
- Revised by BOD and approved by Stockholders at the June 2019 meeting.
- Revised by BOD and approved by Stockholders at the June 2022 meeting.
- Revised by BOD and approved by Stockholders at March 2025 meeting.

**END**