

BY-LAWS

OF SOUTHPORT SAILING, INC.

ARTICLE I - TITLE

Section 1. The name of the corporation shall be "Southport Sailing, Incorporated", hereafter referred to as the "Club". The Club shall operate using the name Southport Sailing & Boat Club

ARTICLE II - PURPOSE

Section 1. The Club is formed to provide, cruising, sailing and racing activities, to foster friendships, promote social relationships, and encourage boating knowledge and skills.

ARTICLE III – CLUB MEMBERSHIP & DUES

Section 1. The Club shall be comprised of the following membership classes and numbers:

Household Membership	100 maximum
Honorary Member	5 maximum

Section 2. The Club dues, or other fees shall be fixed by majority vote of the Board.

Section 3. Any applications for membership received while the membership is full will be placed on the "Wait List" in the chronological date of receipt and will reviewed for approval when the membership is no longer full.

Household Membership

Section 4. Household Members shall be those persons elected to the Club. An applicant for Household Membership shall pay the annual dues upon election to the Club; and thereafter shall have the right to vote, hold office, and participate in all Club functions.

Section 5. Household Membership shall constitute husband and wife, or adult domestic partner, and unmarried children under 21 years of age, residing in the same household. Each spouse or domestic partner is limited to one (1) vote each totaling a maximum of two (2) votes. Each must cast his or her vote individually. Those members delinquent in monies due or suspended by the Board shall be considered "not in good standing", and therefore not eligible to vote on any Club business or election.

Honorary Membership

Section 6. The Governing Board may elect persons who have rendered distinguished public service to the community or to Club for Honorary Membership. Persons elected to Honorary Membership shall pay no dues, shall not vote or hold elected office, and are elected for the term stated by the Board at time of such election.

ARTICLE IV – MEMBERSHIP APPLICATION

Section 1. Candidates for membership must be proposed in writing by one member in good standing and endorsed by two additional members in good standing neither of whom shall be a member of the Board. **The persons proposing a candidate must do so with a written letter setting forth the personal background of the applicant and forward it to the Secretary. The nomination should be complete in detail providing the Board sufficient information on which to consider the applicant. Full name, address, residence history, family members, boating experience, vessel owned with details, specific interests in the Club, and willingness to participate in specific areas of Club activities should be outlined. Each nominee must have participated in at least one Club event or activity as a guest; and details should be indicated within the application letter.**

ARTICLE V – MEMBER RESPONSIBILITIES

Section 1. All Members and unmarried children under the age of 21 shall be entitled to full privileges of the Club. However, all will adhere to the guidelines of each event.

Section 2. Each voting member of the Club shall be placed on an “Activity Team”. Each Team shall select team co-leaders and then notify the Secretary of these selections. The purpose of “Activity Teams” is to promote involvement by all members in the activities of the Club, to foster friendships and promote social relationships. The function of these “Activity Teams” will be to plan, organize, and follow through on Club events as directed by the Board.

Section 3. Guests of a member shall be extended the privileges of the Club at the request of the Member. Members may invite guests subject to space available and the specific event provisions regarding guests.

Section 4. Members are expected to participate in Club activities. Members unable to meet this commitment will be subject to Board review.

Section 5. Neither a person whose application for membership in the Club has been adversely acted upon, nor any person whose membership has been terminated by the Board, shall be entitled to guest privileges of the Club, unless such privileges are extended by a two-thirds (2/3) vote of the Governing Board.

Section 6. A member shall be responsible for all indebtedness incurred by his or her guests and for inappropriate conduct of such guest at any club event.

Section 7. Any member failing to pay dues, assessments or other monies due the Club within 30 days after notice of the same shall be considered delinquent. A notice shall be mailed by the Secretary notifying any delinquent member, that if such indebtedness is not paid within 30 days the membership may be terminated by action of the Board. Members listed as delinquent by the Club may be suspended from privileges by action of the Board until such dues, or assessments are fully paid.

Section 8. No action will be taken until the delinquent member has been given opportunity upon written notice, to appear before the Board to show cause, if any, why such indebtedness has not been paid. Determination of the cause shall be the exclusive prerogative of the Board.

ARTICLE VI – GOVERNMENT

Section 1. The management authority of all of the affairs of the Club shall be placed in the Governing Board. The Governing Board shall approve all membership applicants, and all other business of the Club as directed by these By-Laws. The Board shall approve all committees and chairpersons of all committees.

ARTICLE VII – GOVERNING BOARD

Section 1. The Governing Board (hereafter referred to as the “Board”) shall consist of nine (9) members. They shall be elected by vote of the membership in good standing at the time and date of the annual meeting. Only one member of a “Household” may serve as an elected Board Member at the same time. Each elected Board Member shall have one (1) vote. In the absence of the elected Board Member that vote may be cast by their alternate “Household Member”.

Section 2. The Board shall meet regularly at time and place designated by the Board. A Special Meeting of the Board may be called at any time by the Chairman or at the written request of any three (3) members of the Board. A majority of the elected members of the Board shall constitute a quorum at any regular or special meeting.

Section 3. Any vacancy on the Board shall be filled by vote of the duly elected members of the Board. The Board Member so elected shall serve until the end of the current year’s term.

Section 4. Any member of the Board may be removed by two-thirds (2/3) vote of the elected Board members if in its judgment the best interest of the Club. This to be done at a special meeting called for that purpose, of which ten (10) days notice in writing shall be given to all Board Members.

Section 5. The business of the Club shall be conducted in accordance with Roberts Rules of Order.

Section 6. A majority of the number of the Board Members in office shall constitute a quorum for the transaction of business at any meeting of the Board.

ARTICLE VIII – OFFICERS

Section 1. The officers of the Board shall consist of: a Chairman, a Vice-Chairman, a Secretary, and a Treasurer, who shall be elected annually by the duly elected members of the Board immediately after the annual election. The Board may combine officers or may elect any other officer deemed necessary. Officers shall only act pursuant to direction and approval of the Board.

ARTICLE XIX – DUTIES OF THE OFFICERS

Chairman of the Board

Section 1. The Chairman shall preside at all meetings of the Board, shall be the chief executive officer of the Club, shall exercise general supervision over the affairs of the Club and serve as ex officio member of all committees. The signature of the Chairman and the Treasurer are required on all written contracts and obligations that bind the Club.

Vice Chairman of the Board

Section 2. During the absence or any disability of the Chairman of the Board, the Vice-Chairman shall perform the duties of the Chairman and exercise the authority of the Chairman. During the absence of the Chairman and Vice Chairman a member of the Board, selected by the Board, shall perform these duties.

Secretary

Section 3. The Secretary shall give timely notice pursuant to the requirements set out in these By-Laws of all meetings to the membership and to the Governing Board and shall keep the minutes of such meetings and have custody of all Club records, not otherwise provided for, together with the correspondence of the office, which shall at all times be open to inspection by the Board Members, but only to members with the Board's approval to do so. The Secretary shall furnish the Treasurer with the names of all persons elected to membership, keeping a roll thereof and shall be the custodian of the seal of the corporation.

Treasurer

Section 4. The Treasurer, under the direction of the Board, shall collect all fees, dues, and all monies due to the Club; attend to all disbursements and have general charge of the funds of the Club. The Treasurer shall, to the extent authorized by the Board, sign on behalf of the Club all promissory notes, checks and other negotiable instruments.

Section 5. The Treasurer shall also keep the records of fiscal matters and accounts, together with all the correspondence of the office which shall at all times be open to inspection by the Members of the Board, but to members only with the Board's approval to do so. The Treasurer shall submit to the Board at each monthly meeting, and to the membership at each annual meeting, a statement of accounts, which shall show the receipts and expenditures of money under the different categories, the balance of funds on hand and where deposited, and insofar as possible, the outstanding obligations of the Club.

ARTICLE X – STANDING COMMITTEES

Section 1. The Board shall appoint annually the Chairpersons of the following standing committees, each of which shall consist of no fewer than three (3) committee members. Regatta Committee, Cruise Committee, Advisory Committee, Civic Committee, Membership Committee.

Section 2. All expenses to be incurred by any of the several committees, in excess of those particularly authorized, shall be submitted to the Board for approval before being incurred.

Regatta Committee

Section 3. The Regatta Committee shall coordinate all sailboat racing events. The Committee shall be responsible for planning and safety of these events. Event planning shall be submitted to the Board for approval. The Regatta Committee shall offer assistance to all other committees engaged in on the water events.

Cruising Committee

Section 4. Cruising Committee shall coordinate all cruising events. They shall be responsible for planning and safety of these events. Event planning shall be submitted to the Board for approval. The Cruising Committee shall offer assistance to all other committees engaged in on the water events.

Advisory Committee

Section 5. That the Advisory Committee be comprised of 3-5 members all having prior Board experience; with at least one member being a "Founding Member" when available. That the outgoing Board shall appoint the following year Advisory Committee Members. Vacancies during a given year may be filled by the seated Board. This committee appointment process supercedes Article VI – Section 1, as it relates to the Advisory Committee appointment.

That the Advisory Committee shall, from time to time, submit reports to the Board stating the "Condition of the Club and/or Club Activities". That information requested by the seated Board or the Advisory Committee be provided, in a timely manner.

That the Advisory Committee shall assist as requested by the Board in order to forward the business of the Club. And that the Advisory Committee will meet with the Board as requested; and that the Board will meet with the Advisory Committee as requested.

That the year's "Schedule of Events" be developed jointly by the Board and the Advisory Committee members in joint session, and that this be approved by majority vote of both body's, with each member of the Board and Advisory Committee being allowed one vote. It shall be understood that the voting authority of the Advisory Committee Members is limited to this Club responsibility only.

That the outgoing Board and the Advisory Committee shall each draft, or jointly draft a written review at the end of the calendar year; to provide helpful information focusing on areas of success, concern and/or suggestions to the new Board. This to be completed each year by December 31, and forwarded to the incoming Board Chairman or delegated Board Member.

Civic Committee

Section 6. The Civic Committee will monitor local civic and other organization events, making known to the Board opportunities or requests for involvement of this Club. And further to develop suggestions and recommendations that would provide value to the community.

Membership Committee

The Membership Committee shall receive all applications for new membership, and after review present these to the Governing Board. The Membership Committee shall provide the list of members to the Secretary and prepare a "Membership Directory". All matters pertaining to the development and promotion of new membership shall be the responsibility of the Membership Committee.

ARTICLE XI – RESIGNATION, SUSPENSION, TERMINATION

Section 1. Any member or any person in the family of a member, or guest infringing upon the By-Laws or regulations, or exhibiting unbecoming conduct prejudicial to the welfare, interest or character of the Club or its membership may be censured or may be suspended from the Club and privileges of the Club for a period of time to be fixed by the Board. By a vote of two-thirds (2/3) of the duly elected member of the Board, the member may be terminated from membership in the Club. Reinstatement of the Member will be only by an affirmative vote of the Board equal to the number of votes cast for termination.

Section 2. Should action pursuant to Article XII, Section 1 become necessary, the member shall be sent written notice from the Board requesting the member's appearance before the Board. The notice will contain the infraction details, time and place for review by the Board. At the members request this notice will be posted to all members.

Section 3. Any member may resign from the membership in the Club at any time by giving written notice to the Board of such resignation. . It shall be the sole determination of the Board in regard to return of any fees or dues.

ARTICLE XII - ELECTIONS

Section 1. Board elections shall be held at the Annual Meeting. Any Members in good standing is eligible to be elected to the Board. Notice of time and place of the annual meeting shall be mailed to each member not less than twenty (20) days prior to the election.

Section 2. Beginning with the election of 2004 all successful nominees will be elected for a term of two (2) calendar years. Four (4) of the 2003 Board Members will complete their term of office ending December 31, 2003. Therefore, four (4) Board positions will be voted on at the Annual Meeting held in the fall of 2003. The four Board positions to stand for re-election in this first year will be determined by the Board.

Section 3. The Board shall appoint a Nominating Committee consisting of three (3) members. This committee shall be formed forty-five (45) days prior to elections. It shall be the duty of the Nominating Committee to name a number of candidates for office, which is at least the number of vacant seats to be elected. Any member seeking office should contact the Nominating Committee in writing to have their name place in nomination. The nominating Committee shall deliver to the Board the nominee list, signed by two (2) members of the committee at least 14 days before the election. The list of nominees shall contain all members' names wishing to be nominated. The Secretary shall post the nominees and advise the members

Section 4. The Secretary will prepare the election ballot, printing all nominees on the ballot in alphabetical order on one ballot. Such ballot shall be sent to all members in good standing using the most effective method as approved by the Board.

Section 5. Before the election the Board shall appoint three members to judge the election, none of whom shall be on the Board, nominating committee or candidate for election, to be the Judges of the Election. The Judges of the Election will certify to the Secretary as to the eligibility of each nominated candidate and ensure adherence to the nominating process. They will receive the ballots and pass on the propriety of the votes, tally the votes and present a written report showing the result to the Secretary who shall make it know to the membership. The Judges of the Election shall establish a ballot tally procedure to preserve each voting member's anonymity.

Section 6. In the event that two (2) or more candidates receive the same number of votes, the Board shall determine who is elected by lot.

ARTICLE XIII – ANNUAL MEETING

Section 1. The annual meeting of the Club shall be held at a date and place to be determined by the Board, such date to be not later than December 15th of each year for the election of Board Members, the Annual Report of the Officers, and for transaction of such business as may be brought before it. Those present at the Annual Meeting shall constitute a quorum.

Section 2. Written or printed notice stating the place, day, and hour of any meeting of members shall be delivered, either personally or by mail, to each member entitled to vote at such meeting, by or at the direction of the Board. If mailed, the notice of meeting shall be deemed to be delivered when deposited in the United States mail addressed to the member at his address as it appears on the records of the Corporation, with postage thereon prepaid.

ARTICLE XIV – SPECIAL MEETING

Section 1. A Special meeting of the Club may be called at any time by the Chairman of the Board or when requested in writing by twenty percent (20%) of the voting membership stating the purpose of such meeting. At any Special Meeting, no action shall be taken on matters not specified in the notice. Special meetings shall be held within thirty (30) days of receipt by the Board of such request. Any written response to special meeting matters shall be completed and sent to the membership within 30 days.

Section 2. Notice of the time and place of holding Special Meeting of the Club shall be communicated to the members not less than Fifteen (15) days before the meeting.

Section 3. Written or printed notice stating the place, day, hour, and the purpose or purposes for which the meeting is called shall be stated in the notice of any special meeting of members shall be delivered, either personally or by mail, to each member entitled to vote at such meeting, by or at the direction of the Board of Directors. If mailed, the notice of meeting shall be deemed to be delivered when deposited in the United States mail addressed to the member at his address as it appears on the records of the Corporation, with postage thereon prepaid.

ARTICLE XV – BY-LAW AMENDMENTS

Section 1. The By-Laws of the Club may be amended only upon an affirmative vote of the majority of the Members casting votes. A proposed amendment to the By-Laws shall be submitted to the membership for a vote upon either, 1.) The submission of a proposed amendment to the board in writing signed by twenty (20%) per cent of the membership or 2.) A proposed amendment approved by a majority of the Governing Board. A notice containing a copy of the proposed amendment, together with a notice of a meeting to consider the amendment, or a ballot, shall be mailed in a timely manner as determined by the Board, to each member of the Club, but at least fifteen (15) days before the meeting.

ARTICLE XVI – CLUB ASSETS

Section 1. Prior to the sale of all or substantially all of the Club's assets, the action must be approved by a majority- of the Club membership.

Section 2. The Board may not encumber the Club in matters relating to property leases, property purchase, or mortgages without an affirmative vote of the majority of the Board and then ratified by an affirmative vote of the majority of the membership.

ARTICLE XVII - FISCAL YEAR

Section 1. The fiscal year of the Corporation shall be as fixed by the Governing Board.