

(as revised at the General Members Meeting on March 7, 2012)

BY-LAWS OF JOSEPH CONRAD YACHT CLUB, INC.

ARTICLE I NAME AND BURGEE

SECTION 1. Name. This Club shall be known as “Joseph Conrad Yacht Club” and is in these By-laws referred to as the “Club”:

SECTION 2. Burgee Description. Red and white wind-rose with four arms and “Joseph Conrad Yacht Club” lettered in white on dark blue field.

ARTICLE II PURPOSES

SECTION 1. Purpose. To promote the sport of yachting, the sciences of seamanship and navigation, to conduct sailing and yachting activities, organize sailing courses, and to maintain suitable Club quarters for the entertainment and convenience of members.

ARTICLE III MEMBERSHIP CLASSES, THEIR RIGHTS AND PRIVILEGES

SECTION 1. Membership Classes.

The membership of this Club shall consist of the following classes:

Regular
Associate
Junior
Non-resident
Honorary

No membership interest shall be transferable. All memberships, and the rights and privileges from time to time attributable to any such membership, shall terminate upon the death, resignation or expulsion (or in the case of suspension, for the term of such suspension) of any member.

SECTION 2. Rights and Privileges.

a) Primary Rights. Primary Rights are defined as and shall include: the right to vote, the right to hold any elected office (subject to the definitions and qualifications provided in these By-laws); the “property rights” available or attributable to Regular membership as provided in the By-laws or such rights as existed prior to the adoption of these By-laws

or which arise by reason of the laws of the State of Illinois; and such other rights as may in these By-laws be designated as Primary Rights or which may, from time to time, be designated by the Board of Directors as Primary Rights.

b) Membership Privileges. Membership privileges are the privileges accorded to Club members and are defined as and shall include: the privilege of member in good standing to have credit extended to him for such expenditures as the member may incur at the Club; the privilege to bring family and guests upon, and to use, the properties and facilities of the Club; the privilege to attend all meetings of members; the privilege to serve on any committee or committees of the Club when duly elected or appointed in accordance with these By-laws or Illinois law; and, such other privileges as these By-laws shall designate as membership Privileges or which may, from time to time, be designated by the Board of Directors as exercisable or available to the members of this Club.

c) Member Spouse Rights and Privileges. So long as a Member remains in good standing and as long as he/she remains married, the Member Spouse shall be deemed to be a member of the Club and of the same membership class as the Member with all rights and privileges afforded to said membership. However for the following purposes the Member and/or the Member Spouse will be counted as one:

1. Determining whether a quorum of members is present at Club meetings.
2. Any membership required voting and in particular voting during the annual elections.

Furthermore:

3. The Member and/or the Spouse Member shall be liable for all financial obligations to the Club.
4. The Member and/or the Spouse Member will be eligible to serve on the same or on any committee.

SECTION 3. Regular members. Only Regular Members shall be entitled to, and shall be permitted to exercise, Primary Rights. Regular Members shall also be entitled and permitted to exercise all Membership Privileges and such other rights and privileges as may from time to time be granted to or available to Regular members.

SECTION 4. Associate members. Associate members enjoy membership privileges upon and with the continued good standing respective to the Club dues. Dues for Associate Members are set by the Board of Directors. An Associate Member does not enjoy the Member's Rights of a fully Active Member or exercise any Primary Rights.

SECTION 5. Junior members. Persons applying for membership in this Club, while still in school, who have not attained the age of 26 may apply for Junior membership. Junior members shall be entitled to exercise all membership Privileges (provided that the

right to have credit extended to him or her shall be conditioned upon the receipt by the Club of a written guarantee from the parent or sponsor of such Junior member) and such other privileges as may from time to time be made available to or for Junior members, but in no event shall a Junior member be entitled to, or be permitted to exercise, any Primary Rights.

SECTION 6. Non-Resident Members. Persons applying for membership in this Club and any member of this Club whose principal place of business is not in Lake, McHenry, Kane, Will, Coke, Kendall or DuPage counties of Illinois, or Lake, Porter or LaPorte counties of Indiana and who does not maintain a residence in any of these counties may apply for Non-Resident membership. If such applicant owns any interest in any yacht moored within a 35 mile radius of the Club, such applicant shall not be granted a Non-Resident Membership. Non-Resident Members shall be entitled to exercise all Membership Privileges and such other privileges as may from time to time be made available to a Non-Resident Member, but in no event shall a Non-Resident Member be entitled to, or be permitted to exercise, any Primary Rights.

SECTION 7. Honorary member. Honorary membership may be conferred by the Board of Directors. Honorary members shall have such privileges as the Board of Directors may choose to confer, including Primary Rights. Any Honorary membership may be revoked at any time by the Board of Directors.

SECTION 8. Membership Application. Each applicant for any class of membership must be of good moral character. Membership shall be granted on a non-discriminatory basis. No person shall be denied membership because of race, religious affiliation or sex. Each applicant shall be proposed by not less than two members in good standing, one of whom shall be a Regular member and all of whom shall subscribe their names as endorsers to a request for an application form. Each request shall be accompanied by full payment of all initiation fees. The application form shall require such information of all applicants as shall be designated or requested from time to time by the membership Committee pursuant to rules promulgated by the membership Committee and approved by the Board of Directors. All information contained in the application shall be deemed confidential.

New member applications shall be voted on by the Board of Directors at any time or at any scheduled Board of Directors meeting including via a telephone / email conference. The Board of Directors shall determine by majority vote whether such applicant shall be elected to membership, shall be further investigated, or rejected.

The Secretary or the sponsoring member shall inform the applicant of his acceptance or rejection into the Club. In the event of rejection, the applicant's initiation fees shall be refunded

Persons applying for membership in the Club may temporarily use the Club facilities until such time as a determination of their application for membership may be made by the Board of Directors.

SECTION 9. Change of membership class. Whether upgrade or downgrade of the membership class is requested by the member, or if the membership aging imposes involuntary membership class change, the current member status shall be always retained until the end of the current calendar year, and the new status will take effect the following year when the member renews the Club membership.

ARTICLE IV ELECTED OFFICERS

SECTION 1. Elected officers. The elected officers of the Club shall be and rank as follows:

**Commodore
Vice-Commodore
Rear Commodore
Secretary
Treasurer**

The officers shall be elected by the Regular members at an annual meeting and shall hold office for two years, until the subsequent annual meeting and until their successors shall have been elected by the Regular members at the annual meeting and shall have qualified. Any person appointed to fill a vacancy shall complete only the unexpired term of his predecessor in office.

SECTION 2. Commodore. The Commodore shall be the Chief Executive officer of the Club. He shall preside at all meetings of the members of the Board of Directors. The commodore and the Secretary shall sign all such documents and/or reports of or for the Club as may be approved by the Board of Directors. In the absence of the Commodore or in the event of his inability or refusal to act when directed by the Board of Directors, the vice-Commodore shall perform the duties of the Commodore.

SECTION 3. Vice Commodore. The Vice Commodore shall serve in the **absence** of the Commodore and assist him in his duties. The Vice Commodore will have the responsibility to coordinate all sailing activities such as regattas, sailing cruises, chartering locally and in non-U.S. waters. The Vice Commodore shall be an ex-officio member of all committees responsible for such activities.

Additionally, the Board of Directors may delegate to the Vice Commodore other duties, or powers necessary to conduct Club business, affairs and activities.

SECTION 4. Rear Commodore. The Rear Commodore will have the responsibility to coordinate all non-sailing activities such as dinners, festivals, picnics, dances, balls, parades, guest speaker events, scholarships and any other special events, or programs sponsored by the Club. The Rear Commodore shall be an ex-officio member of all committees responsible for such activities.

Additionally, the Board of Directors may delegate to the Rear Commodore other duties, or powers necessary to conduct Club business, affairs and activities.

SECTION 5. Secretary. The Secretary shall keep the minutes of all meetings of the members and the Board of Directors. He shall notify applicants of their acceptance into or rejection by the Club; issue notices of meeting where required by these By-laws; keep a roll of members and the date of their election; act as custodian and keeper of Club records and the Club seal; prepare under his signature such correspondence and documents as to which he may be authorized or directed, from time to time by the Board of Directors; sign, with the Commodore, all documents and/or reports which have been approved by the Board of Directors; give notice of all meetings of the Club as may be required by these By-laws; and perform such other acts and duties as may from time to time be delegated to him or which he may be directed to perform by the Board of Directors.

SECTION 6. Treasurer.

- a) The Treasurer shall be responsible for all monies and securities belonging to or received by the Club and pay them out in such manner as shall be directed by the Board of Directors. All checks drawn on the depository bank accounts of the Club shall be signed by any one or more officers as may from time to time be designated by resolution of the Board of Directors.
- b) The Treasurer shall present, at each meeting and whenever so requested by the Board of Directors, a detailed account showing the financial condition of the Club and shall file the account with the Secretary. As soon as practicable after the annual meeting each year, the Treasurer shall cause to be mailed to each member of the Board of Directors a full and complete statement of the financial condition of the Club as of the end of the preceding fiscal year.
- c) The Treasurer shall render to each member a bill for dues, charges and assessments when the same shall become due.
- d) The Treasurer shall have charge of the accounting and financial records of the Club, and, at the discretion of the Board of Directors and at the expense of the Club, he (or any authorized signer) shall obtain a bond with surety therefore, in such amount as may from time to time be fixed by the Board of Directors for the faithful discharge and performance of his duties.

SECTION 7. Assistant Secretary & Treasurer. The Board of Directors may choose one or more assistant secretaries and treasurers to perform the duties of the Treasurer or Secretary in their absence and to assist in performing their respective duties. Any such assistant officer may attend meetings of the Board of Directors but shall not be entitled to vote at any such meeting.

ARTICLE V BOARD OF DIRECTORS

SECTION 1. Composition and Terms. The Board of Directors of this Club shall consist of: (a) six (6) Regular members elected for directorship terms described in Section 2 of this Article V; (b) the five (5) elected officers described in Article IV of these By-laws (who shall serve on the Board of Directors while serving as an elected officer); and (c) the immediate past Commodore (who shall serve on the Board of Directors during the two (2) year term following such Commodoreship. All eleven (11) individuals shall constitute and serve as the Board of Directors.

SECTION 2. Terms. The four individuals shall serve staggered terms of office and shall be elected as follows:

- (a) Four (4) directors shall be elected for two (2) year terms during even calendar years.
- (b) **One (1)** director shall be elected for **two (2)** year terms during uneven calendar years.
- (c) **One (1)** director (past Commodore) shall be elected for a **two (2)** year term at each bi-Annual Meeting.
- (d) The **two (2)** year term of each office will commence on **January 1st** of the election year and expire **December 31st** of the following year.

At each Annual Meeting the successors to the Directors whose terms expire shall be elected to that office for a term equal to the term held by their predecessor and until their successors shall have been elected and shall have qualified.

SECTION 3. Powers.

(a) The Board of Directors shall control, administer and manage all of the business, affairs and activities of the Club. The Board of Directors shall have authority to assess the entire membership additional funds to meet any and all obligations that may be incurred during the fiscal year, subject only to the limitation set forth in paragraph 3(b) of this Article V.

The Board of Directors may fill all vacancies in the office of Director, as provided in *Section 10 of this Article V*, and in the office of Commodore, Vice-Commodore, Rear Commodore, Secretary and Treasurer and shall appoint assistant secretaries and assistant treasurers and the chairmen of all standing committees of the Club and such other committees as the board of Directors, from time to time may create, except as provided in other Sections of these By-laws.

The Board of Directors shall appoint representatives or delegates to yachting associations, including without limitation the Lake Michigan Sail Racing Federation, Lake Michigan Yachting Association, Chicago Yachting Association and similar associations and organizations.

(b) Special assessments charged or assessed by Board of Directors upon any member and class of members in any fiscal year shall be limited to an amount **not to exceed fifty (50) percent** of the amount of annual dues paid or payable by any such member and class of members (determined as of **November 1st** of said fiscal year) unless a majority of the members of said class have first approved any assessment in excess of said limitation at a meeting of the members of said class called for that purpose. All special assessments shall be determined by reference to and based upon the actual or estimated cost of the particular project or projects by reason of which such assessment is necessitated.

All special assessments including special assessments not requiring the approval of the members shall be assessed proportionately among the various classes of members in the proportion that the dues paid by each such class of members bears to the aggregate amount of dues paid by all classes of members for the fiscal year for which such assessment is made.

SECTION 4. Meetings. The Board of Directors may provide, by resolution, the time and place for the holding of its regular meetings without other notice than such resolution. There shall be at least one regular meeting each month of the year unless dispensed with by written resolution. All such regular meetings shall be held, whenever possible, at the place then designated by the Board of Directors as the “Club”.

SECTION 5. Special Meetings. Special meetings of the Board of Directors may be called by or at the request of the Commodore or any **two (2)** Directors. The person or persons authorized to call special meetings of the Board of Directors shall designate the time and place for holding any special meeting of the Board of Directors called by them. All such special meetings shall be held, whenever possible, at the place then designated by the Board of Directors as the “Club”.

SECTION 6. Notice of Special Meetings. Written notice of any special meeting (or regular meeting, notice of which is required) of the Board of Directors shall be given as follows:

(a) By mail to each member of the Board of Directors at his designated address at least **(5) five days** prior to the meeting; of

(b) By personal notice, telegram, electronic mail or fax at least **24 hours** prior to the meeting to the designated address of each member of the Board of Directors.

If mailed, such notice shall be deemed to be delivered when deposited in the United States mail so addressed, with postage thereon prepaid. Notice given less than five days before a meeting shall require an affirmation in writing by the party giving such notice setting forth the manner in which such notice was given and stating that such notice was given to all parties entitled thereto.

Any member of the Board of Directors may waive notice of any meeting. The attendance of a member of the Board of Directors at any meeting shall constitute a waiver of notice of such meeting, except when he attends a meeting for the express purpose of objecting to

the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of any regular meeting of the Board of Directors need be specified in the notice or waiver of notice of the meeting. Notices of special meetings shall specify the business to be transacted and/or the purpose of such meeting.

SECTION 7. Quorum. Three (3) members of the Board of Directors shall constitute a quorum.

SECTION 8. Voting. Each member of the Board of Directors shall be entitled to one vote and must not abstain from voting if present except and unless the director abstaining establishes that he has a direct personal interest (other than with respect to Club dues and fees) in the subject matter being voted upon.

SECTION 9. Appointments. Any Regular Member meeting the qualifications continued in these By-laws may be appointed by the Board of Directors to fill a vacancy in any office described in *Article IV* of these By-laws or for any Director position, as described in *Section 10 of this Article V*, that has become vacant, provided that the person so appointed has been a Regular Member for at least **twelve (12)** months prior to the date of such appointment.

SECTION 10. Vacancies. A vacancy in the office of Director occurring during the first year term of office where more than **one (1)** year remains in said term of office shall be filled at the next election of Directors.

SECTION 11. Attendance. Any member of the Board of Directors (including any officer of this Club) who shall have been absent from **three (3)** consecutive regular monthly meetings of the Board of Directors without an excuse satisfactory to a majority of the remaining Directors may, at the election of the Board of Directors, be deemed to have resigned as an officer or Director of the Club, as the case may be, and the office held by such member shall thereupon be declared vacant.

ARTICLE VI APPOINTED OFFICERS

SECTION 1. Judge Advocate. The Judge Advocate shall be a member of the Club who is not then serving as an elected officer and who is not a member of the Board of Directors. He shall act as legal advisor to the Board of Directors and other officers of the Club in matters relating to all legal, parliamentary or procedural affairs of the Club.

SECTION 2. Librarian. The librarian shall have the care and custody of the trophies, charts, books, and other publications owned by or in the possession of the Club. He may establish and enforce reasonable rules for safeguarding the property in his charge. From time to time he shall report to the Board of Directors the needs of the library and recommend such additions thereto as he deems advisable. He shall collect and preserve, in a book provided by the Club for that purpose, such references to the Club and its

affairs as may be made by newspapers and other publications as he may deem of interest to members or valuable in connection with the history of the Club. He shall also have the authority to prepare, or cause to be prepared, from time to time, a narrative of any special event which he deems of sufficient interest or importance to be incorporated in such record.

SECTION 3. Fleet Surgeon. The Fleet Surgeon shall be the medical officer of the Club and shall aid the sick and injured. He shall institute first aid procedures and shall periodically check the first aid supplies of the Club and the first aid readiness of the Club Fleets.

ARTICLE VII COMMITTEES

SECTION 1. Standing Committees. The following committees shall be designated the standing committees of the Club:

- (a) By-Laws Committee**
- (b) Membership Committee**
- (c) Nominating Committee**
- (d) House Committee**
- (e) Race Management Committee**
- (f) Publicity Committee**
- (g) Finance Committee**
- (h) Prize and Trophy Committee**
- (i) Non-Sailing Activities Committee**
- (j) Lakefront Clubhouse Search Committee**

SECTION 2. Duties and Actions. The Commodore shall be an ex-officio member of each committee of the Club. The Board of Directors may, from time to time, designate the functions, powers, terms of office and duties of each standing committee, the number of members to serve on such committee and the Chairman of each such committee, provided, however, that the following committees shall, in all events, have the following powers, duties and functions:

- (a) The By-Laws Committee** advises the Board of Directors on issues arising and the updating of the Club's By-laws. The By-laws Committee will meet from time to time as it becomes necessary to change the By-laws due to a changing world. The By-laws committee will report to the Secretary with suggested changes so that the Board may vote on the changes prior to bringing the changes to the general membership.
- (b) The Membership Committee** shall have the duty and such powers as may be necessary or appropriate to enable the Membership Committee to investigate the qualifications of all applicants for membership in the Club. The membership Committee shall investigate and pass upon the qualifications of all candidates for

membership, or reinstatement to membership and report their conclusions to the Board of Directors through the Secretary. It shall be the Committee's duty to stimulate and encourage members to secure new applications for membership and report their conclusions to the Board of Directors through the Secretary. It shall be the Committee's duty to stimulate and encourage members to secure new applications for membership in the Club and to promote and manage all drives for new members.

- (c) **The Nominating Committee** shall have the powers, duties and functions set forth in *Article X, Section 2* of these By-laws.
- (d) **The House Committee** shall be responsible for the general management and control of the Club, including all equipment, furnishings, fixtures and physical properties of the Club, and shall maintain the same in good operating condition and adequate to the needs of the members. It shall enforce rules for the conduct of the members and their use of the Club property. It shall receive and redress complaints regarding matters coming under its jurisdiction.
- (e) **The Race Management Committee** shall (subject to the authority conferred by the Board of Directors) have complete charge of sailboat races. It shall give reasonable consideration to recommendations of the power yacht and other sailing yacht committees as to the terms, conditions and conduct of all races, the eligibility of yachts and the recognition of division of racing groups, classes and fleets for purposes of competition and offering of prizes and trophies, including groupings for time prizes. The Race Management Committee shall be responsible for appointing a protest committee to decide protests concerning all sail yachts.
- (f) **The Publicity Committee** shall have charge of all matters relating to publicity and the Club magazine and shall endeavor to obtain effective cooperation of the local newspapers, media and yachting periodicals in the cause of yachting, or for the welfare of the Club.
- (g) **The Finance Committee** shall have supervision over Club finances. It shall originate and prepare plans both for financing the current activities of the Club and for the Club's fixed and capital assets and obligations. It shall supervise the club's accounting and assure that property maintenance fees, and segregated funds or receipts, are segregated, reserved and used for the purposes for which they have been set aside.

As soon as practicable after its appointment, the Finance Committee shall prepare an estimate of expenditures for the current year, appropriating to each department, committee and activity of the Club the amount of money which said committee deems proper to be used or expended. Such estimate shall be submitted to the Board of Directors and, when approved by the Board of Directors (with or without modification), shall become and be the budgets of the Club and of the Club's committees.

After its adoption, the budget may be revised by the Board of Directors on the recommendation of the Finance Committee, or on its own motion, but only in case the Board of Directors is of the opinion that an emergency exists which

justifies the revision.

There shall be reported to the Treasurer all bills and vouchers for expenditure within the limit of each appropriation contained in the budget, when and as they are so made, so that the committee may be currently informed of all such expenditures.

If any expenditure is proposed to be made in any given committee or activity for any item not included in the budget or for any amount which will make the expenditure greater than the amount appropriated by the budget for that committee or activity, such proposed expenditure, before made, shall be submitted to the Finance Committee, which may approve or disapprove it, or defer approval to the Board of Directors.

The Finance Committee shall submit to the Board of Directors as often as it deems desirable, or as often as the Board of Directors shall direct, reports of the status of expenditures as compared to the budget.

- (h) **The Prize and Trophy Committee** shall have charge of all matters relating to the procurement and disposition of prizes. It shall annually arrange to engrave the winners' names on the permanent trophies and shall maintain them in good repair, procuring suitable medals, replicas, miniatures or other devices to be awarded to such winners for their permanent possession. It shall apply all proceeds derived from any trust fund for a particular trophy solely in accord with the provisions of such trust fund.

The Committee shall be entrusted with the authority, power and duties of the Board of Directors in respect to the permanent trophies of the Club and the awarding and the awarding thereof, except in those cases where a deed or gift specifies another acting committee.

The Committee shall compile all deeds of gift and amendments therefore for the Club's permanent records. It shall advise regarding new deeds of gift and accept for the Club all new permanent trophies. It shall expend efforts to keep old cups from becoming inactive. It shall adopt recommendations to the Race management Committee regarding the availability of permanent trophies for awarding in all races for sailing yachts in the succeeding year.

As to all trust funds or special arrangements related to trophies the members of the committee shall be available to act as the trustee thereof. It shall decide to what extent, if any, permanent trophies may be taken or displayed away from the premises of the Club.

- (i) **The Non-Sailing Activities Committee** shall arrange and manage entertainment or events sponsored by the Club such as dinners, scholarships, festivals, picnics, dances, balls, or any other activities approved by the Board.
- (j) **The Lakefront Clubhouse Search Committee** shall be responsible for finding a suitable location for a new Clubhouse facility. Such a facility or land for the facility could be purchased, rented or donated. For this purpose a special long term fund was established at the Alliance Savings. The committee will manage all correspondence, and arrange and manage all meetings and public relations campaigns required to accomplish successfully such a mission.

SECTION 3. Other Committees. The Board of Directors may, from time to time, create such other committees with such powers, terms of office, duties and functions as the Board of Directors may deem necessary or appropriate and to the best interest of the Club.

SECTION 4. Committee Actions. All actions taken by any committee shall be subject to the approval of the Board of Directors. No committee shall obligate the Club to any indebtedness not authorized by the budget of that committee or approved or ratified by the Board of Directors.

SECTION 5. Reporting. Each Committee Chairman shall prepare a written report or summary of his activities to be delivered to the members at the meeting of members in December of each year.

ARTICLE VIII DUES AND FINANCE

SECTION 1. Application for membership. Each applicant for membership shall, at the time of application submission, pay such initiation fee in such amount as may, from time to time, be designated by the Board of Directors.

SECTION 2. Amount, manner and Timing. The amount, manner and the time and terms of payment of all dues, fees, minimum monthly charges, deposits, prepayments and assessments shall be determined by the Board of Directors.

SECTION 3. Membership Card. Each member shall receive a membership card from the Treasurer as his or her receipt for payment of dues.

SECTION 4. Fiscal year. The fiscal year of the Club shall commence on the first day of January of each year and shall terminate on the **31st day of December** in said year.

SECTION 5. Dues and Fees.

- (a) Dues, fees, charges and assessments of members shall, subject to *Section 2 of this Article VII*, be due and payable on or **before the first day** of the fiscal year and be charged or assessed on said date for the full fiscal year.
- (b) Applications for membership shall remit their dues upon notice of their election into Club membership.
- (c) The Board of Directors shall have power to provide for the payment, waiver or forgiveness of initiation fees, assessments, deposits, prepayments and dues in such installments or in such prorated amounts as they shall from time to time determine either generally or based upon consideration of individual cases.

ARTICLE IX MEETINGS

SECTION 1. Annual Meeting. The annual meeting of the Club shall be held in December of each year or at any other convenient date and time set by the Board of Directors for the purpose of electing Directors and Fleet Officers of the Club for the following calendar year. At the annual meeting the Board of Directors will vote to appoint a chairperson for each Standing Committee.

SECTION 2. Special Meetings. Special meetings of the Club shall be called by the Board of Directors, either by their own action, or upon written request to the Board of Directors, either by their own action, or upon written request to the Board of Directors of **ten (10)** of the Regular members in good standing. The members shall be notified of the purpose, time and place of the special meeting at least **ten (10)** days prior to such meetings. Such notice shall be deemed to have been delivered when deposited in the U.S. mails, postage thereon prepaid.

SECTION 3. Regular Meetings. Regular meetings of Club members shall be held periodically at any location deemed appropriate by the Board of Directors and may coincide with various other club activities.

SECTION 4. Special Meetings – Location. Special meetings may be held at such place and date as is designated in the notice of the meeting; whenever possible, special meetings shall be held at the Club.

SECTION 5. Quorum. Presence of **ten (10)** members eligible to vote in person, by absentee ballot or by proxy (proxy vote allowed only in case of the elections of the Nominating Committee) - each proxy must be approved and accepted by the majority of present Board of Directors) shall constitute a quorum for the transaction of business after a regular or special meeting of the Club has been called to order. Actual presence of a quorum shall not be necessary to open the annual meeting and to conduct the annual election.

The results of any election shall be valid only if **ten (10)** members eligible to vote have voted in that particular election. A valid absentee ballot (each ballot must be approved and accepted by the majority of present Board of Directors) where permitted in these By-laws, shall count as though the absent member were actually present.

SECTION 6. Lack of Quorum. A regular or special meeting to meet the quorum requirement may, by a majority vote of the regular members present, be recessed to a later time in anticipation of a quorum or may be adjourned to another date.

ARTICLE X ELECTIONS AND NOMINATING COMMITTEES

SECTION 1. Nominating Committee. The Nominating Committee shall consist of **three (3)** voting members in good standing. **One (1)** shall be appointed by the Board of Directors. The remaining members shall be elected by the members in the manner hereinafter provided.

- (a) At its meeting, the Board of Directors shall designate **one (1)** appointee to the Nominating Committee and shall recommend **two (2)** or more nominees to be elected by the members at the **September** Regular Meeting of the members. The secretary shall, within **96 hours after said September** Meeting, post a notice on the Club bulletin board listing the names of the appointees and recommended nominees to the Nominating Committee.
- (b) The election of **two (2)** nominees shall be held at the Regular meeting of the members.
- (c) The **two (2)** nominees receiving the highest number of votes shall be elected to the Nominating Committee. In the event that **two (2)** or more nominees receive an equal number of votes, but less than the highest number of votes, those nominees receiving the highest number of votes shall be declared to have been elected and a run-off election shall be held solely to choose between those nominees who have been nominated but have not been elected. All Regular members in good standing may vote in person or by written proxy.
- (d) Vote by Proxy as in c) above is allowed only with respect to the election of the Nominating Committee.

SECTION 2. Nominations and Voting. The Nominating Committee shall select its own Chairman. It shall nominate at least **one (1)** candidate for each elected office and position on the Board of Directors, the term of which will expire at the next bi-annual meeting of members or for which a vacancy exists. The Nominating Committee shall make a report of its nominations at the **November** Regular Meeting of the members.

- (a) Only Regular Members in good standing who at the time of election will have been a Regular member for at least one year shall be eligible for nomination and election to any office described in Article IV of these By-laws as or for any Director position, as described in *Section 2 of Article V* of these By-laws. In choosing candidates, the Nominating Committee shall, to the extent practicable, poll the members for their comments, suggestions and recommendations. The Secretary shall provide the Nominating Committee with a record of attendance of all officers and directors at Regular meetings of the members and meetings of the Board of Directors.
- (b) No member of the Nominating Committee shall be eligible for election to office at the annual meeting in the year during which he has served on the Nominating Committee.

- (c) Additional nominations may be made by any five **(5) members** eligible to vote by writing delivered to the Secretary not less than twenty **(20) days** prior to the Annual Meeting.
- (d) Nominations both by the Nominating Committee or under paragraph (c) hereof shall be posted on the Club bulletin board by the Secretary upon receipt thereof and shall be designated, respectively, “Official Nominees” and “Other Nominees”.

SECTION 3. Ballot. Not less than fifteen **(15) days** prior to the Annual Meeting, the Secretary shall notify and deliver by mail to all members eligible to vote: the names of the official nominees; a ballot listing the names of the nominees in alphabetical order under each office, the name of the yacht owned by each, or that he is not a yacht owner, and when such nominee is an “Official” or “Other” nominee as defined in *Section 2, paragraph (d)* of this Article; a ballot envelope to be signed by the member in which a ballot is to be inserted; and an envelope addressed to the election Committee at the Club.

- (a) Each member desiring to vote by mail may do so by marking the ballot, inserting the ballot in the ballot envelope, sealing and signing the same; and mailing or otherwise delivering the same to the Election Committee in a second envelope.
- (b) Members also may vote in person at any designated by the Board of Directors location and time, on the day of the annual meeting. A vote in person shall supercede a mailed or otherwise delivered ballot, and such superseded ballot shall be void.
- (c) Only Regular members in good standing shall be eligible to vote at the Annual Meeting.
- (d) The Election Committee shall consist of three election judges appointed by the Board of Directors. The Election Committee shall take possession of and count all ballots and certify the results of the election.
- (e) only votes in person or by absentee ballots shall be acceptable as valid votes for flag officers and directors, as well as other important club matters, as stipulated in the preceding paragraphs.
- (f) Unless otherwise provided herein, all elections shall be governed and decided by a plurality vote.

ARTICLE XI RESIGNATIONS, SUSPENSIONS AND EXPULSIONS

SECTION 1. Resignation. Any member not indebted to the Club may voluntarily resign in good standing from membership in the Club. Any member who resigns in good standing pursuant to these provisions may subsequently reapply for the same class of

membership (provided that his or her status has not changed so that such former member still qualifies for his I or her former membership class) formerly held by him without being required to pay the initiation fee therefore. The Board of Directors may, upon receipt of evidence and hearing of arguments, suspend the rights of any member for failure to comply with the rules and regulations promulgated from time to time by the Board of Directors.

SECTION 2. Suspension. The membership of any member may be revoked or suspended by the Board of Directors for non-payment of dues and other obligations owing to the Club, or by a **two-thirds majority** vote of Regular members of the Club present at a Special Meeting held pursuant to notice, at which said meeting it is established by evidence and upon hearing of arguments that said member has engaged in behavior unbecoming a sportsman or has committed an act injurious to the welfare of the Club. Failure of such member to attend such meeting and respond to said charges shall be conclusive evidence of guilt.

SECTION 3. Dues. Unless the Board of Directors otherwise determines, dues are due and payable as of the first day of each fiscal year.

SECTION 4. Special Considerations. Any member in good standing when entering active duty of the Armed Forces of the United States of America shall remain a member of good standing during such absence without the payment of dues, fees or assessments. Said member shall retain said status until the end of the fiscal year in which he has returned to civilian life.

SECTION 5. Expulsion. Any member who shall become indebted to the Club shall be notified of his indebtedness by the Treasurer, in writing, mailed to his last known address. In the event that such indebtedness is not paid within **ten (10)** days after the notice of delinquency (as determined by the Treasurer) the delinquent member's name shall be posted on the Club's bulletin board and he shall be notified that he is suspended from the privileges of the Club. After an additional **thirty (30)** days following said suspension, he may be expelled from the Club at the discretion of the Board of Directions and thereupon his name shall be dropped from the Club membership roll. A member thus suspended or expelled from the membership shall thereupon be excluded from access to the Club and from participation in any Club activities.

ARTICLE XII DEFINITION – MISCELLANEOUS

SECTION 1. Membership in Good Standing. A member in good standing shall mean a member who has not been suspended, expelled or had his membership rights terminated.

SECTION 2. Club. The Club shall mean the storefront maintained by the Joseph Conrad Yacht Club, Inc., an Illinois corporation and presently located at **942 West**

Montrose, Chicago, Illinois 60613, or in the event said premises are no longer maintained by the Club, then such other place as may from time to time be designated as the Club by the Board of Directors.

SECTION 3. Yacht. Any vessel (other than a ship's lifeboat or tender) propelled by sail or machinery shall be considered a yacht. A dinghy is not a yacht for purposes of these By-Laws.

SECTION 4. Guests. Invited guests shall be required, at all times, to fully comply with and observe the rules and regulations of the Club. Each member shall be responsible for the conduct of his/her guests and said member's responsibility shall be determined by the Board of Directors.

SECTION 5. Indemnification. Each director, officer and committee member or agent of the Club shall be indemnified against all expenses and costs reasonably incurred by him in connection with or resulting from any action, suit or proceeding brought by, on behalf of or against the Club to which he may be made a party by reason of his being or having been a director, officer, committee member or agent of the Club or by reason of his conduct in any capacity except in relation to matters as to which he shall be finally adjudged therein to have been liable for or to have been guilty of gross or willful negligence or misconduct in the performance of his duties to the Club and the Board of Directors shall have power on behalf of the Club to indemnify each of its Directors, officers, committee members and agents against all liabilities imposed upon and expenses and costs reasonably incurred by him in connection with or resulting from any other action, suit, proceeding or claim (not brought or made by or on behalf of this Club) to which he may be made a party or which may be asserted against him by reason of his being or having been such director, officer, committee member, or agent or by reason of his conduct in any such capacity except in relation to matters as to which he shall be finally adjudged in any such action, suit or proceeding to have been liable for willful misconduct in the performance of his duties as such director, officer, committee member, or agent in case of settlement of any such action, suit, proceeding or claim of either classification before final adjudication as to the director, officer, committee member or agent the right of indemnification shall exist (except as to amounts paid or payable to the Club pursuant to such settlement) but only to the extent if any which the Board of Directors may in such case authorize.

The foregoing right of indemnification shall not be exclusive of any other rights to which any such directors, officer, committee member or agent may be entitled as a matter of law and shall be applicable whether or not he continues to be such director, officer, committee member or agent when incurring any expenses or cost hereinbefore mentioned.

In proper cases, a committee composed of the disinterested members of the Board of Directors may exercise the powers hereby conferred upon the Board by majority action of such committee.

The term "action, suit or proceeding" as herein used, shall include both civil and criminal actions, suit or proceedings as herein used, shall include both civil and criminal actions, suits and proceedings.

This By-law shall be applicable only to persons who, at the time of the adoption of this By-law, are directors, officers, committee members or agents of the Club, or who thereafter become directors, officers, committee members or agents.

SECTION 6. Outside Representatives. It shall be the duty of all delegates to all yachting associations, including without limitation the Lake Michigan Sail Racing Federation, Lake Michigan Yachting Association and Chicago Yachting Association, or any committee thereof, to represent the Club to the best of their ability, and to work for the accomplishment of the purposes of the association so far as the same are consistent with the interests of the Club. They shall follow and be subject at all times to instructions of the Board of Directors.

SECTION 7. Gender, Singular, Plural. Whenever the context so permits or requires, the use of the plural shall include the singular, the singular the plural, and any gender shall be deemed to include all genders.

ARTICLE XIII AMENDMENTS AND RULES OF PROCEDURE

SECTION 1. Amendments to By-laws. These By-laws may be amended at any meeting of the members of the Club, by a two-thirds vote of the members eligible to vote and in good standing who are present at that meeting, in person, or by proxy (proxy must be approved and accepted by the majority of present Board of Directors), provided that the proposed amendment has been recommended by the Board of Directors, or has been approved prior to such meeting in writing by not less than **ten (10) members** of the Club entitled to vote and in good standing, and a copy thereof has been mailed or emailed to every member eligible to vote and in good standing at least **ten (10) days** prior to such meeting. A proxy may be given by a member in good standing to another member in good standing to place a vote on his behalf for a specified task (vote), which must be listed in the Proxy. A proxy MAY NOT be used for tasks (votes) which are not specifically listed in the proxy. A Proxy may be rejected by the majority vote of the Board of Directors if, in the opinion of the Board such member has not shown involvement or knowledge of Club matters or has not participated in club elections, meetings or activities over an extended period of time. (6 or more months)

SECTION 2. Rules of Order. The rules of order contained in “Robert’s Manual” (“Roberts Rules of Order”) shall govern the meetings of the members and the Board of Directors of this Club when not inconsistent with these By-laws, the Club Charter or the laws of the State of Illinois.

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