

**BYLAWS
OF
WHITE ROCK BOAT CLUB**

**ARTICLE I
NAME AND PURPOSE**

Section 1.1. Name of Corporation and Club.

The name of this corporation and the club established and maintained by it shall be “White Rock Boat Club” (referred to herein as the “Corporation” or the “Club”).

Section 1.2. Purpose.

The purpose of the Club shall be to promote the sport of sailing and boating activity on White Rock Lake.

Section 1.3. Registered Office.

The registered office of the Corporation shall be located in the City of Dallas, County of Dallas, State of Texas.

**ARTICLE II
MEMBERSHIP**

Section 2.1. Eligibility.

A person shall be eligible for membership in the Club if such person is at least eighteen (18) years of age, is of good moral character, and is approved for membership in the Club (persons who become members of the Club are referred to herein as “Members”). Memberships shall be family memberships, and shall entitle the spouse of a Member and the Member’s children below the age of eighteen (18) years to enjoy all the privileges of membership with the exception of voting at membership meetings. Only one vote per family membership will count and the Member shall cast such vote.

Section 2.2. Associate Membership.

This class of membership will be available to individuals who do not own a boat at the Club, who demonstrate an interest in sailing, and/or wish to crew in sailing competition where Club membership is required. An associate member is not permitted to vote, own Club property, hold an elective office or keep a boat at the Club. If an associate member wishes to bring a boat to the Club, he or she must contact the Commodore for approval, and if approved, pay the additional davit, rack or pad fee to become a full Member in the Club.

Section 2.3. Provisional Membership.

This class of membership will be available to individuals who demonstrate an interest in sailing or want to take lessons where Club membership is required. A provisional member is not permitted to vote, hold an elective office, own Club property or have access to codes to the gate or equipment rooms, or keep a boat at the Club. The provisional membership fee is due on the

first day the provisional member comes to the Club or the first day of the class and the provisional membership will expire thirty (30) days after that date.

Section 2.3 Emeritus Membership (Adopted Nov. 2013 in the fourth quarterly meeting)

A member who has attained the age of 60, has been a member of the club for 5 years and no longer maintains a boat at the club may become an *Emeritus* member. An *Emeritus* member pays the normal membership dues, has full membership privileges including voting rights and may hold club office but is exempt from work day requirements.

Section 2.4. Admission of Members.

In order to become a Member of the Club an applicant must submit a Club application in writing. The application will include the name, address, and business of the applicant and shall be in such form and contain such other information as may be prescribed from time to time by the board of directors of the Club (the board of directors is referred to herein as the “Directors”, the “Board of Directors” or the “Board”). Each application for membership in the Club shall be presented to the Board of Directors by the Membership Chair (defined in Section 5.9), and shall be approved or disapproved by a majority vote of the Board. In the alternative, the Board of Directors may designate that the Membership Committee (whose members need not be Directors) will have and may exercise all of the authority of the Board of Directors in approving or disapproving applications for membership in the Club. Notwithstanding anything to the contrary contained herein, no more than 30% of the Members shall be persons who do not own a sailboat at the Club’s Facilities and pay a fee for a sailboat pad or davit at the Club’s facilities.

Section 2.5. Membership Fees, Dues and Other Charges.

All fees and dues shall be established by a majority vote of the Members, after recommendations of the Board, at the annual meeting or at any meeting called for that purpose.

Section 2.6. Arrears.

Any Member delinquent in his or her membership fees, dues or other charges for a period of thirty (30) days after the same shall be due shall, upon written notice by the Club, be suspended from the Club effective ten (10) days after such notice. The notice shall advise the delinquent Member that he or she is suspended from the Club and that if he or she has not paid or made arrangements with the Board to pay his or her dues or other charges within ten (10) days after the date of notice, he or she will be automatically expelled from membership in the Club. The name of such expelled Member shall also be posted at the Club and the Club shall not thereafter extend any credit to such Member. Suspended Members shall not have the privilege of attending any Club meetings or functions, shall not be permitted to vote at any meetings, and shall not be entitled to any privileges of the Club.

Section 2.7. Assessments.

An assessment may be levied only when approved by a vote of two-thirds of the Members present at any regular or special meeting of the Members at which a quorum is present; provided, however, that no assessment shall be levied unless the Secretary has emailed or mailed through the U.S. Postal Service to each Member notice of the proposed assessment and the reasons therefore at least ten (10) days prior to such meeting.

Section 2.8. Resignation.

Any Member of the Club may resign at any time. Immediately upon filing a letter of resignation with the Commodore by email or by U.S. Mail, such Member shall forfeit all rights to the use of the Club and all membership fees, dues and other amounts paid by such Members, provided, however, that if such Member so resigning shall own a davit, the provisions of Section 6.4 of these Bylaws shall be applicable.

Section 2.9. Expulsion.

Any Member may be expelled in accordance with Section 4.9 of these Bylaws, and such expelled Member shall thereupon forfeit his or her membership in the Club, and should such expelled Member own a davit, the provisions of Section 6.4 of these Bylaws shall be applicable. Expelled Members shall not have the privilege of attending any Club meetings or functions, shall not be permitted to vote at any meetings, and shall not be entitled to any privileges of the Club.

Section 2.10. Membership.

The Club shall be under no obligation to renew the membership of any Member deemed inactive by the Board of Directors. The Member shall be notified in writing by an authorized Officer or Director of the Club that he or she has been deemed inactive and is subject to expulsion as provided by Section 2.9 of the Bylaws. The term “inactive” shall be defined as failure to participate in the required activities and/or failure to pay dues and fees. Any person designated as “inactive” for the period of one Club fiscal year shall be reviewed by the Board of Directors. The Club’s fiscal year shall be determined as set forth in Section 7.4. Each Member will be required to participate in Work Parties and Business/Service Functions.

- (a) **Work Parties:** Normally, four (4) Work Parties of approximately 8 hours per day will be scheduled during a fiscal year expressly for maintenance of Club facilities. A Member is required to participate in a minimum of two (2) Work Parties to satisfy eligibility requirements. In the event a Member can not attend two required Work Parties, this requirement can be satisfied by the Member performing a special project assigned by the Commodore, which must be completed during the year of eligibility, or paying a \$100.00 fee to the Club per Work Party. Participation in Work Parties shall be reported and recorded by the Secretary. Any Member performing service at a Work Party will be given credit for that Work Party only if he or she has signed the sign-in sheet provided by the Club on that day.
- (b) **Business/Service Functions:** Each Member is required to attend and/or serve in two of the following three opportunities: (i) attendance at meetings of Members, whether quarterly or the annual meeting; (ii) service on the Board or on a Board committee; or (iii) service at a Club sponsored activity.

Members shall be deemed to be “in good standing” when they have paid all fees and dues invoiced, and have participated in the required Work Parties and Business/Service Functions described above. The annual service by the Club’s Directors and Officers will fulfill that year’s Work Party and Business/Service Function obligations.

Section 2.11. Removal of Property.

Any Member who has resigned from the Club, been expelled, or has failed to renew membership in the Club, shall have thirty (30) days to remove all of his or her personal property (such as boat, gear and sails) from the Club after having paid in full any and all fees, dues, and assessments which are then due. If the Member fails to pay all monies owed to the Club, then the Club shall have a security interest in and a lien against any and all such personal property, and the Club shall have the right to sell such personal property to secure the collection and payment of any and all dues, fees, and assessments. Any property not removed within said thirty

(30) days shall become the property of the Club and may be retained, removed, sold or otherwise disposed of as the Club, in its sole discretion, deems appropriate.

Section 2.12. Notices to Members.

Notices to Members shall be in writing and delivered personally, sent via electronic mail (email) or mailed to the Members at their addresses appearing on the books of the Club. Notice by mail shall be deemed to be given at the time when same shall be deposited with the U.S. mail addressed to the Member at his or her address as it appears on the records of the Club, with postage thereon prepaid. Notice by email shall be deemed to be given when transmitted by electronic message and shall be deemed to be delivered at the sent time stamp on that email addressed to the Member at his or her email address as it appears on the records of the Club. Any Member who does not have an email address or wishes to opt out of the email notifications must notify the Club that notice to that Member shall be by U.S. mail. Whenever any notice is required to be given to any Member under the provisions of these Bylaws, a waiver thereof in writing signed by the person or persons entitled to such notice whether before or after the time stated therein, shall be equivalent to the giving of such notice. Attendance of a Member at a meeting shall constitute a waiver of notice of such meeting, except where a Member attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called or convened. The business of a special meeting shall be stated in the notice for the special meeting.

**ARTICLE III
MEETINGS OF MEMBERS**

Section 3.1. Place of Meeting.

Meetings of the Members, whether an annual meeting, quarterly meeting or a special meeting, shall be held in the City of Dallas, Dallas County, State of Texas, at such place as the Board of Directors may designate and which shall be set forth in the notice of the meeting.

Section 3.2. Annual Meeting.

An annual meeting of the Members of the Club shall be held in the evening on a date in February designated by the Board of Directors. At such meeting, the Members present and entitled to vote shall elect eight (8) persons to serve on the Board of Directors (as set forth in Section 4.1), including four (4) office positions of Commodore, Vice Commodore, Secretary and Treasurer and four (4) additional Directors. The Members may transact such other business as may be properly brought before the meeting.

Section 3.3. Special Meeting.

Special meetings of the Members may be called by the Commodore, by the Board of Directors or by Members having not less than one-tenth of the votes entitled to be cast at such meeting. Business transacted at any special meeting shall be confined to the purposes stated in the notice thereof.

Section 3.4. Quarterly Meetings.

In addition to the annual meeting in February, quarterly meetings of the Members shall be held at the Club on an evening in each of May, August, and November of each year, unless otherwise specified by the notice of meeting.

Section 3.5. Notice of Meetings.

Notice of the annual meeting, quarterly meetings or special meetings stating the place, day and hour of such meetings shall be delivered by the Secretary in accordance with the provisions in Section 2.12 of these Bylaws not less than ten (10) days nor more than fifty (50) days before the date of such meetings, by or at the direction of the Commodore or the majority of the Board, to each Member entitled to vote at such meeting.

Section 3.6. Quorum of Members.

Members in good standing who are present and in person at the meeting whose number equals at least one-tenth (1/10th) of the entire Club membership entitled to vote shall constitute a quorum. If a quorum is not present at any Members meeting, the presiding Officer may adjourn the meeting until a quorum shall be present. Any such rescheduled meeting must conform with the notice provisions of Section 3.5 above. At such rescheduled meeting at which a quorum shall be present, any business may be transacted which might have been transacted at the meeting as originally notified. The vote of a majority of the votes entitled to be cast by Members present at a meeting at which a quorum is present shall be the act of the Members meeting, unless the vote of a greater number is required by law or by other provisions of these Bylaws.

Section 3.7. Voting of Members.

Each Member in good standing shall be entitled to one vote on each matter submitted to a vote at a meeting of Members. At each annual meeting of Members, every Member in good standing and entitled to vote at such election shall have one vote for each Director to be elected. No Member shall be entitled to vote by proxy. Cumulative voting is prohibited.

**ARTICLE IV
DIRECTORS**

Section 4.1. Number and Tenure.

The number of Directors of the Corporation shall be eight (8), but subject to increase to nine (9) as set forth in this Section 4.1. Four (4) of the Directors shall be those persons who hold the offices of Commodore, Vice Commodore, Treasurer, and Secretary. Additionally, four of the Directors shall be elected among the Members, and these four Directors need not, but may be, Officers. Finally, the ninth (9th) Director may be the Commodore who served immediately prior to the term of the newly elected Commodore at the annual meeting of Members, but only if such person is not elected as an Officer at such meeting. However, if such immediate past Commodore is unable or unwilling to serve as a Director, the Commodore next preceding the immediate past Commodore may be a Director, if willing and able to serve and if such person is not elected as an Officer at such annual meeting of Members. The purpose of allowing the past Commodore to be a Director is to provide continuity and perspective of previous actions to the current Board of Directors. The Directors shall be elected by a majority of the Club's Members at the annual membership meeting in accordance with Sections 3.2 and 3.7. No person shall be

eligible to serve as a Director unless he or she is a Member in good standing of the Club. The tenure of the Directors will be from his or her election until the election of Directors at the next annual meeting of Members.

Section 4.2. Vacancies and Removal.

Any vacancy occurring in the Board of Directors may be filled by the affirmative vote of a majority of the remaining Directors though less than a quorum of the Board of Directors. A Director elected to fill a vacancy shall be elected for the un-expired term of his or her predecessor in office. Three consecutive absences from Board meetings may be deemed a resignation. Any Director may be removed from the Board, with or without cause, by a two-thirds (2/3rd) vote of the Board of Directors at which a quorum is present.

Section 4.3. Duties.

Except as otherwise expressly set forth herein, the business and affairs of the Corporation shall be managed by its Board of Directors which may exercise all such powers of the Corporation.

Section 4.4. Place of Meeting of Directors.

Meetings of the Board of Directors, regular or special, must be held in the City of Dallas, Dallas County, State of Texas.

Section 4.5. Regular Meetings.

Following the election of Directors at the annual meeting of Members, the Commodore shall call the first regular meeting of the Directors and shall notify the Directors of the time and place of such meeting by giving at least ten (10) days and not more than fifty (50) days written notice of such meeting of Directors. At the first regular meeting of the Directors, the Board of Directors shall establish a schedule for regular meetings of the Directors for the remainder of the fiscal year, including the time, date and location of such meetings, and notice of such schedule shall be sent to all Directors. Thereafter, regular meetings of the Directors may be held without notice to the Directors.

Section 4.6. Special Meetings.

Special meetings of the Board of Directors may be called by the Commodore, the Secretary or the written request of two Directors. Notice of special meetings of the Board of Directors shall be given to each Director at least three (3) days before the date of the meeting.

Section 4.7. Quorum of Directors.

A majority of the Directors shall constitute a quorum for the transaction of business and the act of the majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, unless a greater number is required by the Articles of Incorporation, these Bylaws, or the Texas Business Organizations Code. If a quorum is not present at any meeting of the Board of Directors, the Directors present, by a majority vote, may adjourn the meeting until a quorum shall be present.

Section 4.8. Notices to Directors.

Notices to Directors shall be in writing and delivered personally, sent via electronic message (email) or mailed through the U.S. mail to the Directors at their addresses appearing on the books of the Club. Notice by mail shall be deemed to be given when same shall be deposited with the U.S. mail addressed to the Director at his or her address as it appears on the records of the Club, with postage thereon prepaid. Notice by electronic mail shall be deemed to be given when transmitted by electronic message and shall be deemed to be delivered at the sent time stamp on that email addressed to the Director at his or her email address as it appears on the records of the Club. Whenever any notice is required to be given to any Director under the provisions of these Bylaws, a waiver thereof in writing signed by the person or persons entitled to such notice whether before or after the time stated therein, shall be equivalent to the giving of such notice. Attendance of a Director at a meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board of Directors need be specified in the notice or waiver of notice of such meeting.

Section 4.9. Disciplinary Powers.

The Board of Directors shall have the power to expel any Member of the Club guilty of any violation of these Bylaws or rules of the Club, or of any offense against the good government of the Club, which shall include any misconduct of a Member rendering him undesirable as a Member of the Club, whether or not the offense was committed on the Club property. Notice of the charges proffered against any Member shall be given at least ten (10) days before the meeting of the Board of Directors at which such charges shall be considered, giving him or her notice of the time and place of the meeting. At the meeting, such Member shall have an opportunity to be heard in his or her defense. In order to expel a Member, a two-thirds (2/3rd) vote of the Board of Directors at which a quorum is present shall be required.

Section 4.10. Action by Unanimous Written Consent.

Unless otherwise restricted by law, the Articles of Incorporation or these Bylaws, any action required or permitted to be taken at any meeting of the Board of Directors may be taken without a meeting if a consent in writing, setting forth the action to be so taken, is signed by all of the Directors. Such written consent may be by counterpart signatures and shall bear the date of the signature of each Director who signs the consent. Both the consent and counterpart signatures may be transmitted by email.

Section 4.11. Meetings by Telephone Conference.

The Board of Directors may participate in and hold a meeting of the members of the Board of Directors by means of telephone conference or other communications technology by means of which all persons participating in the meeting can communicate with each other concurrently. Participation in such meeting shall constitute presence in person at such meeting, except where a person participates in the meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened.

ARTICLE V OFFICERS

Section 5.1. Offices to be Filled.

The Officers of the Club shall consist of a Commodore, Vice Commodore, Secretary, Treasurer, Race Chair, Membership Chair, Pier Rear Chair, Race Equipment Chair, Education Chair, Communications Chair, and Financial Review Chair. Such other Officers and assistant Officers and agents as may be deemed necessary may be elected or appointed by the Board of Directors. One person may not hold more than one of the following offices: Commodore, Vice Commodore, Secretary and Treasurer. Except as set forth in the preceding sentence, a person may hold more than one office. To be eligible as an Officer of the Club, such person must be a Member in good standing of the Club. The Officers shall report regularly to the Board of Directors. The Commodore, Vice Commodore, Secretary and Treasurer shall also be Directors. The other Officers need not, but may be, a Director.

Section 5.2. Time of Election.

The offices of Commodore, Vice Commodore, Secretary and Treasurer shall be elected at the annual meeting of the Members. The offices of Race Chair, Membership Chair, Pier Rear Chair, Race Equipment Chair, Education Chair, Communications Chair, and Financial Review Chair shall be elected by the Directors each year at the first Board of Directors meeting following the annual Members meeting.

Section 5.3. Term of Office.

The Officers shall hold office until their respective successors are elected at the next annual Members meeting, or until they die or resign. Any Officer may resign at any time by giving written notice to the Board, the Commodore or the Secretary. Any vacancy occurring in any office of the Club by death, resignation, removal or otherwise may be filled by the Board of Directors for the remainder of the outgoing Officer's term. Any Officer may be removed, with or without cause, by a two-thirds (2/3rd) vote of the Board of Directors at which a quorum is present.

Section 5.4. The Commodore.

The Commodore shall be the chief executive Officer of the Club and the Corporation. The Commodore shall preside at all meetings of the Members and the Board of Directors and shall have such other powers and duties that usually pertain to such office or as may be delegated by the Board of Directors.

Section 5.5. The Vice Commodore.

The Vice Commodore shall, in the absence or disability of the Commodore, perform the duties and exercise the powers of the Commodore and shall also perform such other duties and have other powers as may be prescribed by the Board of Directors.

Section 5.6. The Treasurer.

The Treasurer shall have the custody of the corporate funds and securities and shall keep full and accurate accounts of receipts and disbursements in books belonging to the Corporation and shall deposit all monies and other valuable effects in the name and to the credit of the Corporation in

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such depositories as may be designated by the Board of Directors. He or she shall disburse the funds of the Corporation as may be ordered by the Board of Directors, and shall render to the Commodore and the Board of Directors, at its regular meetings or when the Board of Directors so requires, an account of all financial transactions made on behalf of the Club and of the financial condition of the Corporation. If required by the Board of Directors, he or she shall give the Corporation a bond in such sum and with such surety or sureties to be satisfactory to the Board of Directors for the faithful performance of the duties of his or her office and the restoration to the Corporation, in case of his or her death, resignation, retirement or removal from office, of all books, papers, vouchers, money and other property of whatever kind in his or her possession or control belonging to the Corporation. He or she shall, in the absence or disability of the Commodore or the Vice Commodore, perform the duties and exercise the powers of the Commodore. The Treasurer shall be responsible for the timely payment of bills and invoices for the regular upkeep, maintenance and running of the Club and its business. The Treasurer shall be responsible for the timely filing of any and all tax returns or other forms required to be filed by any governmental entity and the timely payment of any and all taxes owed by the Club. The Treasurer shall also perform such other duties and have other powers as may be prescribed by the Board of Directors.

Section 5.7. The Secretary.

The Secretary shall attend all meetings of the Board of Directors and all meetings of the Members and record all the proceedings of the meetings of the Club and of the Board of Directors in a book to be kept for that purpose and shall perform like duties for the standing committees when required. He or she will give or cause to be given, notice of all meetings of the Members and special meetings of the Board of Directors. He or she shall convey to the membership the current membership roster via email or mail through the U.S. Postal Service, and be responsible for all correspondence with the membership. The Secretary shall also perform such other duties and have other powers as may be prescribed by the Board of Directors.

Section 5.8. The Race Chair.

Recognizing the long tradition and importance of sailboat racing at White Rock Boat Club, the Race Chair and its committee shall have overall responsibility for the development and implementation of the Club's racing program and shall coordinate that program, where necessary, with other sailing clubs. The Race Chair shall also perform such other duties and have other powers as may be prescribed by the Board of Directors.

Section 5.9. The Membership Chair.

The Membership Chair shall maintain any and all membership information and the official membership roster, be responsible for responding to all inquiries regarding membership, and receive and present all applications for membership to the Board of Directors or to the Membership Committee, as the case may be, for its consideration. The Membership Chair shall also perform such other duties and have other powers as may be prescribed by the Board of Directors.

Section 5.10. The Pier Rear Chair.

The Pier Rear Chair shall be responsible for maintaining the Club's facilities in good condition and state of repair and shall be in charge of new construction. The Pier Rear Chair shall also perform such other duties and have other powers as may be prescribed by the Board of Directors.

Section 5.11. The Race Equipment Chair.

The Race Equipment Chair shall be responsible for the repair and maintenance of the Club's racing and safety equipment. The Race Equipment Chair shall also perform such other duties and have other powers as may be prescribed by the Board of Directors.

Section 5.12. The Education Chair.

The Education Chair shall be responsible for the development and implementation of any and all educational programs and activities, including sailing, racing, officiating, water safety, boating safety, first aid, CPR, and other educational programs, all as may be approved by the Board of Directors. The Education Chair shall also perform such other duties and have other powers as may be prescribed by the Board of Directors.

Section 5.13. The Communications Chair.

The Communications Chair shall be responsible for the development, implementation and maintenance of the Club website and any internet related duties as may be approved by the Board of Directors. The Communications Chair shall also perform such other duties and have other powers as may be prescribed by the Board of Directors.

Section 5.14. The Financial Review Chair.

The Financial Review Chair shall be responsible for conducting a review of the Club's financial accounts at the end of each fiscal year. The Officers and Directors shall make available to the Financial Review Chair all books, records, minutes, bylaws, financial information and any other Club records for the Financial Review Chair's inspection and review. The review, under the direction of the Financial Review Chair, may be conducted by a committee or by an independent accountant if deemed advisable by the Board of Directors and shall report the results of the review to the Board of Directors and shall make such report available to Members in good standing upon request. The Financial Review Chair shall not be a Director and those conducting the review shall not be Directors. The Financial Review Chair shall also perform such other duties and have other powers as may be prescribed by the Board of Directors.

**ARTICLE VI
RESPONSIBILITY OF MEMBERS AND BOAT PLACEMENT**

Section 6.1. Boat Placement.

The Board of Directors may, but shall not be obligated to, require as a condition to the approval of an applicant for membership in the Club that such prospective Member be assigned a davit, rack or pad space at the Club's facilities. Annual membership invoices will reflect the payment for use of said davit, rack or pad annually, but may be reduced to a lesser term when authorized by the Board of Directors on singular occasions. Preference for assignment shall be in favor of boats racing on White Rock Lake when waiting lists for assignment occur. No Member of the Club shall have the right to rent, lease, or permit the use of his or her davit or rack or pad to any

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other person or to permit the occupancy of his or her davit, rack or pad by any boat not owned by such Member. Use of a davit, rack or pad shall be limited to Members of the Club. All Members' boats or watercraft located in the vicinity of the Club's facilities must be maintained in their assigned davit, rack or pad, unless granted specific temporary exception by the Commodore or designated representative.

Section 6.2. Davit, Rack or Pad Repair and Modification.

Any additions or modifications made to a davit, rack or pad by anyone must have prior approval by the Commodore or his or her designated representatives. Any Member owning a davit shall furnish and maintain at his or her own cost and expense all cable, pulleys, cradle and other necessary or appropriate equipment to properly rig a davit. All materials used and methods employed in rigging a davit must be approved by the Commodore. Any davit owned by a Member which, in the opinion of the Commodore, needs repair or replacement of its parts, may be repaired or replaced by the Club at the expense of the davit owner if such owner, after notice is given under the provisions of Section 2.12, fails or refuses to make such repairs or replacement.

Section 6.3. Membership fees for the use of Davits, Racks and Pads.

Membership fees for the use of davits, racks or pads, and Club facilities shall be priced by the Club from time to time as part of the membership fees in accordance with the provisions of Section 2.5.

Section 6.4. Option of Club to Repurchase.

If a Member who owns a davit shall resign his or her membership in the Club, or shall be expelled or suspended in accordance with these Bylaws or, while retaining his or her membership, gives notice of his or her intention to sell his or her davit, the Club shall have the option for a period of thirty (30) days after receipt of notice of resignation or the effective date of expulsion or notice of intention to sell, as the case may be, to repurchase the davit owned by such Member by tendering to such Member the amount last paid to the Club for the purchase of the davit, less such amounts, if any, owed by such Member to the Club for dues, maintenance, fees or charges. In the event that the sums owed to the Club by the Member equal or exceed the amount last paid to the Club for the purchase of such davit, the Club, without notice, may offer the same for private sale and all legal or equitable rights of such davit owner in and to such davit shall be forfeited. In the event the Club does not exercise its option to repurchase the davit, during the thirty (30) days option period hereinabove provided, the Club shall thereafter have the option to repurchase the davit from a resigned Member, or from any Member who shall have been expelled or suspended in accordance with these Bylaws, which option may be exercised at any time by the Club by tendering to such Member an amount of money equal to the then fair market value of the davit, less such amounts, if any, owed by such Member to the Club for dues, maintenance, fees or charges.

Section 6.5. Maintenance.

A davit that is owned by a Member shall be maintained by its owner to the standards determined by the Board of Directors or its designated representative. Any boat or watercraft in a davit, rack or pad, shall be maintained by its owner to the standards determined by the Board of Directors or its designated representative. All boats and other watercraft shall be properly licensed by boat

owner and owner shall comply with all state and federal laws. All Members shall be responsible for the maintenance of their boat or other watercraft, which shall be maintained in a clean, safe and seaworthy condition, in a condition consistent with good seamanship, and to the standards determined by the Board of Directors or its designated representative. A Member shall not allow a davit or boat pad to remain empty, or use a davit or boat pad solely for the storage of a boat or other watercraft. Only a single boat or watercraft shall occupy a davit, rack or pad. The Board of Directors shall inform a Member in writing of the need to perform maintenance on either the davit or the boat, or both, or to fulfill his or her other responsibilities set forth herein within thirty (30) days or face possible expulsion under Section 4.9 of these Bylaws, or non-renewal of his or her membership in the Club, or any lesser penalty as may be determined by the Board of Directors, in its sole discretion.

ARTICLE VII MISCELLANEOUS PROVISIONS

Section 7.1. Members' Responsibility for Guests and Visitors.

Guests, visitors and minor children must be accompanied by Member at all times and Member will be responsible for any such child, guest or visitor. Guests or visitors shall be limited in number to no more than six (6) couples per Member per visit without special permission from the Commodore. Members are responsible for securing the Club's facilities in a safe and secure condition and reporting any problems to Club Officers. This includes closing and locking both gates to the Club's facilities when leaving and securing openings to the clubhouse when last to leave. Members should report to Officers or Directors possible problems or damage to facilities, davits, racks, pads, rescue boats and other Members' boats.

Section 7.2. Responsibility of Club.

The Club will not be responsible for bodily injury to, or for loss of, or damage to property of Members, visitors or guests, except to the extent that such occurrences may be compensated for and covered by insurance carried by the Club.

Section 7.3. Persons Authorized to Sign Checks and Notes.

All checks or demands for money and notes of the Corporation shall be signed by such Officer or Officers or such other person or persons as the Board of Directors may from time to time designate.

Section 7.4. Fiscal Year.

The fiscal year of the corporation shall be fixed by resolution of the Board of Directors.

Section 7.5. Burgee and Other Devices.

The Board of Directors may adopt a burgee or emblem and other such devices of such design and color arrangements as the Board shall determine.

Section 7.6. Reservation of Club Facilities.

The facilities of the Club may be reserved by Club Members only. Any reservation must receive the prior approval of the Commodore. Reservations will be posted on the Club's website calendar. Members reserving the Club facilities are responsible for the costs of any repair of any

damage to the Club facilities caused by the Members and their guests and are responsible for maintaining secure access to the Club's facilities during the event while permitting reasonable access for other Club Members. When the Club facilities have been reserved, other Club Members shall respect the privacy of the persons using the reserved facilities.

ARTICLE VIII AMENDMENTS, LIABILITY AND INDEMNIFICATION

Section 8.1. Amendments to Bylaws.

These Bylaws may be amended at the annual meeting of the Members (or at a special meeting called in accordance with Section 3.3 of these Bylaws) by two-thirds (2/3rd) of the votes cast, a quorum being present, after proper notice (as provided by Sections 2.12 and 3.5 of these Bylaws) of the amendment, including the exact wording of the proposed amendment to the Bylaws, save and except changes to correct clerical, typographical and grammatical errors. Additionally, these Bylaws may be amended at a regular or special meeting of the Board of Directors in the case of extreme emergency; provided, that (i) such amendment must be calculated to reasonably cure the extreme emergency, and (ii) such amendment shall be temporary, for a period of sixty (60) days only, and such amendment shall expire in 61 days after it is enacted unless it is approved and ratified by the Members at a meeting for which notice is given in compliance with Section 3.5 of these Bylaws and which notice describes the extreme emergency and the temporary amendment.

Section 8.2. Limitations on Liability.

An Officer or Director of the Club is not liable to the Club or its Members for monetary damages for acts or omissions that occur in the person's capacity as an Officer or Director, except to the extent a person is found liable for: (i) a breach of the Officer or Director's duty of loyalty to the Club or its Members; (ii) an act or omission not in good faith that constitutes a breach of duty of the Officer or Director to the Club; (iii) an act or omission that involves intentional misconduct or a knowing violation of the law; (iv) a transaction from which the Officer or Director receives an improper benefit, whether or not the benefit resulted from an action taken within the scope of the person's duties; or (v) an act or omission for which the liability of an Officer or Director is expressly provided by an applicable statute. The liability of Officers and Directors of the Club shall, to the fullest extent permitted by law, be limited by the Charitable Immunity and Liability Act of 1987, Chapter 84, Texas Civil Practice and Remedies Code, as amended. Any amendment, repeal or modification of the foregoing provision by the Members of the Club shall not adversely affect any limitation on the liability of any Director or Officer of the Club existing at or prior to the time of such amendment, repeal or modification.

Section 8.3. Indemnification.

Subject to the limitations and requirements of the Texas Business Organizations Code, the Club may indemnify a person who was, is, or is threatened to be made a named defendant or respondent in a proceeding because the person is or was an Officer or Director of the Club.