

Lake Winnepesaukee Sailing Association, Inc.

BY-LAWS

as approved February 8, 1992
and amended October 22, 2014 and October 20, 2016

ARTICLE 1 - NAME

The name of this Corporation is the LAKE WINNIPESAUKEE SAILING ASSOCIATION, INC. It may be abbreviated to the "LWSA."

ARTICLE 2 - PURPOSE

The general purpose of the Corporation is to encourage the sport of sailing and racing; to introduce and teach people, especially young people and people with disabilities, sailing; to encourage youth sailing and to provide facilities and programs for the education of children in sailing and sailboat racing; to foster sportsmanship throughout the sport; to promote the science of seamanship and navigation; to foster and encourage social fellowship appertaining to all things nautical between members and similar associations; to forward and advance sailing in all its phases and more particularly to promote competitions and regattas under uniform rules among the members and other clubs within our region; and to foster local, national and international amateur sailing competition.

The Corporation is specifically precluded from engaging in any prohibited activities as defined in the New Hampshire Statutes and from any other activities not permitted to be carried on by (a) a corporation exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code of 1986 or the corresponding provision of any future United States Internal Revenue Law or (b) a corporation, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code of 1986 or any other corresponding provision of any future United States Internal Revenue Law.

Further delineation of the objects not conflicting with the Article 2 of the Corporation's Articles of Agreement may be made by these By-Laws.

ARTICLE 3 - OFFICERS

The Officers of the Corporation are a President, a Vice President, a Secretary, and a Treasurer.

ARTICLE 4 - OFFICER DUTIES

The President shall lead the Corporation, preside at all membership and Board of Directors meetings, and enforce its rules and decisions of the Board of Directors.

The Vice President shall assist the President in the discharge of his or her duties and in his or her

absence to act in his or her stead.

The Secretary shall keep the records of the Corporation, including a record of all meetings of the membership and of meetings of the Board of Directors, in appropriate books or electronic records, and shall see that all notices are given in accordance with these By-Laws or as required by law. The Secretary shall keep a roster of the Directors, Officers, and Members. The Secretary shall report to the Corporation at its annual membership meeting, and to the Board of Directors as required.

The Treasurer shall see that correct and complete records of account are kept accurately showing, at all times, the financial condition of the Corporation. Subject to the direction of the Board of Directors, the Treasurer shall be the legal custodian of all funds of the Corporation, shall keep a detailed account of its income and expenditures, and shall be responsible for payment of all expenses of the Corporation. The Treasurer may delegate bookkeeping and payment tasks provided there is a written policy of checks and balances approved by Board of Directors. The Treasurer may seek accounting or legal advice as he or she decides is useful. The Treasurer shall report to the Board of Directors as requested and to the Members at the membership annual meeting.

ARTICLE 5 - PROPERTY

All property of the Corporation is vested in the Board of Directors as trustee for the Members, and it may act for and bind the Members, as their agent, in all transactions relating to the property.

No Officer, Director, or Member has any ownership interest in the property of the Corporation.

ARTICLE 6 - EMPLOYEES

The Board of Directors shall hire and fix the compensation of any and all employees which in their discretion may determine to be necessary in the conduct of the business of the Corporation.

ARTICLE 7 - BOARD OF DIRECTORS

1. **Number of Directors:** The Board of Directors consists of not less than five and not more than eleven Members. Within that limitation, the Board of Directors may choose the number of Directors by unanimous consent, without amendment of these By-Laws, provided that there always be at least five unrelated directors if required by law (such as by NH RSA 292:6). As of the October 22, 2014 annual membership meeting, the number of directors will be six, unless later changed. If a non-Member is elected a Director, he or she will have a grace period of six months to become a Member.
2. **Quorum/Meetings:** A quorum of the Board of Directors will be a majority of the total number of Directors. All meetings of the Board of Directors will be called by the

President, or in his or her absence by the Vice President, Secretary or Treasurer. The chairman of the meeting will be the President or in his or her absence the Vice President, Secretary (if the Secretary is a Director), Treasurer (if the Treasurer is a Director), in that order. Directors will be notified in writing or in person of all meetings at one week in advance. The Board may set a schedule of regular meetings for which no written notice will be required provided that the schedule is distributed in writing or in person to all Directors at least one week before the first such meeting. ("In person notification" is deemed to include any communications means in which the spoken word is heard and is acknowledged by the recipient.)

3. **Regular Meeting after Annual Membership Meeting:** Notwithstanding anything else to the contrary, the newly-elected Board of Directors may meet directly following the annual membership meeting without notice.
4. **Voting:** The act of a majority of the Directors present at any meeting at which there is a quorum will be the act of the Board of Directors, except as may be otherwise expressly required by the Corporation's Articles of Agreement, these By-Laws, or law.
5. **Electronic Meeting Attendance:** A Director may participate in a meeting of the Board of Directors by means of telephone, video conference, or similar communication means enabling all Directors participating in the meeting to hear one another. Such participation in a meeting will be deemed to constitute presence in person at such meeting.
6. **Action without Meeting:** If all the Directors consent in writing to any resolution, then such resolution will be valid as though it had been approved at a meeting of the Board of Directors. The Secretary shall file such consent with the minutes of the meetings of the Board of Directors.
7. **Changes of Board Membership and Officers:**

A Director or Officer may be removed with or without cause at a meeting of the Board of Directors called for such purpose by a two-thirds vote of the disinterested Directors present.

A Director or Officer may resign at any time by giving written notice to the President or the Secretary. The resignation will be effective as of the date the notice was sent unless otherwise specified.

If the office of any Director or Officer becomes vacant by reason of death, resignation, disability, retirement, disqualification, removal from office, or for any other cause, the remaining Directors, even if less than a quorum, shall elect a successor(s) for the unexpired term of such Director or Officer.

8. **Duties and Powers:**

The Board of Directors has the general control and direction of the policy and finances of the Corporation. It shall authorize all disbursements and contracts. It need not authorize each and every disbursement, but may authorize budgets.

The Board of Directors may require committees and Officers to report to it. The Board of Directors shall report to the membership at its annual meeting, and to any special membership meeting called for that purpose, as provided in Article 8 of these By-Laws.

The President or the Board of Directors may create committees and appoint chairmen/chairwomen and members of those committees. Members of committees need not be Members of the Corporation.

ARTICLE 8 - MEMBERSHIP AND COMMITTEE MEETINGS

The annual membership meeting will be held on or about November 1 on a date decided upon by the Board of Directors. The Secretary shall notify in writing all Members at least two weeks prior to the annual meeting.

Special membership meetings may be called by the President at his or her pleasure, by the written request of one-third of the membership, or by a Member appealing discipline imposed upon him or her by the Board of Directors under Article 9. Such special meetings will be held at the time and place as set forth by the President. Such a special membership meeting has the power to transact only that specific business for which it was called. The Secretary shall notify, in writing, all Members and stipulate the business under consideration for any special membership meeting at least two weeks in advance of the meeting.

All committee chairmen shall have the authority to arrange and call their own committee meetings at a time and place most convenient to the committee. The President may call for a meeting of any committee.

ARTICLE 9 - ELECTIONS

The Members shall elect the Board of Directors at the annual membership meeting by a majority vote of the members present. The Directors shall serve for a term of one year or until the next annual membership meeting, whichever occurs later. The term of the Directors shall commence immediately upon election.

The Board of Directors shall elect the Officers. The President and Vice President shall be duly elected members of the Board of Directors prior their election as Officers.

Provision for the replacement of a Director or Officer who vacates his or her position before the expiration of his or her term is described in Article 7.7 of these By-Laws.

ARTICLE 10 - MEMBERSHIP

Membership is open to anyone who pays the current annual dues and who has not been removed or banned for cause as provided below.

Each Member who is eighteen years of age or older is entitled to one vote on corporate matters as provided by the Articles of Agreement, these By-Laws, or law.

No Member has any ownership interest in the property of the Corporation.

Honorary membership will be by election by a majority vote of the Members present at a membership meeting. The individuals nominated for the honorary membership shall be selected by the Board of Directors. Honorary Members shall pay no dues, nor shall they be entitled to vote.

The Board of Directors may create a Family Membership or any other type of membership without amendment of these By-Laws.

The term of membership will be for the calendar year in which the Member pays dues and shall continue until March 1 of the next year.

Any Member accused of breaking the rules or of conduct unbecoming or damaging to the good name of the Corporation will be notified of such charges and details by the Secretary and given the opportunity to be heard in his or her own behalf before the Board of Directors. Upon such hearing, or upon his or her failure to appear, the Board may, if it finds the charges proved, issue whatever discipline it deems appropriate, including but not limited to admonishment (public or private), suspension, and/or forfeiture of membership. Such Member will have a right of appeal to the membership at a special meeting called for that purpose. The membership may by a two-thirds vote of those Members present change the action of the Board of Directors and set aside any or all penalties.

ARTICLE 11 - DUES

Annual dues will be 25 dollars for an Individual Membership. The Board of Directors may adjust this amount without amendment of these By-Laws.

ARTICLE 12 - NO DISCRIMINATION

The Corporation shall not discriminate on the basis of race, national origin, color, religion, sex, sexual orientation, gender identity, disability (physical or mental), age, or status as a parent. As much as is financially reasonable, the Board of Directors shall make programs available to those who cannot afford any regularly charged fees by creating a needs-based scholarship program or as it otherwise decides is effective.

ARTICLE 13 - AMENDMENTS

Amendments to these By-Laws may be made by a two-thirds majority of Members present at a membership meeting specifically called for that purpose, or by a two-thirds majority of Directors present at a Board of Directors meeting specifically called for that purpose, except that the Board of Directors shall not change the number of Directors without the unanimous consent of all Directors. Notification of such a meeting will be as provided above for membership or Board Director's meetings.

ARTICLE 14 - DISSOLUTION

Upon the dissolution of the Corporation, all assets will be liquidated and all proceeds applied to the outstanding debts of the Corporation. After all outstanding debts are paid, any remaining assets will be distributed to a successor exempt corporation, within the meaning of section 501(c)(3) of the Internal Revenue Code or corresponding section of any future Federal Tax Code, such as such as the United States Sailing Association Inc., Box 209, Newport, Rhode Island, 02840, or shall be distributed to the Federal Government, or to a state or local government, for a public purpose. Any such assets not so disposed of will be disposed of by a Court of competent jurisdiction in the County in which the principal office of the Corporation is then located, exclusively for such purposes or to such organization or organizations, as said Court shall determine, which are organized and operated exclusively for such purposes.

If the preceding paragraph is changed it must be consistent with Article 3 of the Corporation's Articles of Agreement.

No benefit, except for approved compensation as set forth herein, will be conferred upon any Director or Officer upon dissolution.

ARTICLE 15 - LIMITATION OF LIABILITY AND INDEMNIFICATION

Unless otherwise expressly authorized by the Board of Directors, the Directors and Officers shall serve without compensation and, pursuant to NH RSA 508:16, will not be liable for bodily injury, personal injury and property damage if the claim for such damages arises from an act committed in good faith and without willful or wanton negligence in the course of an activity carried on to accomplish the purposes of the Corporation.

The Directors and Officers of the Corporation will not be liable to the Corporation or to its Members, if any, for monetary damages for breach of their fiduciary duties to the fullest extent now or hereafter permitted by NH RSA 292 or other applicable law.

The Corporation shall indemnify and hold its Directors and Officers harmless from and against all suits, claims, injuries, or damages asserted against them, so long as the Director or Officer to be indemnified has not acted in bad faith or engaged in intentional misconduct, knowing

violation of the law, or derived an improper personal benefit therefrom.

ARTICLE 16 - WAIVER OF NOTICE, ADDRESS, AND DATE OF NOTICE

Whenever any notice is required to be given to a Member, Director, or Officer by these By-Laws, the Articles of Agreement, or law, a waiver of the notice in writing, signed by the person or persons entitled to the notice, whether before or after the time stated therein, will be deemed equivalent to giving the notice.

When notice is required, a writing sent to an address supplied to the Corporation by the intended recipient will be effective notice whether or not actually delivered or received by the intended recipient.

The effective date of notice provided will be the date the notice is mailed or transmitted, not the date of receipt.

ARTICLE 17 - WRITINGS

Any requirement in these By-Laws or law for a writing is met by a reasonably reliable method of electronic storage or communication including but not limited to electronic mail, text, facsimile, scanned signatures, or entries in a bulletin-board system. The Secretary or the Board of Directors shall determine what is reasonable.

ARTICLE 18 - TAX-EXEMPT STATUS

These By-Laws will at all times be so construed and limited as to enable the Corporation to qualify and to continue qualifying as a nonprofit corporation duly organized and existing pursuant to the provisions of NH RSA Chapter 292, and as a tax-exempt public charity organized and operated for any purpose for which an organization may be exempt pursuant to the provisions of Section 501(c)(3) of the Internal Revenue Code of 1986.

ARTICLE 19 - DEFAULT LEGAL RULES

To the extent that NH RSA Chapter 292 (Non-profit corporations), these By-Laws, and the Articles of Agreement do not address a corporate operational or governance issue that is addressed by NH RSA Chapter 293-A (New Hampshire Business Corporations Act), RSA 293-A will govern, provided the applicable provisions are reasonable in a non-profit context and do not conflict with retaining the Corporation's tax-exempt public charity status.

ARTICLE 20 - CONFLICT OF INTEREST POLICY

Every new Director and Officer will be advised of this policy upon election and shall sign a statement acknowledging, understanding, and agreeing to this policy.

The Corporation shall not enter into a prohibited transaction as provided in NH RSA 7:19-a IV,V or other law. For example, the Corporation shall not lend money or property to a Director or Officer, nor shall it engage in real estate transactions with a Director or Officer without court approval.

Per NH RSA 7:19-a or other applicable law, other than compensation for services rendered or reimbursement for expenses, any transaction entered by the Corporation in which a Director or Officer might obtain a direct or indirect (e.g. via family members or other legal entities) financial benefit exceeding \$500 (on an annual-aggregate basis) will be treated as follows:

1. Any such possible conflict of interest transaction will be disclosed in writing to the Board of Directors and made a matter of record through an annual procedure and also when the interest involves a specific issue before the Board of Directors.
2. The transaction must be for goods or services purchased or benefits provided in the Corporation's ordinary course of business, for not more than the actual and reasonable value of the goods or services, and fair to the Corporation.
3. The transaction must be approved by a two-thirds vote of the disinterested Directors after a full and fair disclosure of the material facts after notice and full discussion. No interested person or person who has benefited in the same fiscal year from a possible conflict of interest transaction, shall participate, vote, or be present when the Board of Directors considers the issue, except to answer questions about the transaction.
4. A record of the action, including the votes and any abstentions, must be recorded in the minutes of the Board of Directors.
5. A list of all such transactions shall be kept by the Secretary and shall be made available to Directors and donors and reported to the state of New Hampshire as required in the Corporation's annual report.
6. If the aggregate value of transactions with the same Director or Officer exceeds five thousand dollars (\$5,000) in a fiscal year, the Corporation shall, before consummating the transaction, describe the details of the transaction (per NH RSA 7:19 II(d)) by publishing notice in a newspaper of general circulation in the area of the Corporation's principal office and notifying the NH Director of Charitable trusts.

The Board of Directors shall comply with all requirements of New Hampshire law in this area, and the New Hampshire requirements are incorporated into and made a part of this policy.