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FOR REGISTRATION REGISTER OF DEEDS
REBECCA T CHRISTIAN
NEW HANOVER COUNTY, NC
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INSTRUMENT # 2004001924

BY-LAWS
OF
INLET WATCH YACHT CLUB, INC
A NONPROFIT CORPORATION

Mailed To Inlet Watch
801 Paoli Rd
W, NC 28409

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BY-LAWS

OF

INLET WATCH YACHT CLUB, INC.

A NONPROFIT CORPORATION

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BY-LAWS
OF
INLET WATCH YACHT CLUB, INC
A NONPROFIT CORPORATION

ARTICLE I
GENERAL

SECTION 1: THE NAME

The name of the corporation is INLET WATCH YACHT CLUB, INC

SECTION 2 THE PRINCIPAL OFFICE

The principal office of the corporation shall be 801 Paoli Road, Wilmington, North Carolina 28409 or at such other place as may be subsequently designated by the Board of Directors.

SECTION 3 DEFINITION

All definitions set forth in the Declaration, to which these By-Laws are attached, shall be applicable herein, unless otherwise defined herein.

ARTICLE II
MEMBERSHIP

SECTION 1: DEFINITION

Membership and its rights, duties and liabilities are and shall be as prescribed in the Articles of Incorporation and the Declaration.

ARTICLE III
MEETINGS OF MEMBERSHIP

SECTION 1 PLACE

All meetings of members shall be held at the office of the corporation or such other place as may be stated in the notice

SECTION 2 ANNUAL MEETINGS

- A The annual meeting of the members shall be held in New Hanover County, North Carolina.
- B. Regular annual meetings shall be held on the third (3rd) Saturday in January of each year, if not a legal holiday, and if a legal holiday, then on the next secular day following, unless otherwise determined by the Board.
- C All annual meetings shall be held at such hour as is determined by the Board.

- D At the annual meeting, the members shall elect the new members of the Board of Directors and transact such other business as may properly come before the meeting
- E Written notice of the annual meeting shall be served upon or mailed to each member entitled to vote thereat at such address as appears on the books of the corporation at least ten (10) days prior to the meeting. Such written notice shall also contain the proposed Budget and actual spending for the prior two years in each budget category

SECTION 3. MEMBERSHIP LIST

At least fifteen (15) days before every election of Directors, a complete list of members entitled to vote in such election, arranged numerically by classes, with residence of each, shall be prepared by the Secretary. Such lists shall be produced and kept for such fifteen (15) days and throughout the election at the office of the corporation, and shall be open to examination by any member.

SECTION 4. SPECIAL MEETINGS.

- A. Special meetings of the members, for any purpose or purposes, unless otherwise prescribed by statute or by the Articles of Incorporation, may be called by the President, the Board or upon written request of one-third (1/3) of the members. Such request shall state the purpose or purposes of the proposed meeting.
- B. Written notice of a special meeting of members, stating the time, place and purpose thereof, shall be served upon or mailed to each member entitled to vote thereat, at such address as appears on the books of the corporation, at least ten (10) days before such meeting.
- C. Business transacted at all special meetings shall be confined to the purposes stated in the notice thereof, unless seventy-five (75%) percent of the members present at such meeting consent to the transaction of business not stated in the notice.

SECTION 5. QUORUM

Over fifty (50%) percent of the total number of members of the corporation, present in person or represented by written proxy, shall be requisite to and shall constitute a quorum at all meetings of the members for the transaction of business, except as otherwise required by statute, by the Articles of Incorporation, the Declaration or these By-Laws. If, however, such quorum shall not be present or represented at any such meeting of the members, the members entitled to vote thereat, present in person or represented by written proxy, shall have power to adjourn the meeting, until a quorum shall be present or represented. At such adjourned meeting at which a quorum shall be present or represented, any business may be transacted which might have been transacted at the meeting originally called.

SECTION 6. VOTE REQUIRED TO TRANSACT BUSINESS

When a quorum is present at any meeting, a majority of the votes cast, in person or represented by written proxy filed with the Secretary in advance of the meeting, shall decide any question brought before the meeting, unless the question is one upon which by

express provision of law, the Articles of Incorporation, the Declaration, or By-laws, a different vote is required, in which case such express provision shall govern and control the decision of such question. There shall be no cumulative voting on any question or election.

SECTION 7: RIGHT TO VOTE

Each owner of a membership in good standing shall be entitled to one (1) vote on each issue coming before each meeting of members. At any meeting of members, every member having the right to vote shall be entitled to vote by person or by proxy. Such proxy shall only be valid for such meeting or subsequent adjourned meetings thereof. If more than one (1) person or entity owns a membership, all such owners shall file a certificate with the Secretary naming the person authorized to cast the vote for such membership. If that certificate is not on file, the vote of any co-owner present shall be accepted as the vote of all co-owners, unless another co-owner objects.

SECTION 8: WAIVER AND CONSENT

Whenever the vote of members at a meeting is required or permitted by any provision of law, the Articles of Incorporation, the Declaration, or these By-Laws to be taken in connection with any section of the corporation, the meeting and vote of members may be dispensed with, if all members who would have been entitled to vote upon the action of such meeting, if such meeting were held, shall consent in writing to such action.

SECTION 9: ORDER OF BUSINESS

The order of business at the annual members' meetings and as far as practical at other members' meetings, will be

- A Roll call and certifying of proxies,
- B Proof of notice of meeting or waiver of notice,
- C Reading of minutes of prior meeting;
- D Officers' reports,
- E Committee reports;
- F Approval of budget;
- G Elections of directors and officers;
- H Unfinished business;
- I New business,
- J Adjournment

Roberts Rules of Order shall be applicable to the conduct of all meetings of members.

ARTICLE IV
BOARD OF DIRECTORS

SECTION 1: NUMBER AND TERM

The number of Directors which shall constitute the Board of Directors (The "Board") shall be seven (7). All Directors shall be members. Each Director shall be elected to serve for a term of three (3) years, or until his successor shall be elected and shall qualify.

SECTION 2: VACANCY AND REPLACEMENT

If the office of any Director becomes vacant by reason of death, resignation, retirement, disqualification, removal from office or otherwise, a majority of the remaining Directors, though less than a quorum, at a special meeting of Directors duly called for this purpose, shall choose a successor or successors, who shall hold office for the unexpired term in respect to which such vacancy occurred.

SECTION 3: REMOVAL

Directors may be removed by an affirmative vote of over fifty (50%) percent of members. No Director shall serve on the Board after his membership in the corporation shall be terminated for any reason whatsoever

SECTION 4: POWERS

The property and business of the corporation shall be managed by the Board, which may exercise all corporate powers not specifically prohibited or prescribed by law, the Articles of Incorporation, or the Declaration to which these By-Laws are attached. The powers of the Board shall specifically include, but are not to be limited to, the following

- A To make and collect regular and special assessments and establish the time within which payment of same are due.
- B To use and expand the assessments collected to maintain, care for and preserve the boat slips, docks, piers and all other property of the corporation
- C To purchase the necessary equipment and tools required in the maintenance, care and preservation referred to above.
- D. To enter into and upon the boat slips and dry storage facilities when necessary and at as little inconvenience to the members as possible in connection with such maintenance, care and preservation
- E To insure and keep insured the property of the corporation in the manner set forth in the Declaration against loss from fire and/or other casualty, and the corporation against public liability, and to purchase such other insurance as the Board may deem advisable

- F To collect delinquent assessments by suit or otherwise abate nuisances and enjoin or seek damages from members or any other person for violations of these By-Laws and the terms and conditions of the Declaration.
- G. To employ and compensate such persons, firms and corporations, as may be required for the maintenance and preservation of the property.
- H To acquire, own, hold, pledge, sell, transfer or lease a membership in the name of the corporation or its designee.
- I. To contract for management of any of the affairs of the corporation and to delegate to such other party all powers and duties of the corporation except those specifically required by the Declaration to have specific approval of the Board or the members
- J To carry out the obligations of the corporation under any restrictions and/or covenants running with the land
- K To designate, if the Board deems appropriate, assigned parking spaces for each member, visitors, service vehicles and other vehicles.
- L To adopt Rules and Regulations pursuant to Article X of the By-laws; and to make changes deemed appropriate.
- M. To impose a special assessment against any member not to exceed FIFTY (\$50.00) DOLLARS for each occurrence, for the violation by such member or his guests of any rule or regulation adopted by the Board or the breach of any By-Law contained herein, or the breach of any provision of the Declaration.

SECTION 5 LIABILITY

The Directors shall not be liable to the members for any mistake of judgment, negligence or otherwise except for their own individual willful misconduct, bad faith or gross negligence.

SECTION 6 COMPENSATION

Neither the Directors nor officers shall receive compensation for their services as such; however, the Board of Directors may order reimbursement of any officer or Director for expense incurred for and on behalf of the corporation.

SECTION 7 MEETINGS

- A The first meeting of each Board newly elected by the members shall be held immediately upon adjournment of the meeting at which such election was held, provided a quorum shall then be present, or as soon thereafter as may be practicable The annual meeting of the Board shall be held at the same place as the members' meeting, and immediately before or after the adjournment of same.
- B. Special meetings shall be held whenever called by the direction of the President or a majority of the Board. The Secretary shall give notice of each special meeting either personally, by mail or telegram, at least three (3) days before the date of

such meeting, but the Directors may, in writing, waive notice of the calling of the meeting, before or after such meeting.

- C. A majority of the Board shall be necessary and sufficient at all meetings to constitute a quorum for the transaction of business, and the act of a majority present at any meeting at which there is a quorum shall be the act of the Board. If a quorum shall not be present at the meeting, the Directors then present may adjourn the meeting without notice, other than announcement at the meeting, until a quorum shall be present. A director may not designate a non-director as a proxy.

SECTION 8: ORDER OF BUSINESS

The order of business at all meetings of the Board shall be as follows:

- A. Roll call and certifying of proxies;
- B. Proof of notice of meeting or waiver of notice;
- C. Reading of minutes of prior meeting,
- D. Consideration of communication;
- E. Elections of necessary directors and officers,
- F. Reports of officers and employees;
- G. Reports of committees;
- H. Unfinished business;
- I. Original resolutions and new business,
- I. Adjournment.

SECTION 9: ANNUAL STATEMENT

The Board shall present, no less often than at the annual meeting, a full and clear statement of the business and financial conditions of the corporation

ARTICLE V OFFICERS

SECTION 1: EXECUTIVE OFFICERS

The executive officers of the corporation shall be a President, Vice President, Secretary and Treasurer, all of whom shall be elected annually by and from the Board. No two (2) offices may be held by one (1) person, except Vice President and Treasurer. If the Board so determines, there may be more than one (1) Vice President.

SECTION 2: SUBORDINATE OFFICERS

The Board may appoint such other officers and agents from the membership as it

may deem necessary, and such officers and agents shall have such authority and perform such duties as from time to time may be prescribed by the Board.

SECTION 3: TENURE OF OFFICERS

REMOVAL

All officers shall be subject to removal, with or without cause, at any time by action of the Board, which may delegate to an officer the authority to dismiss employees, agents or contractors.

SECTION 4 THE PRESIDENT

- A. The president shall preside at all meetings of the members and Directors, he shall have general and active management of the business of the corporation, he shall see that all orders and resolutions of the Board are carried into effect; he shall execute bonds, mortgages, other instruments and contracts requiring a seal, under the seal of the corporation.
- B. He shall exercise general control and direction of all the other officers of the corporation in the performance of their corporate duties.
- C. He shall submit a report of the operations of the corporation for the fiscal year to the Directors whenever called for by them, and to the members at the annual meeting, and from time to time shall report to the Board all matters within his knowledge of interest to the corporation.
- D. He shall be an ex-officio member of all committees, and shall have the general powers and duties of supervision and management usually vested in the office of the President of a corporation.

SECTION 5 THE SECRETARY

- A. The Secretary shall keep the minutes of the members' and of the Board's meetings in one (1) or more books provided for that purpose
- B. He shall see that all notices are fully given in accordance with the provisions of these By-Laws, the Declaration or as required by law.
- C. He shall be custodian of the corporate records and of the seal of the corporation and shall see that the seal of the corporation is affixed to all documents, the execution of which on behalf of the corporation under its seal is duly authorized in accordance with the provisions of these By-Laws
- D. He shall keep a register of the name, telephone number and post office address of each member; and the name, size, make, official number or registration of each boat to be docked in such member's boat slip or stored in such member's dry storage space, all of which shall be furnished to the Secretary by such member.
- E. In general, he shall perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him by the President or by the Board of Directors.

SECTION 6 THE VICE PRESIDENT AND TREASURER

- A The Vice President and Treasurer shall be vested with all the powers and required to perform all the duties of the President in his absence, and such other duties as may be prescribed by the Board.**
- B. He 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 such depositories as may be designated by the Board.**
- C He shall disburse the funds of the corporation as ordered by the Board, taking proper vouchers for such disbursements, and shall render to the President and Directors, at the regular meetings of the Board, or whenever they may require it, an account of all his transactions as Treasurer and of the financial condition of the corporation. Such records shall be open to inspection by members at all reasonable times**
- D He may be required to give the corporation, at the corporation's cost, a bond in a sum and with one (1) or more sureties satisfactory to the Board, for the faithful performance of the duties of his office, and the restoration to the corporation, in case of his death, resignation or removal from office, of all books, papers, vouchers, money or other property of whatever kind in his possession belonging to the corporation.**
- E With the approval of the Board, he shall be authorized to delegate all or part of his authorities to competent accounting, collection or management personnel, pursuant to written definition of the authorities delegated, but, in such event, the Treasurer shall retain full responsibility.**

SECTION 7: VACANCIES

If the office of any officer becomes vacant by reason of death, resignation, disqualification or otherwise, the President shall choose a successor or successors who shall hold office for the un-expired term

SECTION 8: RESIGNATIONS

Any officer may resign his office at any time, such resignation to be made in writing, and to take effect from the time of its receipt by the Board of Directors, unless some time be fixed in the resignation, and then from that date. The acceptance of a resignation by the Board shall not be required to make it effective.

ARTICLE VI NOTICES

SECTION 1: DEFINITION

Whenever under the provisions of the law, the Declaration, the Articles of Incorporation or these By-Laws, notice is required to be given to any Director or member, it shall not be construed to mean personal notice; but such notice may be given to such Director or member in writing by depositing the same in the post office or letter box in a postpaid, sealed envelope addressed as appears on the books of the corporation.

SECTION 2: SERVICE OF NOTICE - WAIVER

Whenever any notice is required to be given under the provisions of the law, the Declaration, the Articles of Incorporation or these By-laws, 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 deemed the equivalent thereof

SECTION 3: ADDRESS

The address of the corporation for notice is 801 Paoli Road, Wilmington, North Carolina 28409

ARTICLE VII FINANCES

SECTION 1: FISCAL YEAR

The fiscal year shall be the calendar year.

SECTION 2: CHECKS

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 3: DETERMINATION OF ASSESSMENTS

A The Board shall determine, from time to time, the money required for the proper and adequate maintenance and preservation of the property of the corporation, including the cost of dredging and maintenance or renovation of all bulkheads,

docks, piers, pilings and dry storage facilities, and all the other costs of operating the business of the corporation including insurance premiums and accounting and legal fees; and the Board shall thereupon adopt an annual budget which shall be the basis for all regular assessments against members of the corporation. The budget adopted by the Board as the basis for all such regular assessments for all calendar years must be approved by the members at a meeting called for that purpose at which a quorum is present in person or by proxy.

In determining from the budget, the Board shall allocate and apportion the budget among the memberships; the Board is authorized to allocate and apportion the budget among the memberships entitled to wet and dry slips.

- B. The Board is specifically empowered on behalf of the corporation to make and collect assessments and to maintain, repair, renovate and replace any property of the corporation. Assessments shall be payable periodically as determined by the Board.
- C. Special assessments as described in the Declaration may be imposed by the Board as authorized in and by the Declaration, and such special assessment shall be levied and paid by the members in the same manner as specified herein for regular assessments, subject to the provisions of the Declaration.
- D. When the Board has determined the amount of any assessment, the Vice President and Treasurer of the corporation shall mail or present a statement of the assessment to each of the members. All assessments shall be payable to the corporation, and upon request, the Vice President and Treasurer or his designated agent shall give a receipt for each payment also.
- E. All assessments not paid when due shall bear interest at a rate to be determined by the Board of Directors.

ARTICLE VIII SEAL

The seal of the corporation shall have inscribed thereon the name of the corporation, the year of its organization, and the words "Nonprofit". Such seal may be used by causing it or a facsimile thereof to be affixed, impressed, reproduced or otherwise.

ARTICLE IX DEFAULT

SECTION 1: ENFORCEMENT OF LIEN FOR ASSESSMENTS

In the event a member does not pay any sums, charges or assessments required to be paid to the corporation by the due date, the corporation, acting through its Board, may enforce its lien for assessments or take such other action to recover the sums, charges or assessments to which it is entitled, in accordance with the Declaration and the law

SECTION 2: GOVERNMENTAL LIENS AND ASSESSMENTS

In the event that any government unit imposes a tax of any kind upon any member's membership or his or its certificate, and the member fails to pay such tax by the date such tax is due, the Board may pay the same from the funds of the corporation and assess such member for the amount paid, plus interest thereon.

SECTION 3: LEGAL COSTS

In the event such legal action is brought against a member and results in a judgment for the corporation, the member shall pay the corporation's reasonable attorney's fees, costs of collection and court costs.

SECTION 4: SALE BY CORPORATION AFTER FORECLOSURE

If the corporation becomes the owner of a membership as a purchaser by reason of foreclosure, it shall offer such membership for sale and at such time as a sale is consummated, it shall deduct from the proceeds of such sale all sums of money due it for assessments and charges, plus interest, including reasonable attorneys' fees, and any and all expenses incurred in the resale of the unit, including any expense of advertising. All monies remaining after deducting the foregoing items of expenses shall be paid to the former member.

SECTION 5. OTHER REMEDIES

In the event of a violation of any of the provisions of the Declaration after ten (10) days notice from the corporation to the member to correct such violation, the corporation may bring appropriate action to enjoin such violation or may enforce the provisions of such Declaration, or may sue for damages, or take such other courses of action, or pursue any other legal remedy as it may deem appropriate.

SECTION 6 INTENT

Each member, for himself, his heirs, successors and assigns, agrees to the foregoing provisions relating to default and abatement of nuisance, regardless of the harshness of the remedy available to the corporation and regardless of the availability of any other equally adequate legal remedies. It is the intent of all members to give to the corporation a method and procedure which will enable it at all times to operate on a

businesslike basis, to collect those monies due and owing it from the members, and to preserve each member's right to enjoy his membership, free from unreasonable restraint and nuisance.

ARTICLE X RULES AND REGULATIONS

In addition to the other provisions of these By-Laws, the Rules and Regulations adopted by the Board together with any subsequent charges, shall govern the use of the facilities and property of the corporation and the conduct of all members, their assignees, lessees and guests. Any further modifications in the Rules and Regulations may be made by the Board of Directors in accordance with Article IV, Section 4, of the By-laws

ARTICLE XI JOIN OR COMMON OWNERSHIP

Membership may be held in the name of more than one (1) owner. In the event ownership is in more than one (1) person, all of the joint or common owners shall be entitled collectively to only one (1) vote on each issue coming before the membership of the corporation, and the vote may not be divided between join or common owners. The manner of determining who shall cast such vote shall be as set forth in Article III, Section 7

ARTICLE XII INDEMNIFICATION

The corporation may indemnify any person made a party to an action by reason of his being or having been a director or officer of the corporation, against the reasonable expenses including attorneys' fees actually and necessarily incurred by him in connection with an appeal therein, except in relation to such matters as to which such director or officer is adjudged to have been guilty of gross negligence or misconduct in the performance of his duty to the corporation

ARTICLE XII AMENDMENT

These By-Laws may be amended at any time by the affirmative vote of two-thirds (2/3) of the members at a meeting duly called for that purpose at which a quorum of more than fifty (50%) percent is present in person or by proxy; provided that the notice of such meeting shall contain a copy of the proposed amendment verbatim which has been approved by majority of the Directors.

ARTICLE XIV
DISTRIBUTION OF ASSETS UPON DISSOLUTION

Upon dissolution the net assets of the corporation shall be distributed to the members according to their respective percentages of ownership of the corporation as specified in the Ownership Schedule attached hereto and incorporated herein by reference.


ARTICLE XV
CONSTRUCTION

Wherever the masculine singular form of the pronoun is used in these By-Laws, it shall be construed to mean the masculine, feminine or neuter, singular or plural, wherever the context so requires.

Should any of the covenants herein imposed be void or be or become unenforceable by law or equity, the remaining provisions of this instrument shall nevertheless be and remain in full force and effect

The foregoing were adopted as the By-Laws of Inlet Watch Yacht Club, Inc. at the meeting of its Board of Directors held on the 22nd day of July 1985 and as amended by vote of the Membership at its Annual Meetings on the 20th day of June 1987 and on the 9th day of November 2002.

Certified to be correct this 14th day of JANUARY 200~~2~~⁴.



Secretary, Inlet Watch Yacht Club, Inc.



REBECCA T. CHRISTIAN
REGISTER OF DEEDS, NEW HANOVER
216 NORTH SECOND STREET

WILMINGTON, NC 28401

Filed For Registration: 01/14/2004 01:18:26 PM
Book: RE 4159 Page: 426-442
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BY LAWS 17 PGS \$57.00

Recorder: MARVIS ANN STORER

State of North Carolina, County of New Hanover

The foregoing certificate of (NOT NOTARIZED) Notary is certified to be correct. This 14TH of January 2004

REBECCA T. CHRISTIAN , REGISTER OF DEEDS

By: Marvis Ann Storer
Deputy/Assistant Register of Deeds

YELLOW PROBATE SHEET IS A VITAL PART OF YOUR RECORDED DOCUMENT.
PLEASE RETAIN WITH ORIGINAL DOCUMENT AND SUBMIT FOR RE-RECORDING.

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