

## CONSTITUTION OF THE APALACHEE BAY YACHT CLUB

### ARTICLE I – Name

The name of this non-profit corporation shall be the APALACHEE BAY YACHT CLUB, hereinafter referred to as the Club.

### ARTICLE II – Purpose

The purpose of this Club is to form an association of persons who are interested in boating, in the racing of sailboats, in the exchange of ideas about boating, in the development of better boating techniques and seamanship, and in the development of camaraderie. Further, the Club shall promote activities that will perpetuate the ideals and traditions of boating. The Club shall be a non-profit corporation governed by a constitution.

*History: Above amended 12/02/01*

### ARTICLE III – Membership and Dues

*Membership:* The types of memberships and their voting rights shall be provided for in the By-Laws.

*History: Above amended 12/31/06, 11/20/10, 11/02/19*

*Dues and Fees:* The By-Laws establish the dues and fees structure, subject, however, to the condition that the initiation fee for Regular Members shall meet the requirements of Article IV of this Constitution. All Student/Young Professional and Associate members must pay a non-refundable application fee and all Associate members voted into Regular membership after January 1, 2020 shall pay a non-refundable initiation fee in accordance with the By-Laws of the Club.

*History: Above amended 12/07/88, 12/02/01, 09/11/04, 11/20/10, 11/02/19*

### ARTICLE IV – Equity Units

*Termination of Equity Units:* Effective January 1, 2020, the Club shall no longer distribute or issue equity units. Members who joined the club before January 1, 2020 and want to continue their Regular membership, must either retain ownership of at least one Class A Equity Unit or donate at least one of their Class A Equity Units to the club as elsewhere provided for in this Article IV.

*History: Above amended 11/02/19*

*Initiation Fees:* Associate members who are voted into Regular membership after January 1, 2020 shall pay a non-refundable initiation fee that shall be set by the By-Laws. The initiation fee shall be in an amount no less than 50% of the value of a Class A equity unit as defined in this Article IV. An amount equal to 50% of the “current value” shall be placed in the Equity Unit Redemption Fund. Any excess of the Initiation Fee over 50% of “the current value” shall be expended to reduce outstanding debt, repair, replace, and maintain the Club’s existing physical properties, and/or to improve and acquire additional permanent physical assets for the Club.

Should a former member who holds a Class A equity unit certificate seek to rejoin the Club, that member will not have to pay the initiation fee if the Class A equity unit held is not on the waiting list of redemption requests maintained by the Purser. A Class A equity unit on the redemption waiting list may be withdrawn by the Class A equity unit certificate holder upon a written, signed, dated, and witnessed request to the Purser by the holder.

*History: Above amended 11/02/19*

*Class A Equity Units Value and Payment:* The value of each Class A equity unit for redemption and liquidation purposes ("the current value"), shall be established by the Board as of January 1 on each year as the value of the Club's real property and improvements thereon most recently established for ad valorem real property tax purposes by the Wakulla County, Florida, Property Appraiser, divided by 600.

*History: Above amended 11/02/19*

*Redemption of Class A Equity Units- Continuation of Equity Unit Redemption Fund:* The Club shall maintain an Equity Unit Redemption Fund for the purpose of redeeming outstanding Class A equity units. A Class A equity unit may continue to be held after termination of regular club membership. If the holder of a Class A unit requests redemption, the request must be made in writing to the Purser. The Club shall maintain a list of redemption requests in chronological order and shall redeem units in the order in which the redemption requests were received. The Purser shall notify the Class A unit holder in writing when the Redemption Fund possesses sufficient funds to redeem the unit at the "current value" on the date of notification by the Purser. Upon receipt of a properly tendered Class A Equity Unit Certificate, the unit shall be redeemed at its value on the date of notification by the Purser. A unit transferred in violation of the Transfer Restrictions of this article shall not be eligible for redemption.

*History: Above amended 11/02/19*

*Class B Equity Unit Initial distribution to Regular Members:* The 100 Class B equity units were distributed among all regular members of the Club in good standing on December 31, 1988, who maintained their regular membership in the Club until December 31, 1989. The units were allocated based upon the number of continuous years or portions thereof of regular membership in the Club prior to January 1, 1988. Class B equity units shall be redeemable only upon liquidation of the assets of the Club.

*History: Above amended 11/02/19*

*Donation to the Club of Class A and Class B Equity Units:* The holders of Class A Equity Units may donate any or all units to the Club at any time. If at least one Class A unit is donated, the donation will act as payment of the non-refundable initiation fee. Class B equity units may be donated to the Club at any time. The donation of an equity unit must be tendered to the Purser, signed, witnessed, dated, and marked "Donation to Apalachee Bay Yacht Club".

*History: Above amended 11/02/19*

*Liquidation of Assets:* For the purposes of liquidation, the value of the Class B units shall be two times the value of the Class A units. In the event of liquidation of the assets of the Club, all

outstanding Class A and Class B equity units shall be redeemed at the “current value”. Any remaining value shall be distributed equally to the Regular members at the time of liquidation.

*History: Above amended 11/02/19*

*Transfer Restrictions:* The holders of Class A or Class B equity units cannot transfer their units by gift, sale or other inter-vivos transactions.

*History: Above amended 11/02/19*

*Limitation on Rights:* Other than those set forth in this Article, no voting rights, ownership of the Club, or management of the Club shall be attached to ownership of Class A or Class B equity units. No interest shall be paid on any equity unit. There shall be no representation or inducements for sale of equity units on the basis of profit or appreciation in the units. No commissions shall be paid on the sale of equity units.

*Certificates:* Each Class A equity unit shall be represented by one (1) equity unit certificate. All Class B equity units including fractional units issued to a membership shall be represented by a single certificate. All equity unit certificates shall be signed by the Commodore, countersigned by the Purser and impressed with the Club corporate seal. The following legend shall be imprinted upon all certificates:

The equity unit(s) represented by this certificate is (are) subject to limitations on voting, transfer and redemption and to other limitations and restrictions set forth in the Constitution and By-Laws of the Apalachee Bay Yacht Club, Inc., a copy of which is available for inspection from the Purser.

*Redemption Restriction:* Upon redemption of a unit or units of a holder who is indebted to the Club, the debt shall be deducted from the unit value prior to redemption.

*Reserve Funds:*

*Maintenance Reserve Fund:* On January first of each year the Board of Directors shall set a minimum amount for the reserve fund that shall be no less than 5% of the previous year's value of the club's land and real property improvements established by the Wakulla County Property Appraiser.

*Maintenance Reserve Excess Funds:* In December of each year any balance in the reserve fund in excess of the minimum established by the Board for that year may be applied by the Board toward reduction of the Club's debt.

*History: Above amended 12/07/88, 12/31/05, 11/02/19*

*Dock Reserve Fund:* Ten percent (10%) of all net revenues from the Club's docks shall be allocated to a separate reserve fund to be used solely for the maintenance, replacement, or improvements of or additions to the docks.

*History: Created 12/07/88, 11/02/19*

## **ARTICLE V – Officers and Board of Directors**

The officers of this Club shall be regular members and shall be as follows:

- A Commodore
- A Vice Commodore
- A Rear Commodore
- A Scribe
- A Purser
- The Past Commodore

The Board of Directors shall consist of all the Officers plus a Junior Board Member and a Senior Board Member.

All members of the Board, except the Past Commodore, shall be elected at the November business meeting of the Club. Their duties and terms of office are addressed in the By-Laws.

*History: Above amended 4/4/90, 12/04/91, 12/2/97, 12/31/06, 12/01/07, 11/20/10*

*Nominations:* Sixty (60) days before the annual business meeting, the Commodore shall appoint a Nominating Committee composed of the immediate past two Commodores (or the two most recent who are available) and a member at large to draw up and present a recommended slate. The Nominating Committee shall submit at the October meeting one (1) name for every elective office. Additional nominations from the floor may be made at the October meeting. No further nominations may be made after the close of nominations at the October meeting.

*History: Above amended: 12/01/07, 11/02/19*

## **ARTICLE VI – Meetings**

There shall be regular meetings of the membership at large. The annual business meeting shall be held in November of each year and shall include the election of Officers and Board Members for the following year, the reports of the Officers, and other necessary business. The elective year and fiscal year for the Club shall be from 01 January until 31 December.

At the annual business meeting, fifteen percent (15%) of the voting membership shall constitute a quorum. At any other general meeting, ten percent (10%) of the voting membership shall constitute a quorum. A simple majority renders a decision.

The Board of Directors shall meet monthly, when possible. The meetings of the Board of Directors shall precede any annual or general business meeting required by the Club. The Commodore shall set the time and place of all Board meetings.

*History: Above amended 12/01/07, 11/20/10*

## **ARTICLE VII – Committees**

The By-Laws shall define the permanent committees.

**ARTICLE VIII – Amendments to the Constitution**

Any member desiring a change in the Constitution shall secure the signature of twenty-five percent (25%) of the regular voting membership for the proposed change(s) and shall submit the petition to the Board of Directors. The Board of Directors shall cause the proposed change(s) to be published in the Club's newsletter in September, October, and November and thus transmitted to the membership sixty (60) days prior to action at the annual business meeting in November. The proposed change(s) shall be read at the October and November meetings and voted upon during the November meeting. A two-thirds (2/3rds) majority of the regular voting membership shall be required to sustain an amendment. Absentee, mailed or electronic, ballots shall be authorized.

*History: Above amended 11/20/10*

**ARTICLE IX – Amendments to the By-Laws**

Any member may propose amendment(s) to the By-Laws and such action shall be initiated by submitting the proposed amendment(s) to the Board of Directors. The Board shall cause such proposed amendment(s) to be (1) read at the next general meeting of the membership; (2) published in the next edition of the newsletter; and, (3) voted upon by the membership at the next general meeting. A majority of members present and voting, provided a quorum of ten percent (10%) is present, shall be required for the adoption of proposed By-Law changes. Absentee, mailed or electronic, ballots shall be authorized.

*History: Above amended 11/20/10*