



Constitution & Bylaws

April 15, 2026

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PENTICTON YACHT CLUB CONSTITUTION

- 1.1 The name of the Society is Penticton Yacht Club.
- 1.2 The objectives of the Society are:
 - a. To promote boating among the members of the Society and to promote safe handling and navigation of boats;
 - b. To acquire, hold, operate, and maintain all manner of water craft;
 - c. To acquire hold, lease manage, rent, or sell property for the purpose of establishing and maintaining a clubhouse, and facilities for boat houses, harbours, wharves, and for the maintenance, housing, reception and dispatch of water craft, and for such other purposes as the Society may determine from time to time;
 - d. To operate a clubhouse, boats, and other facilities owned, acquired or leased by the Society to the mutual benefit and general enjoyment of the members;
 - e. To do all things as are necessary and incidental to the attainment of the above purposes.
- 1.3 The operations of the Society are to be carried on chiefly in and around the City of Penticton, Province of British Columbia. This provision shall be alterable.
- 1.4 In the event of the dissolution of the Society, any assets remaining after payment of all debts and obligations shall be distributed as determined by the Board, to a recognized charitable organization in the Province of British Columbia with similar objectives, or to a suitable level of government, or back to its members.

PENTICTON YACHT CLUB BYLAWS

ITEM 1 – INTERPRETATION

In these Bylaws unless the context otherwise requires:

"Annual General Meeting" means the annual Member meeting required under the *Societies Act* as otherwise described in these Bylaws;

"*Annual Member Dues*" means the annual dues payable by Members in certain categories to the Society which are set by Members and adjusted in accordance with Bylaw 2.7 and otherwise administered in accordance with Society Policies;

"*Annual Participation Fee*" shall mean a fee determined annually by the Board of Directors and payable annually by those classes of membership as determined by the Board. Upon payment of the Annual Participation Fee, the member shall be credited with the amount paid and such credit may be used in payment of such items and for such length of time as the Board may determine;

"*Board*" means the Board of Directors of the Society, which includes all Flag Officers and such number of Directors-at-large as are required by these Bylaws;

"*Clubhouse*" means all of the premises and facilities owned or operated by the Society, excluding the moorage basin;

"*Commodore*" means the Flag Officer with the duties described in Bylaw 5.3;

"*Director or Directors*" has the meaning defined under the *Societies Act* and refers only to voting Directors;

"*Flag Officers*" The Flag Officers of the Club shall consist of those Directors elected as Commodore, the Vice Commodore, Secretary, Treasurer, Fleet Captain and Staff Captain further to these Bylaws;

"*General Meeting*" means a meeting of the Members as defined in the *Societies Act*;

"*Initiation Fee*" means the amount of money payable to the Society by new Members in certain categories which amount is prescribed by Society Policies;

"*Member*" means those individuals or organizations accepted by the Club in one of the categories described in Bylaw 2;

"*Member in Good Standing*" shall mean a Member who is not in arrears with their Annual Membership Dues or any other payment or debts due from them to the Society;

“Proximity Restriction” means having a domestic residence that lies within forty point two kilometers (40.2 km) radius of the City of Penticton;

“Society” means the Penticton Yacht Club;

“Society Policies” means all Board policies and operational policies and procedures approved by the Board to govern the day to day administration of Society affairs. Society policies are to be interpreted subject to the Societies Act, these Bylaws & Regulations, in that order;

“Special Resolution” shall mean a resolution passed by a majority of not less than three-fourths of such Members entitled to vote as are present in person at a general meeting of which twenty one (21) full days notice, specifying the intention to propose the resolution as a special resolution, has been duly given;

“Spouse” shall mean a person who is a spouse within the meaning of section 3 of the *Family Law Act* of BC.

ITEM 2 – TERMS OF ADMISSION OF MEMBERS AND THEIR RIGHTS AND OBLIGATIONS

- 2.1 The Members of the Society are the subscribers of the constitution and Bylaws, and include every other person who agrees to be become a Couple Member, Single Member, Social Member, Honorary Member, Corporate Member, Absent Member, Life Member (no longer a category of Membership for this Society), or any other class of Member by whatever name called.
- 2.2 There shall be six (6) classes of membership in the Society, namely: Couple Member, Single Member, Social Member, Honorary Member, Corporate Member, and Absent Member.
- a. Couple Member - Any persons over the age of nineteen (19) years who meets the requirements of Item 2.3 of these Bylaws and whose domestic residence lies within the Proximity Restriction. In the case of a Couple Member, the Spouse shall be granted all privileges of the Society to which they are entitled, except where otherwise provided.
- Provided that where an application for a Couple Membership has been received from an applicant, the Board shall extend Membership to the Spouse of the applicant and the Membership paid shall be considered to have been paid half in respect of the applicant and half in respect of the Spouse and the Spouse shall be for the current year a Member in good standing with all privileges, rights and duties of such Members. Applicant and Spouse shall be entitled to one vote only at a meeting of the Society, except if that Couple Member has more than one slip then they are entitled to two votes. One vote each if both are in attendance at the meeting.

Separation. Where spouses become separated within the meaning of the *Family Law Act* of BC (as amended from time to time), each may continue to hold the couple Membership in the Society until the end of the current Membership year.

Death. Upon the death of a Member in good standing, the surviving Spouse, if not already a Member, shall automatically and without incurring any Initiation Fees, be entitled to all rights and benefits of the deceased Spouse and shall continue as a Member with all privileges and obligations of the same Membership category as the deceased Member until the end of the current Membership year. The surviving Spouse will have the option to continue as a single Member for the following Membership year and pay Annual Membership Dues accordingly.

- b. Single Member - Any person over the age of nineteen (19) years who meets the requirements of Item 2.3 of these Bylaws and whose domestic residence lies within the Proximity Restriction.
- c. Social Member - Any person over the age of nineteen (19) years who meets the requirements of Item 2.3 of these Bylaws and whose domestic residence lies within the Proximity Restriction. This Membership shall be available for an annual social Membership fee as determined by the Board. This Membership is for Clubhouse access only, excluding the moorage basin, and is available without moorage. This Social Membership will have no vote at a meeting of the Society and will not have reciprocal advantages at other Yacht Clubs afforded to moorage holders with Membership.
- d. Honorary Member - Such person as may be unanimously agreed upon and recommended by the Board and approved by Members at the next Annual General Meeting. This person shall have made, in the opinion of the Board, an outstanding contribution to the welfare and development of the Society, be over the age of nineteen (19) years who meets the requirements of Item 2.3 of these Bylaws. The Honorary Member will pay such Annual Membership Dues shall be determined by the Board and will not exceed 50% of the Annual Membership Dues. An Honorary Member shall be entitled to all privileges of the Society but may not hold office or have voting power unless they are a current moorage holder in good standing.
- e. Corporate Member - Any person over the age of nineteen (19) years who meets the requirements of Item 2.3 of these Bylaws and whose business address lies within the Proximity Restriction. This Corporate Membership shall be available for an annual Corporate Membership fee as determined by the Board. This Corporate Membership is for Clubhouse access only, excluding the moorage basin, and is available without moorage. This Corporate Membership will have no vote at a meeting of the Society and will not have reciprocal advantages at other Yacht Clubs afforded to moorage holders with Membership.

f. Absent Member – Any person over the age of nineteen (19) years who meets the requirements of Item 2.3 of these Bylaws and has left or move their domestic residence away from the Proximity Restriction area, may apply for a change of Membership category to an Absent Member for a period of two (2) years during which period, they will retain all rights and benefits of Membership and shall continue as a Member with all privileges and obligations of the same Membership category as held prior to their departure from the Proximity Restriction, provided they pay all annual Membership Dues during the two (2) year absence. Following the period of two (2) years, If the Absent Member continues not to reside within the Proximity Restriction, the Absent Member will be removed as a Member from the Society and all rights and benefits will cease. Any boats moored within the basin are to be removed at the Absent Member’s expense. If the Absent Member returns to the Proximity Restriction area within the two (2) years, they may apply for a change of Membership to the category held prior to their departure. **Honorary Members and Life Members are exempt from the Proximity Restriction and will retain their current Member type in perpetuity until death.**

2.3 All persons interested in the objects of the Society shall be eligible for Membership, provided they meet the Proximity Restriction (with all exceptions requiring Board approval). Any such person may become a Member upon application in writing proposed by a Member of the Society and accepted by the Board; provided that the Board may refuse to admit to Membership any person whom they consider it inadvisable in the interest of the Society to admit Membership.

2.4 No Member may be an employee, contractor or lessee of the Society except as per Society Policies.

Application for Membership shall be voted upon by the Board upon receipt of a favourable report by the Membership Committee. The application for Membership shall be signed by one Member in good standing and shall be accompanied by the current year’s Annual Member Dues, plus Initiation Fee if applicable. In the case of a Single Member, they shall be granted all privileges of the Society to which they are entitled, and shall be entitled to a single vote at a meeting of the Society, provided that they are a current moorage holder at Okanagan Lake marina and or Skaha Lake Marina. The Social Membership will not be granted all privileges as outlined in 2.2 c.

In the case of an existing Life Member (no longer a category of Membership for this Society), the Membership shall extend to the spouse of the applicant, and they shall have all the privileges, rights and duties of Members of the Society. The Life Member shall be entitled to one vote at all meetings of Members of the Society, provided that Life Members holding more than one Life Membership shall be entitled to only one vote for each holder. The holder shall be entitled to participate equally with the other Members in any distribution of the property of the Society up the dissolution of the same.

2.5 All Members must abide by the PYC Member’s Code of Conduct.

- 2.6 Any previously active Member may re-apply for active Membership and re-acquire moorage (subject to the waitlist), upon return to Penticton, without paying the Initiation Fee, if applicable, providing that they have maintained their Annual Member Dues and fees during their absence.
- 2.7 Membership Dues & Other Fees
- a. The Annual Membership Dues shall be determined by the Board of Directors and will include Initiation Fees for new Members (except for Social Members) and may or may not include an Annual Participation Fee. Provided that any rate increase of Annual Membership Dues & Other Fees greater than five percent (5%) per annum may not be passed by the Board without Member approval at the Annual General Meeting.
 - b. The Annual Membership Dues and Annual Participation Fee in each year shall be due and payable in advance on March 1st of each year and if any Member shall fail to pay such fees within two months from the date the same become due, the Board may remove their name from the list of Members of the Society and they shall thereupon cease to be a Member.
 - c. All Annual Membership Dues & Fees not paid by March 1st of each year, will be subject to a late payment fee and interest in accordance with Society Policies.
 - d. Any new person accepted for active Membership after the 1st of August in any year will be assessed 50% of the fees for the calendar year, but shall pay the Initiation Fee, if applicable, in full.

ITEM 3 – CONDITION UNDER WHICH MEMBERSHIP CEASES AND MANNER (IF ANY) IN WHICH A MEMBER SHALL BE EXPELLED

- 3.1 Any Member infringing the Bylaws or any regulation of the Society or is guilty of conduct which, in the opinion of the Board is detrimental to the character or interest of the Society, shall be liable to suspension or expulsion by a vote of three-fourths of the Members of the Board present at a meeting held for that purpose. Such Member shall be entitled to receive at least ten (10) days notice of such meeting and to attend thereon. An appeal from the ruling of the Board may be taken to a special meeting of the Society to be called, as hereinafter set out.
- 3.2 Any Member not indebted to the Society may resign by resignation in writing which shall be effective upon acceptance thereof by the Board.
- 3.3 Any Member who resigns, withdraws or is expelled from the Society shall forthwith forfeit all right, claim, and interest arising from or associated with Membership in the Society.
- 3.4 Proximity Restriction: Any Member leaving or moving their domestic residence outside of the Proximity Restriction may apply to the Board for a variance to their Membership category to change it to an Absent Member.

- 3.5 Special Leave: Any Member in good standing may apply in writing to the Board for a special leave of absence “Special Leave”, which can be no greater than four (4) years. If granted, all Society privileges will be suspended during a Special Leave, including moorage. On return, the Member may apply for reinstatement and moorage as required, subject to the waitlist like any new Member. No further Initiation Fee will be payable on return from a Special leave.

ITEM 4 – MONTH FOR HOLDING ANNUAL GENERAL MEETING AND MODE AND NOTICE REQUIRED FOR CALLING GENERAL AND SPECIAL MEETING FOR THE SOCIETY AND NUMBER CONSTITUTING A QUORUM AT ANY SUCH MEETING, RIGHTS OF VOTING AND RULES OF MEETINGS

- 4.1 The Annual General Meeting (AGM) shall be held within the timeline permitted by the *Societies Act* and not later than 180 days from the Fiscal Year End. The AGM should be held at a place within the area near to or in the City of Penticton and on a day to be fixed by the Board, and twenty one (21) days notice of such meeting shall be given in the manner provided by these Bylaws. The Fiscal Year End will be December 31st of each year. The Fiscal Year End may be changed at the AGM with proper notice given to governing bodies.
- 4.2 Whenever, under the provisions of these Bylaws that notice is required, notice is to be given by sending to each Member at their last known e-mail address or postage prepaid to a Member who has given written notice to the Board that they do not communicate with email, a notice of the time and place of the meeting. Notice shall be deemed to have been served on the day of such mailing.
- 4.3 Prior to the AGM, the Commodore shall appoint a chair, from the Board, to a Nominating Committee. The chair and Membership of the Nominating Committee shall be approved by the Board. The names of all nominees, together with a written acceptance to stand for election for any office, or in the event of defeat at the poll the option to stand for office of Director, signed by each nominee, shall be presented to the Nominating Committee. All nominations shall be signed by one Member in good standing. Nominations for all offices shall be closed twenty one (21) days prior to the Annual General Meeting. At least fourteen (14) days prior to the Annual General Meeting a list of nominees shall be posted on the Society’s website and/or emailed to all Members. A nominee must be a Member in good standing and be a current moorage holder.
- 4.4 A quorum for the transaction of business at any meeting of the Members shall consist of not less than ten percent (10%) of the voting Membership or twenty five (25) voting Members, whichever is the lesser, provided that such quorum shall be composed of Members in good standing who are entitled to vote.
- 4.5 Every voting Member in good standing shall be entitled to one (1) vote at the AGM or special resolution. Votes shall be by secret ballot or by show of hands, as determined by the Chair. The Chair will only cast a vote in case of an equality of votes.

At all meetings of the Society, every question, except those questions required to be dealt with by special resolution, shall be decided by a majority of the votes of the Members present in person. In case of equality of votes, the Chair shall be entitled to a deciding vote.

- 4.6 The Commodore, or in the Commodore's absence, the Vice-Commodore, shall act as Chair of all Board meetings of the Society. In the absence of both, the Board Members shall elect a Chair from among the Members present.
- 4.7 The Board may at any time, and shall on requisition in writing signed by not less than twenty (20) Members, summon a special general meeting giving at least twenty one (21) days notice thereof and the purpose for which it is called. No other business shall be considered at that meeting other than the business for which the meeting was called.

A special general meeting shall also be called at the request of any Member who has been expelled or suspended for more than three (3) months by the Board.

Members requesting the Board to call a special general meeting of the Society shall, in such request, enclose a copy of any resolution or memorandum of the business proposed to be brought before such meeting.

- 4.8 In order to keep all meetings on time and on topic, meetings shall be conducted according to Robert's Rules of Order and the following rules:
- a. A Member wishing to speak on a topic must be recognized by the Chair. On being recognized, the Member shall stand and state their name.
 - b. A Member may speak twice on any one topic for a maximum of two (2) minutes each time, however a Member shall not speak a second time as long as other Members are waiting to speak for the first time.
 - c. A Member speaking without recognition from the Chair shall be ruled out of order. The Chair may request a Member who consistently speaks out of order to leave the meeting.
 - d. The Chair may make exceptions to these rules provided the exceptions are applied equally to all Members.

ITEM 5 – APPOINTMENTS AND REMOVAL OF DIRECTORS AND OTHER OFFICES IN THEIR DUTIES, POWER AND REMUNERATION

- 5.1 The affairs of the Society shall be managed by a Board of Directors. Subject to the provisions of the Societies' Act of British Columbia and of these Bylaws and any resolution of the Society, the Board shall have full authority to exercise the powers and conduct business, discipline and management of the Society which shall, without restricting the generality of the foregoing, be deemed to include the power:

- a. To subscribe to, become a Member of, and cooperate with any other association or Society, whether incorporated or not, whose objects are in whole or in part similar to those of the Society;
 - b. To draw, make, execute, endorse, discount and issue promissory notes, bills of exchange and other negotiable or transferable instrument;
 - c. To pay from its funds, the expenses of incorporation.
 - d. To hire a General Manager or Management team to run the operation of the Penticton Yacht Club and marina operations that will report to the elected Board of Directors.
- 5.2 The Board of Directors shall consist of the following eleven (11) Members - six (6) flag officers of the Society, Commodore, Vice-Commodore, Secretary, Treasurer, Staff Captain, and Fleet Captain, to be elected at the Annual General Meeting for a term of (2) two years as outlined below in 5.2 a) and five (5) Directors elected for a one (1) year term as outlined in 5.2 b). The two (2) Skaha Directors will be on alternating two (2) year terms.
- a. To maintain continuity, the Commodore, Secretary and Staff Captain will be elected for a two (2) year term in years ending in an odd number, and the Vice-Commodore, Treasurer and Fleet Captain will be elected for a two (2) year term in years ending in an even number. Any position of Flag Officer will be elected or appointed as outlined in 5.4 for a Member in good standing with Moorage in the Okanagan Lake Marina. The sitting Board of Directors may choose to appoint a current sitting Director of the Skaha Marina should they feel the need to fill a vacant Flag Officer position.
 - b. Five (5) Members, will be elected as Directors at Large at the Annual General Meeting for a one (1) year term. There will be three (3) positions for Director at Large for Members in good standing with moorage at Okanagan Lake Marina and two (2) positions for the "Director at Large" available for Members in good standing with moorage from the Skaha Lake Marina.
- 5.3 The duties of the Directors shall be as follows:
- a. The Commodore – Shall command the Society, enforce the rules and general provisions respecting the conduct of Members, the welfare of the Society and of the Board of Directors. Shall sign, together with the Secretary or such appointed signing officer on behalf of the Society, all contracts, bonds and other written instruments approved by the Board of Directors. Shall have such powers and perform such other duties as are in these Bylaws specially provided or which may be imposed by the Board of Directors. Shall be ex-officio Member of all committees.
 - b. The Vice-Commodore – It shall be the duty of the Vice-Commodore to assist the Commodore in the discharge of their duties, and in the absence of the Commodore officiate in their stead. In the event of a vacancy occurring in the office of Commodore, the Vice-Commodore shall succeed to that office.

- c. Staff Captain – Shall assist the Commodore, Vice-Commodore in the discharge of their duties. Shall also supervise all power boat activities on the water and shore side/social activities.
 - d. Fleet Captain – Shall supervise and co-ordinate the sailing activities of the Society and represent the sailing fleet on the executive.
 - e. Secretary – Shall have the custody of all the Society’s trophies and records and shall store minutes of all the meetings. Shall keep a roll of Members, send out notices of meetings and take care of the business affairs of the Society.
 - f. Treasurer – Shall be responsible for all Society funds and the preparation of financial reports and presentation to Membership. Shall either chair or work in cooperation with the finance committee. The treasurer shall also be responsible for the collection of all accounts receivable.
 - g. Director at Large- Shall attend General meetings on a regular basis and be available for Committee work. **The Two (2) Directors of the Skaha Moorage group will sit on the Skaha Strategic Planning Committee and report to the PYC Board of Directors.**
 - h. Past-Commodore – The past Commodore shall have a seat on the Board and may attend all executive meetings and advise the Board of Directors and flag officers from previous experiences as Commodore. Shall carry out also such duties and responsibilities as may from time to time be assigned by the Commodore meetings but shall not have a vote at Board meetings unless appointed as Chair for a meeting and then will only cast a vote in case of a tie.
- 5.4 Any vacancy occurring among the Board or officers may be filled by a PYC Member with current moorage and in good standing appointed by the Board of Directors. Such appointee shall only act until the next annual general meeting when they shall be eligible for re-election. All appointees shall have the rights and powers which are normally attendant upon any person holding the office of Director or officer as the case may be.
- 5.5 The Members of the Board, shall notwithstanding anything herein contained, be entitled to hold office until their successors are appointed and shall be eligible for re-election.
- 5.6 Any Member of the Board may, by letter or email addressed to the Board, resign their office. If a Board Member ceases to be a moorage holder, they must resign the board position but may be reinstated upon becoming a moorage holder.
- 5.7 Any Directors or officer may be removed from office by a special resolution of the Society (see Item 1), or by a vote of seventy five percent (75%) of Members of

the Board of Directors.

- 5.8 Notwithstanding the eligibility requirements in order to ensure a healthy progression and turnover in the holder's offices of the Board, a Member who has served for:
- a. One (1) term of two (2) consecutive years as Commodore is thereafter ineligible for election to any office for two (2 years) years following their term as Commodore or Past Commodore.
 - b. One (1) term of two (2) consecutive years as Vice Commodore is thereafter ineligible for election as Vice Commodore, Secretary or Treasurer, or as a director for two years following their term as Vice Commodore
 - c. One (1) term of two (2) consecutive years as Secretary or Treasurer, is thereafter ineligible for election to that office or as a director for (2 years) following their term as Secretary or Treasurer.
 - d. Two (2) terms of one (1) consecutive years of service as a Director is thereafter ineligible for election as a Director for two years following their second (2"d) consecutive term as a Director. An application to the Board for an extension for further terms as a Director may be made in order to create a quorum.
 - e. One (1) term of two (2) consecutive years as Staff Captain or Fleet Captain is thereafter ineligible for election for Staff Captain or Fleet Captain for two (2) years following their term as either Staff Captain or Fleet Captain.
 - f. A member can serve in various capacities for a period of time that includes eight (8) years of combined total service on the board. After the eighth year of service a member is ineligible for election to the board in any position for a period of two (2) years.
 - g. Any Past Commodore (ex-officio) at the conclusion of their one (1) 1-year (1) term as Past Commodore will be ineligible for election for any position on the board for a period of two (2) years.
 - h. This policy, applies to all current and prior Members of the Penticton Yacht Club Board.
- 5.9 The Commodore shall appoint a chair, from the Board, for all committees which may be deemed necessary from time to time by the Board of Directors. The Membership of each sub-committee shall be approved by the Board. The Commodore will have a seat on all committees. The Commodore Shall appoint annually, a Skaha Strategic Planning Committee consisting of a Chair, Members of the Skaha Moorage Members and current sitting Directors of the PYC to discuss, review and recommend items to the PYC Board of Directors. The City of Penticton will also be offered a seat on such committee as outlined in the 25 year Management Operating Agreement. The PYC may also choose to have the current General Manager or staff position attend all meetings. The City Representative and the PYC Staff Member will not have a vote on this committee.

- 5.10 In the absence of a General Manager or management team, a Marina Operations Committee may be formed by the Commodore and approved by the Board of Directors at a regular meeting of the Board. This Committee, if required, must be re-appointed on an annual basis.

Remuneration from the PYC to any Board Member during this temporary appointment must be approved by the Board and the Board Member must resign or suspend their seat on the Board and have no vote at regular Board meetings while the remuneration is being paid. The Board Member may, if approved by the current sitting Board of Directors, resume the duties of their office once the remuneration ceases.

- 5.11 Director's meeting may be held at such times and at such places as the Directors may from time to time determine.

That a majority of the Directors shall form a quorum for the transaction of business. If the Board finds itself with seven (7) or fewer Board Members, a minimum of 50% of Board Members will form a quorum.

The Commodore, or in their absence, the Chair of the meeting shall not vote unless in case of an equality of votes (tie).

Attendance at Board of Directors meetings may be in person or by way of any electronic means approved by the Board, which allows for two way communication. This attendance is quorum acceptable.

- 5.12 The Board of Directors may delegate any of its powers to committees consisting of such Members of the Board or the Society as the **Board sees fit**; and committees so formed shall in the exercise of the powers so delegated conform to any regulations that may be imposed on them by the Board.

- 5.13 Deed, transfers, licenses, contracts and engagements on behalf of the Society shall be signed by any two of either the Commodore, Vice-Commodore or Secretary.

Notwithstanding any provision to the contrary contained in these Bylaws of the Society, the Board of Directors may at any time by resolution, direct the manner in which, and the person or persons by whom, a particular instrument, contract or obligation of the Society, may or shall be executed. All cheques, bills of exchange or other orders for the payment of money, notes or other evidence of indebtedness are issued in the name of the Society, shall be signed by such officer or officers of the Society, and in such manner, as shall from time to time be determined by resolution of the Board of Directors, and any one of such officers may alone endorse notes and rafts for collection on account of the Society through its bankers and endorse notes and cheques for deposit with the Society's bankers for the credit of the Society. Any one of such officers so appointed may arrange, settle, balance and certify all books and accounts between the Society and the Society's bankers and may receive all pay cheques and vouchers and sign all the banks forms for settlement of balances and release of verification slips.

- 5.14 Remuneration, if any, to be paid to the Directors and or officers of the Society

shall be such amounts as determined by Members of the Society by Special resolution.

ITEM 6 – CONFLICT OF INTEREST AND INDEMNITY

6.1 Disclosure of Director's Interest.

- a. Subject to the exceptions under the Societies Act, this section applies to a Director and senior managers who have a direct or indirect material interest in:
 - i. a contract or transaction, or a proposed contract or transaction, of the Society, or
 - ii. matter that is or is to be the subject of consideration by the Board, if that interest could result in the creation of a duty or interest that materially conflicts with that Director or senior manager's duty or interest as a Director or senior manager of the Society.
- b. In accordance with the Societies Act, a Director or senior manager to whom this Bylaw applies must:
 - i. disclose fully and promptly to the Board the nature and extent of their interest;
 - ii. abstain from voting on or consenting to a Board resolution in respect of the contract, transaction or matter in which they have an interest;
 - iii. leave the meeting, if any,
 1. when the contract, transaction or matter is discussed, unless asked by the other Directors to remain present to provide information, and
 2. when the other Directors vote on the contract, transaction or matter; and
 - iv. refrain from any action intended to influence the discussion or vote.
- c. A disclosure under this Bylaw must be evidenced as required by the Societies Act.

- 6.2 Indemnification of Directors. Subject to the provisions and restrictions in the Societies Act, the Society must indemnify every present and former Director, senior manager or committee member against all costs, judgments, settlements, penalties or fines imposed with respect to any "eligible proceedings" as defined in the Societies Act and the Society must, after the final disposition of an eligible proceeding, pay all expenses actually and reasonably incurred by such person in respect of that proceeding.

ITEM 7 – EXERCISE OF BORROWING POWERS

- 7.1 For the purpose of carrying out the objects of the Society, the Directors may borrow or raise or secure the payment of money in such manner as they think fit, and in particular by the issue of debentures, provided that the debentures shall not be issued without the sanction of a special resolution of the Society.
- 7.2 More specifically, the Directors may borrow such amount of money as may be required for the purpose of erecting a yacht club building and facilities ancillary thereto, and the moneys so borrowed may be secured by the issuing of debentures at such times and in such amounts as the Directors may determine.

ITEM 8 – FINANCIAL REPORTING

- 8.1 At least once each year, the accounts of the Society shall be examined and corrections thereof ascertained by a public accountant who shall be appointed at the annual general meeting, or failing such election, be appointed by the Board.
- 8.2 The public accountant shall prepare financial statements with accounting comments and present the financial statements to the Society at the annual general meeting.

ITEM 9 – CUSTODY AND USE OF THE SEAL OF THE SOCIETY

The common seal of the Society shall be under the control of the Directors and the responsibility for its custody and use from time to time shall be determined by the Directors, provided that the seal shall not be affixed to any document except under the authority of a resolution of the Board or of the Society, and in the presence of such officers of the Society as may be prescribed in and by any such resolution, or (if no officers are prescribed by the resolution) in the presence of at least two Members of the Board, and such officers shall sign every instrument to which the seal of the Society is so affixed in their presence.

ITEM 10 – ALTERATION OF BYLAWS BY SPECIAL RESOLUTION

The Bylaws of the Society shall not be altered or added to, except by a special resolution of the Society.

ITEM 11 – PREPARATION AND CUSTODY OF MINUTES OR PROCEEDINGS OF MEETINGS OF THE SOCIETY AND OF THE DIRECTORS, AND OTHER BOOKS AND RECORDS OF THE SOCIETY

- 11.1 The Directors shall see that all necessary books and records of the Society required by these Bylaws of the Society or by any applicable statute or law are regularly and properly kept.
- 11.2 The books of account shall be kept at such place in British Columbia as the Directors see fit, and shall at all times be open to inspection by Directors.
- 11.3 The fiscal year of the Society shall terminate on a day in each year to be

fixed by the Board of Directors and the financial statements of the Society's affairs for presentation to the Members at the annual meeting shall be made up to that date.

ITEM 12 – TIME AND PLACE (IF ANY) AT WHICH THE BOOKS AND RECORDS OF THE SOCIETY MAY BE INSPECTED BY MEMBERS

The Directors shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulation the accounts and books of the Society or any of them shall be open to the inspection of the Members, not being Directors, and no Member (not being a Director) shall have the right of inspecting an account or book or document of the Society, except as conferred by law or authorized by the Directors or by resolution of the Members, whether previous notice therefore has been given or not.