

LAKE FOREST YACHT CLUB BY-LAWS

Section 1

LAKE FOREST YACHT CLUB BY-LAWS

Section 1

The name of this organization shall be the Lake Forest Yacht Club; hereinafter referred to as the Club in these by-laws. Its principal office and mailing address shall be Lake Forest Yacht Club, R.D. #I, PO Box 217, Lake Forest Lake Hopatcong, NJ 07849

Section 2

The club is incorporated as a non-profit organization.

ARTICLE II - PURPOSE

The purposes for which this Club is formed are;

- A. To acquire, hold, administer, maintain, enlarge, improve and otherwise operate recreational and related facilities and property both real and personal.
- B. To formulate rules and regulations and provide for the enforcement thereof, for the use of all Club properties and facilities now owned or leased and hereafter acquired.

ARTICLE III - MEMBERSHIP

Section 1 - CLASSES OF MEMBERSHIP

Membership in the Club shall be limited to natural persons and shall be of two classes; Voting Membership and Non-Voting Membership. Each class of membership shall be a household membership. A household shall be deemed to include those persons living together as one household. Membership shall be limited to "One" per deeded property in the Lake Forest Reservation. All references to voting members and non-voting members, as outlined below, and/or the term members used in the remaining By-Laws document, it is the understanding and intent that the "membership" regardless of which type, will be in good financial standing with the Club as per Article III Section 5 – SUSPENSION OF PRIVILEGES. A member in good standing for voting privileges, however, is further defined as a member whose financial obligations to the club are within the payment terms as defined and posted by the Board of Trustees.

- A. Voting Membership shall be limited to owners of real estate in the Lake Forest Reservation who shall also be bondholders.
- B. Non-Voting membership shall be limited to;
 - 1. Owners of real estate in Lake Forest Reservation who are not bondholders, and
 - 2. Tenants of real estate in the Lake Forest Reservation irrespective of the membership status of the owner of the property.
- C. Membership of either class is not transferable or assignable without the consent of the Club Trustees.
- D. The Club's Administrative Assistant or other designated employee shall maintain a list of other records of those real properties which are located within the Lake Forest Reservation.

ARTICLE III - Con't

Section 2 - APPLICATION FOR MEMBERSHIP

Application for membership shall be made to the Board of Trustees by qualified persons. Appropriate application forms for this purpose shall be prescribed by the Trustees.

Section 3 - RIGHTS OF MEMBERS

- A. Only voting Members in good standing shall have the rights to vote. In order to hold an office, the voting member in good standing must be a full time resident within the boundaries of Lake Forest.
- B. Each household, which comprises a Voting Membership, shall be entitled to one vote per adult, not to exceed two (2) adults per household, which may be exercised either in person or by written absentee ballot to be provided by the Secretary of the Club upon request of a member in good standing at the time of the request.
- C. Use and enjoyment of the facilities of the Club shall be in accordance with rules and regulations as promulgated by the Board of Trustees.
- D. Portions of the official Trustee meetings may be attended by prior request of members and prior approval by the Trustees.
- E. Any voting member in good standing may review the written and electronic records of the "Club", including the official minutes of meetings and reconciled financial documents of the Club pertaining directly to the overall operations of the Club. Written and electronic records not available to voting members in good standing are names, addresses, telephone numbers, email addresses, and any personal information of a member, including financial records personal in nature between a member and the "Club". Additionally, Trustees and Officers of the Board are limited to membership information as to be used by the Club and solely for Club initiatives.

Section 4 - BADGES AND CARDS

All members in good standing will be furnished with membership cards, automobile identification cards and badges, the use of which shall be prescribed by rules and regulations of the Board of Trustees.

Section 5 - SUSPENSION OF PRIVILEGES

- A. Privileges in this Club shall be suspended for the following reasons;
 - 1. Nonpayment of financial obligations to the Club where those obligations are in default for a period of sixty(60) days. Said obligations include but are not limited to dues, bond payments, assessments, and master lease payments. Notice of said suspension shall be forwarded to the defaulting parties at their residence address and shall be effective upon the date set forth in the notice and privileges shall not be restored until provision is made to bring all obligations current.
 - 2. Conduct by any member, his or her family members, or guest who is inimical to the peace, order, welfare, or interest of the Club, its members, or in contravention of its By-laws or rules as may from time to time be promulgated. Notice of the proposed suspension shall be mailed to the member or members at their residence address setting forth the conduct constituting the reason for the suspension and the proposed length of suspension as well as the effective date of the suspension. Said notice shall be sent by the Board of Trustees upon the concurrence of four (4) members of the Board. Any member aggrieved by the proposed suspension may request in writing a hearing thereon which shall be forthwith scheduled. Any request for a hearing shall be personally served upon the Club's secretary or administrative assistant at the Club's office within seven (7) days of the date of the notice of the proposed suspension. If no such request is timely made and served, the hearing shall be deemed to have been waived. The proposed suspension may, in the discretion of the Trustees, be deferred until after the hearing date. A hearing on the charges

shall be held before the Board of Trustees with a minimum of five (5) Trustees present. The aggrieved member shall have the rights to show cause why the suspension should not be imposed. The Trustees may, at the hearing, produce witnesses to substantiate the charges giving rise to the notice of suspension. Upon the concurrence of a majority of Trustees at the hearing, the suspension may be imposed or waived. The Trustees, in their discretion, shall have the right to suspend privileges of: any member, member's family member, or guests of the member; and shall have the right to suspend part or all privileges. No suspension of privileges shall exceed thirty (30) days on any single charge of misconduct.

B. The suspension of privileges shall not excuse the member from payment of financial obligations to the club.

Section 6 - TERMINATION OF MEMBERSHIP

A. Membership in this club shall be terminated for the following reasons;

1. Nonpayment of financial obligations to the Club where those obligations are in default for a period of one (1) year. Said obligations include but are not limited to dues, bond payments, assessments, and master lease payments.

2. Willful and continuous misconduct by a member, a member's family member, or a guest of a member in violation of the BY-LAWS or rules of the Club as same may be from time to time promulgated. Notice of the proposed termination shall be forwarded to the member or members at the member's residence address and shall be effective on the date set forth in the notice. The notice shall be mailed by Certified Mail, return receipt requested, and by regular mail and shall be complete upon said mailing. Said notice shall contain the reasons for the proposed termination and shall be sent by the Board upon the concurrence of five (5) of its members. A member aggrieved by the notice of proposed termination may, within twenty (20) days of the date of the mailing of the notice, request in writing of the Board of Trustees a hearing on the proposed termination. Any request for a hearing shall be personally served upon the Club's secretary or administrative assistant at the Club's office. If no such request is timely made and served, the hearing shall be deemed to have been waived. In the event such a request is made, the date of termination shall be deferred until after the hearing. The hearing shall be forthwith scheduled, and the aggrieved member shall be given notice of the time and place of such hearing. The Board, at the hearing, may present evidence to justify the proposed termination and the aggrieved member may present evidence relevant to the issue of termination. Upon the conclusion of the hearing, the Board shall promptly make a determination, which determination shall require the concurrence of five (5) Trustees

3. Cessation of ownership or tenancy of property within the Lake Forest Reservation.

4. On ten (10) days written notice to the Board of Trustees, membership may be voluntarily terminated.

B. Upon termination of membership in the Club for any reason, all club rights and privileges formerly accorded to the member or members shall cease. Financial obligations of the member or members so terminated shall not be forgiven by reason of termination. Prepaid dues and assessments, if any, shall be retained by the Club. The Board of Trustees, in its discretion, may elect to apportion and refund prepaid dues and assessments to those members whose membership has been terminated on a voluntary basis.

ARTICLE IV - FISCAL YEAR, BONDS, FEES, DUES, ASSESSMENTS AND DEFAULT

Section 1 - FISCAL YEAR

The fiscal year of the Club shall be from October 1 through September 30.

ARTICLE IV - Con't

Section 2 - BONDS

A. Purchase- Owners of real property in the Lake Forest Reservation may purchase a Lake Forest Yacht Club non-interest bearing bond. Purchase of the Bond may be made from the Board of Trustees upon application thereto. Bonds shall be issued in names of not more than two (2) natural persons. A Bond may be purchased by a single payment of FOUR HUNDRED and no/100 (\$400.00) DOLLARS or five (5) annual payments of ninety-two and no/100 (\$92.00) DOLLARS each. (\$12.00 of the \$92.00 is apportioned as a non -refundable service charge).

B. Refund- Bondholders requesting refunds must submit such requests to the Trustees in writing. The Board of Trustees will, upon receipt of such request, take one or more of the following steps;

1. Refund the \$400.00 cost of the Bond.
2. If there is a mass termination or financial instability of the Club, the Trustees may elect to refund the cost of the Bond over a period of time not to exceed two (2) years.
3. Outstanding financial obligations of a terminating member of the Club may be deducted from the Bond refund request.

C. Escrow Account

1. The Club shall establish and maintain a bond escrow account ("account"). Once fully funded, the principal of the account shall equal the amount payable to the bond holders.
2. Initial funding of the account shall be from any appropriate surplus funds identified by the Board of Trustees. However, a deposit shall be required of any sale proceeds, up to an amount which fully funds the accounts, of any real property owned by the Club unless that sale is accomplished through an installment sale. Upon the sale of any real property under an installment sale arrangement, the first \$30,000 of any down payment shall be deposited and any additional principal or interest payments received shall be deposited until such time as the account is fully funded.
3. The funds in the account may be properly invested in accordance with the by-laws. Interest or investment income on this account shall be re-deposited to the account until such time as the account is fully funded. Once the account is fully funded any interest or investment income may be used for the general purposes of the Club.
4. Withdrawals of principal from the account shall only be permitted to affect a bondholder's refund.

Section 3 - FEES AND DUES

Fees and dues shall be prescribed by the Board of Trustees. Annual dues may not be increased more than ten percent (10%) over the preceding year's dues without membership approval.

Section 4 - ASSESSMENTS

The Board of Trustees may levy a special assessment, which in its opinion is for the mutual benefit of the Club members. Any assessment may not exceed TWENTY FIVE and no/100 (\$25.00) DOLLARS per membership household in any one calendar year.

ARTICLE IV - con't

Section 5 - DEFAULT IN PAYMENT

The Board at its option shall have the right in connection with the collection of dues, assessments or master lease payments to impose a late charge consistent with the governing documents, file liens or take all other legal action, if such payment is not made within sixty (60) days of the date such amount became due. The Board at its option may enlist and contract with Counsel/Collection Agents to pursue collection of dues, assessments or master lease payments, and any accrued late payment charge. The Counsel/Collection Agent may charge and collect separately reasonable counsel fees and costs of collection, which shall be made known to the Board, including but not limited to the preparation of filing of any liens, recording and discharge fees, legal proceedings, and post-judgment collection efforts, in addition to such other costs as may be allowable by law. Upon transfer of property, all master lease payments in arrears, as well as late payment charges and costs of collection, including counsel fees, must be paid in full or same shall be the obligation of the successor in title.

ARTICLE V - MEETINGS

All meetings of the Club shall be held within the Lake Forest Reservation, Jefferson Township, New Jersey or other suitable place designated by the Board of Trustees within the Township limits of Jefferson.

Section 1 - MEMBERSHIP MEETINGS

A. There shall be at least two (2) membership meetings of the Club held in every fiscal year.

1. The Primary meeting shall be held on the first Friday in December of each year at 8:00 PM (Primary meetings shall mean "Annual" meetings).

2. The Secondary Meeting shall be held at a time established by the Board of Trustees not later than the first of the following July.

3. Special Membership Meetings may be called by the Board of Trustees.

4. Special Membership Meetings may be called by fifty (50) Voting Members in good standing. The request, in writing, must be presented to any trustee who will arrange a Special Trustee Meeting to be held within five (5) days of receipt of the petition in order that the Board of Trustees may authenticate the petition and execute their responsibility to hold the requested meeting no sooner than ten (10) days and no later than thirty (30) days after the petition is authenticated. The issue upon which the meeting was requested shall remain in a neutral state during the period of time from the receipt of the petition and the Special Membership Meeting.

B. Notice of the meetings and proposed official action for approval by the membership shall be mailed by the Corporate Secretary or his or her designee to every voting member family of the Club at least ten (10) days before the date of such meeting. Official action shall consist of election of Trustees, Officers and Members of Nominating Committees, by-law changes and authorization of expenditures requiring membership approval.

B-1. There shall be no request for disbursement of LFYC funds directly from the floor at any Annual or Semi-annual meeting. Any person proposing such disbursement of LFYC funds shall provide the Trustees with a petition specifying the exact wording of such disbursement. The petition shall be signed by at least five voting members in good standing. This petition must be presented to the Trustees a minimum of 35

ARTICLE V - con't

days prior to the meeting so that it may be included on the agenda for the meeting that is mailed to every voting member. A majority vote of those in attendance at the meeting is required to approve the expenditure of such funds.

C. A quorum is required for official action of the membership. A meeting shall be adjourned if a quorum is not gathered within fifteen (15) minutes of the scheduled starting time.

D. A quorum shall consist of the personal presence of ten (10) percent of the Voting Members. If a quorum is not met, a special meeting shall be required. A notice of this meeting shall be mailed by the Secretary to every member of the Club at least ten (10) days before the date of such meeting.

E. Votes may be exercised in person or by written absentee ballots on forms available from the club Secretary. Refer to Section 3 – RIGHTS OF MEMBERS paragraph B.

F. At the Primary Meeting, the order of business shall be;

- (1) Minutes of previous meeting
- (2) Treasurer's Report
- (3) Reports of Officers and Board of Trustees
- (4) Selection of Voting Members to the Nominating Committee
- (5) Introduction of candidates, voting and selection of new Trustees.
- (6) New business
- (7) Question and answer period.

G. At the Secondary Meeting, the order of business shall be;

- (1) Minutes of previous meeting
- (2) Reports of Officers and Board of Trustees
- (3) New Business
- (4) Question and answer period

H. All meetings shall be conducted in accordance with Robert's Rules of Order unless specifically accepted by the by-laws of the Club.

Section 2 - OFFICIAL TRUSTEE MEETINGS

A. Official Trustees Meetings shall be held at least once per month on a regularly scheduled basis. Additional meetings may be called by the Commodore or any three (3) Trustees.

B. The Secretary shall give notice of any additional Trustee meetings to all members of the Board before the time appointed for said meeting. Notice need not be given for regularly scheduled Official Trustee Meetings.

C. Five (5) of the seven (7) Trustees must be present to constitute a quorum for official Trustee action.

D. A majority of the quorum present shall be sufficient for Trustee action.

Section 3 - OTHER MEETINGS

A. Committee Meetings shall be held scheduled by the Board of Trustees or Committee Members.

B. Unofficial Trustee Meetings shall be held as often as deemed necessary with no voting and no official minutes taken.

C. Any other meetings may be held for the successful operation of any Club endeavor.

ARTICLE VI - ELECTION OF TRUSTEES, OFFICERS AND NOMINATING COMMITTEES

Section 1 - ELECTION OF TRUSTEES

The Board of Trustees of this Club shall consist of seven (7) Voting Members elected to office by the Voting Membership of this Club. Elections shall take place at the Primary Meeting of each year. The term of office shall be for two (2) years or until replaced. Four (4) Trustees shall be elected every second year and three (3) Trustees shall be elected in the intervening years. No member shall vote for more candidates than the number of vacancies required to be filled. As listed in Article III, Section 3, A., Only voting Members in good standing shall have the rights to vote. In order to hold an office, the voting member in good standing must be a full time resident within the boundaries of Lake Forest.

Section 2 - NOMINATING COMMITTEE

The Nominating Committee shall consist of six (6) Voting Members; Three (3) Voting Members appointed by the Board of Trustees and three (3) elected by members shall be from the areas described as follows; One (1) shall be from the area north of a line drawn down the middle of Yacht Club Drive from its intersection with Route 181 near Espanong road to the Lake near the clubhouse, which shall be designated as AREA 1; One (1) shall be from the area south of the line drawn down the middle of Yacht Club Drive as described above and north of Espanong Road, which shall be designated as AREA 2; One (1) shall be from the area south of Espanong Road, which shall be designated as AREA 3. If sufficient nomination cannot be obtained to fill the required number from each area, candidates shall be nominated from any area to obtain the required number. The Nominating Committee is an independent Committee from all others, including the Board of Trustees and the Trustee responsible for affirming the Nominating Committee is properly in place. The Nominating Committee has the responsibility to prepare a list of candidates utilizing the criteria agreed upon within this Committee. The Nominating Committee may refer to Exhibit A., maintained at the Club Office for direction in their proceedings.

Section 3 - REGULAR TICKET

The Nominating Committee shall prepare a list of candidates for Trustees to be elected at the Primary Meeting. This list, which shall be known as the "Regular Ticket", may contain more candidates than the number of vacancies to be filled. This list must be posted and mailed to each voting member family thirty (30) days prior to the Primary Meeting.

Section 4 - SPECIAL TICKETS

A. Any group of Voting Members, not less than fifteen (15) in number may for any election, nominate "Special Tickets" of Voting Members as additional candidates for those vacancies to be filled. The "Special Ticket" must be signed and submitted to the Secretary at least fifteen (15) days in advance of the Primary Meeting. The Secretary shall post and mail to each voting membership the "Special Ticket" at least ten (10) days prior to the said meeting.

B. WRITE-IN-VOTE: At any annual election, either before or after the official opening of the Primary Meeting, members may vote for other than those named on the "Regular" or "Special" tickets by writing such names in the space provided for such purpose on the official ballot. No member shall vote for more names than the number of vacancies required to be filled.

ARTICLE VI - Con't

Section 5 - VOTING PROCEDURE

A representative of the Nominating Committee shall present the regular ticket and introduce the nominees. The Commodore shall then appoint five (5) Voting Members of the Club as judges of election to collect and count the votes, including the absentee ballots present during the night of the election.

Section 6 - ELECTION OF OFFICERS

The Officers of this Club shall be Commodore, Secretary and Treasurer. The officers shall be elected by the Board of Trustees from among their members at their first meeting. The tenure of office shall be for one (1) year or until successors are elected. The Commodore shall be highest office, the Secretary shall be the second highest office, and the Treasurer shall be the third highest office.

Section 7 - RESOLUTION OF TIE VOTES

The candidates receiving the highest number of votes shall be elected to the vacancies available. In the event of a tie vote for a remaining vacancy, that vacancy shall be filled by a second ballot. In the event of a deadlock after three ballots, the existing Board of Trustees shall cast one (1) tie-breaking vote which shall be determined by a majority vote among those present.

ARTICLE VII - TRUSTEES POWERS, DUTIES AND LIMITATIONS

Section 1 - THE BOARD OF TRUSTEES SHALL.

- A. Execute and enforce the BY-LAWS as approved by the Voting Membership.
- B. No trustee shall serve more than 2 terms (4 years) consecutively without having to take one year off as a trustee before re-running for the Board of Trustees (updated 2021)
- C. Formulate from time to time and publish Rules and Regulations for the use of the Club properties, facilities, and activities by members and guests.
- D. Formulate from time to time and publish Rules and Regulations for the use of the Club properties, facilities, and activities by members and guests.
- E. Have entire jurisdiction over all matters pertaining to the care, conduct, control, supervision and management of the Club, its finances and preparation of an operating budget. Any expenditure on a single project in excess of ten percent (10%) of the projected annual gross income shall require approval of the general membership. In the event of a system failure and the remedy that may exceed ten percent (10%) with a cap of \$50,000.00 per incident of the annual gross income, for example but not limited to heating and air conditioning system, septic system, docks, structural integrity of the Office, Club House, Galley, and Bathrooms, the Board of Trustees have the immediate authority to repair and/or replace the failed system to restore normal operations of the Lake Forest Yacht Club.
- F. Decisions, rules or regulations promulgated by a Board of Trustees shall not thereafter be rescinded or amended except by an affirmative vote of five (5) Trustees.
- G. The Trustees shall not, without membership approval, be authorized to purchase, sell, mortgage or lease any real property, nor shall they, without membership approval, be authorized to grant any security interest of any nature in any real or personal property.
- H. During the term of a Trustee, immediate family members are not to have paid positions at the Club if that paid position reports directly to the Trustee or Board of Trustees. Additionally, if the Trustee has

immediate family members that report to the Beach Director, Office Manager, etc., the Trustee will abstain from all voting issues directly impacting that working relationship with the Club.

ARTICLE VII - Con't

Section 2

For the better execution of their powers and duties, the Board of Trustees shall authorize the appointment from their own number or from members of the Club, such committees as occasion may require and as they may be deem necessary, and shall define the duties thereof.

Section 3

The Board shall meet for the transaction of business as prescribed in article V, Section 2.

Section 4

The Board of Trustees shall promptly fill, for the unexpired term, any vacancy among its Officers or Trustees by a majority vote at an official Trustee meeting.

Section 5

Any member of the Board of Trustees who shall absent himself from three (3) consecutive monthly meetings of such Board, unless he shall present at the next monthly meeting an excuse for his absence satisfactory to the Board, shall be deemed to have resigned as a member of said Board and cease to be a member thereof. In order for the Board of Trustees to remain effective and serve the membership properly, each Trustee must perform the duties assigned to him / her in a satisfactory and timely manner. In the event a Trustee can no longer fulfill, or is unwilling to fulfill, the required duties in such a manner, he/she should resign from the board. If the Trustee refuses to resign, the Board of Trustees may discharge him/her by an affirmative vote of five (5) Trustees.

ARTICLE VIII - OFFICERS-POWERS AND DUTIES

Section 1 - THE COMMODORE

A. The Commodore shall preside at all meetings of the Club and Board of Trustees and shall perform such other duties as shall be imposed by resolution of the Board of Trustees.

B. The Commodore, with the Secretary and/or Treasurer shall sign all written contracts and written obligations of the Club.

1. Commodore has singular signatory privileges of Checks written by the Club.

C. In the absence of the Commodore, the Secretary and Treasurer, in that order, shall succeed to the powers and duties of the Commodore. In the absence of any Officers, the remaining Trustees shall appoint a Trustee to succeed to the powers and duties of the Commodore.

Section 2 - THE SECRETARY

A. The Secretary shall;

1. Be responsible for the minutes and other official reports of the Club.
2. Be responsible for the writing and mailing of all official correspondence.

3. Be responsible for all records, books, documents and papers relating to the Club in such places as shall be designated by the Board of Trustees.

ARTICLE VIII - Con't

4. Have the responsibility of the Club seal and the affixing of same to any documents whenever required by law or by order of the Board of Trustees.

5. Have the responsibility for the performance of such other duties as may be assigned by direction of the Board of Trustees.

6. Be responsible for approving the reconciliation of the checking account prepared by the Treasurer and has singular signatory privileges for Checks written by the Club.

Section 3 - TREASURER

A. The Treasurer shall;

1. Be responsible for all funds of the Club and disbursement of such funds according to the directions of the Board of Trustees.

2. Be responsible for the usual duties required of and associated with the office of Treasurer.

3. Be responsible for a statement of financial condition of the Club at each monthly meeting of the Board of Trustees.

4. Be responsible for the submission of, at the Primary Meeting of the Club , a detailed report of the financial condition of the club for the preceding fiscal year, which such report shall be reviewed by accountants designated by the Board of Trustees.

5. Be responsible for reconciling the checking account for the Club. The Treasurer shall not have signatory privileges for checks written by the club.

ARTICLE IX - CORPORATE SEAL

The Corporate Seal of this corporation shall consist of the customary wording surrounding the official emblem of the Club.

ARTICLE X - EMBLEM AND COLORS

The colors and emblem of this Club shall be adopted by the Board of Trustees after membership approval.

ARTICLE XI - AMENDMENTS TO THE BY-LAWS

Amendments to the BY-LAWS shall be approved at a Membership Meeting by a two thirds (2/3) vote of all cast at such meeting.

A. Proposed BY-LAW amendments shall require initial approval by a majority of all Trustees.

B. Notice of the Trustees approved amendments must be posted in a conspicuous place on Club property at least ten (10) days before the date of the meeting for membership approval.

D. A copy of the proposed amendment must be sent to each Voting Member together with a notice of the meeting.

BY-LAWS ADOPTED JUNE 24, 1977
CORRECTED SEPTEMBER 1978
REVISED NOVEMBER 11, 1983
REVISED DECEMBER 1, 1989
REVISED DECEMBER 3, 1993
REVISED DECEMBER 1, 2000
REVISED DECEMBER 5, 2003
REVISED DECEMBER 2, 2005
REVISED DECEMBER 1, 2006
REVISED MAY 4, 2007
REVISED May 19, 2021

BYLAWS
MICROSOFT WORD