

**OCEAN BEACH
AND
YACHT CLUB
*
UNIT NO. 2**

Township of Toms River
Ocean County, N.J.

**CONSTITUTION
BY-LAWS**

JUNE 1958

Amended
September 8, 1990
September 10, 1994
September 1996
June 1997
September 1998
August 2002
August 2003
June 2005
June 2008
August 2008
June 2020

Incorporated Under Laws of
State of New Jersey

August 1948
Ocean Beach & Yacht Club By-Laws

Article I
SECTION I – CERTIFICATE OF INCORPORATION (I)
OF
OCEAN BEACH AND YACHT CLUB

This instrument is to certify that we, the undersigned, do hereby associate ourselves into a corporation under and by virtue of the provisions of an Act of the Legislature of the State of New Jersey entitled "Corporations and Associations Not for Profit" (Title 15 of the Revised Statutes of 1937, N.J.S.A. Title 15) and the amendments thereof and supplements thereto, for a lawful purpose other than pecuniary profit as hereinafter stated, and to that end we do by this instrument certify that:

FIRST: The name by which this corporation shall be known in law shall be OCEAN BEACH AND YACHT CLUB.

SECOND: The purposes for which this corporation is formed are:

(a) To promote and protect the general welfare and property rights of the property owner members in the use and enjoyment of their property at Ocean Beach Unit #2, in the Township of Toms River in the County of Ocean and State of New Jersey.

(b) The improvement of all natural facilities of the Beach Front on the Atlantic Ocean and the Bay Front on Barnegat Bay at Ocean Beach Unit #2.

(c) To develop and protect the natural resources of the community for the benefit of the members.

(d) To maintain and operate for the benefit of the members the Atlantic Ocean Beach Front bathing facilities and boating facilities on the Barnegat Bay Front, and to protect and safeguard the right of members in the use and enjoyment of such facilities against encroachment or trespass by non-members.

(1) Certificate of Incorporation of Ocean Beach & Yacht Club, August 7, 1948.

(e) To own, purchase, build or erect a club or other building for the use and enjoyment of all members of the Club, subject to the By-Law of the Club, and for the benefit of the members to purchase, lease, hold, sell, mortgage, convey or otherwise acquire, dispose of or encumber real and personal property of every description.

(f) In general, to do all things and perform all functions for which authority is given by the Legislature of the State of New Jersey under and by virtue of the Act of the Legislature herein above referred to.

THIRD: The said Corporation shall be located and its activities shall be conducted at Ocean Beach # 2 in the Township of Toms River in the County of Ocean and State of New Jersey

FOURTH: The number of Governors selected for the said corporation shall be nine.

SECTION 2 – GENERAL

These By-Laws shall not abrogate any provisions of the Certificate of Incorporation of Ocean Beach and Yacht Club.

ARTICLE II MEMBERSHIP

SECTION 1 – ELIGIBILITY

Only property owners or lot lessees in Ocean Beach Unit #2 are eligible to be members of the Ocean Beach & Yacht Club.

SECTION 2 – ADMISSION

- (a) Any person or group of persons becomes a member of the Ocean Beach & Yacht Club as of the date of approval of his/her or their application granting a membership.
- (b) Applications for membership in the Ocean Beach & Yacht Club shall be approved in writing by the Membership Committee of the Ocean Beach & Yacht Club and the applicant shall be so advised to the decision of said committee.
- (c) Refer to Article V, Section I – Dues and Assessments – Sub-Sections (h) and (i) for more detailed information on membership.

SECTION 3 – TERMS OF MEMBERSHIP

- (a) All property owners or lot lessees on Ocean Beach Unit #2 are required to be members of Ocean Beach & Yacht Club and shall have notarized a sworn affidavit to faithfully abide by the provisions of the Certificate of Incorporation, the Deed Restrictions, and these By-Laws and its Rules and Regulations.
- (b) Every person duly admitted to membership shall be entitled to enjoy all the rights and privileges of membership subject to the provisions of the Certificate of Incorporation of this Club, these By-Laws and the Rules and Regulations approved by the Club.
- (c) Where any single property or leased lot is in the name of two or more persons, jointly or in common, such persons shall each be club members. The joint owners or lessee of each property shall have one vote per residential unit or vacant lot. If the unit is held in any form of entity (Limited Liability Co., Corporation, Trust, partnership etc.) then the members, officers, trustees or partners etc. will be the club members. The aforementioned will have only one vote per residential unit and are required to deliver proof of their position. The entities will deliver copies of their entities formation documents to the membership committee to demonstrate who may represent the entity. In the event that a residential unit occupies more than one lot, only one vote per residential unit shall be permitted. The joint ownership will be recognized as only one membership of that property lot in the Administration of the Certificate of

Incorporation, the Deed Restriction, these By-Laws, and the Rules and Regulations in such matters as, but not limited to, quorums, voting, dues, assessments, suspensions and membership on the Board of Governors.

SECTION 4–TERMINATION/SUSPENSION OF MEMBERSHIP

- a) Membership in this club shall automatically terminate when the member no longer owns or has any record interest in any parcel of property in Ocean Beach Unit II.
- b) A member may have his/her membership suspended for continuous willful flagrant violations of these By-Laws and/or Rules and Regulations of the Ocean Beach & Yacht Club utilizing the following:
 - 1. Based upon investigation and recommendations of the Membership Committee, the Board of Governors will send a letter to the member(s) proposing a suspension.
 - 2. The letter will be sent by certified mail, return receipt requested, and will include a notice for the member(s) to appear before the Board of Governors for a hearing to show cause why he/she should not be suspended.
 - 3. In the event the member(s) fails to appear for the hearing, the Board of Governors will take action on the basis of the evidence at hand.
 - 4. A two-third vote at a meeting of the entire Board of Governors shall be necessary to suspend a member.
- (c) A suspended member shall lose his/her right to vote and shall not be entitled to any of the rights or privileges of the club. He/she may be reinstated by a two-thirds vote of the Board of Governors at a regular or special meeting of the Board.

ARTICLE III
BOARD OF GOVERNORS
SECTION 1 – GOVERNORS

- (a) The Governors, nine in number, appointed and qualified by the Certificate of Incorporation of the Club shall hold office for three years or until their successors are duly elected and qualified or they are reelected.
- (b) The control and management of the club shall be entrusted to the duly elected Board of Governors who shall make any and all Rules and Regulations and enforce compliance therewith, as well as these By-Laws and the Deed Restrictions. However, the Rules and Regulations shall not infringe upon the rights and privileges of the members and shall be considered to be in effect until such time as the Board terminates them, or until such time as the membership repeals them by a majority vote at a special or general meeting.
- (c) No one shall be nominated, elected, appointed or serve on the Board of Governors that has not been a member of the club for at least one year prior to his/her taking office.
- (d) Only one member from a property or lot ownership shall be eligible to be considered for/or to serve on the Board of Governors.
- (e) The President shall, with the approval of the Board of Governors, fill a vacancy on the Board of Governors from the membership of the Club and the appointee shall fill such vacancy until the next August/September membership meeting.
- (f) At the annual meeting in August/September, three (3) members for the Board of Governors shall be elected for a three (3) year term. At each annual meeting thereafter, three members for the Board of Governors shall be elected for a term of three (3) years each. The three retiring Governors shall function until the new Governors take office October 1.

SECTION 2 - ABSENCE FROM BOARD MEETINGS

- (a) A governor who is unable to attend a Board meeting shall notify the President or Secretary of that fact, and the reason thereof.
- (b) If a Governor is absent from three consecutive Board meetings, the following procedure shall be followed:
 - 1. A two-thirds vote of the full Board at the third meeting missed will determine if the absentee Governor has been absent without reasonable cause. If so, the Governor shall be declared to be delinquent.
 - 2. Upon such declaration, the secretary shall give notice in writing at least one week in advance to the delinquent Governor to appear before the Board to show cause why he/she should not be removed from office.

3. From the time such notice is given and until after the hearing, the delinquent Governor shall not perform the duties of office and shall have no vote at any Board meeting.

4. If the delinquent Governor cannot show reasonable cause for absences for Board meetings, the Board of Governors, at their next meeting after the hearing may, by two-thirds vote of the entire Board, remove him/her from office.

(c) A Governor, removed from office, may seek Office again through the election procedure of these by-laws.

(d) Termination or suspension of membership of a Governor in the club shall terminate his/her membership on the Board.

**ARTICLE IV
VOTING
SECTION 1 – ELIGIBILITY**

(a) Only members of the Club in good standing shall be eligible to vote at a special or regular meeting of the Club. A member shall be considered to be in good standing provided all past dues, fees and assessments have been paid and the eligibility of any member shall be passed on by the President of the Club.

(b) Each owner/lessee of a single lot as shown on the map or plan of Ocean Beach Unit #2 shall be entitled to one vote. Where one person is the record owner/lessee of more than one lot of land as shown on the aforesaid map, that owner /lessee shall be entitled to one vote for each parcel of land owned or leased. Where any lot is owned/leased by two or more persons, jointly or in common, such persons shall each be members of this Club and shall be entitled jointly to one vote at any such meeting.

SECTION 2 - PROXY BALLOTS

(a) Proxy ballots shall be permitted with respect to all elections of the Board of Governors, all amendments to these By-Laws, financial matters requiring membership approval, and any other important matters which require general membership approval.

(b) Proxy ballots shall be in writing, signed by the individual member, or in the case of joint owners, by any one of them, and delivered to the Secretary of the Club or such other person as the President may designate. Proxies must be returned in accordance with deadline instructions specified on the proxy.

(c) All proxies shall be in the form provided by the Board of Governors, and if not, shall be deemed invalid, which determination shall be made in the sole and absolute discretion of the Board.

(d) Proxies may be revoked by the originator at any time prior to the vote.

ARTICLE V
SECTION 1 - DUES AND ASSESSMENTS

(a) The Grantee in any Deed conveying property within the Ocean Beach and Yacht Club Unit #2 shall pay an initiation fee within thirty (30) days of acceptance into membership or recordation of the Deed in the office of the Clerk of Ocean County, whichever sooner occurs. The initiation fee shall be a one-time payment in the amount currently established by the Board of Governors. The current fee schedule can be found in the most up to date Rules and Regulations of Ocean Beach and Yacht Club Unit #2. In addition to the initiation fee, all dues, fees and assessments shall be paid at the same time. If the fees are not paid they are subject to a \$125.00 late fee and interest as described in paragraph (d) below. A Grantee in a Deed who is a current record owner of the property shall not be required to pay an initiation fee. A transfer by an individual to a Grantee which is not a natural person, including but not limited to, a Trust, Limited Liability Company, Corporation, Partnership, etc., of which the individual is a member, partner, beneficiary, etc. shall nevertheless be required to pay an initiation fee. In cases where property is transferred after the dues, fees and assessments have been paid for the current fiscal year, such dues, fees and assessments shall not be collected from the new owner(s) until the succeeding fiscal year which is defined as January 1 to December 31 of each year. A current member who has owned their current unit for thirty six months who sells their home and purchases a new home and closes title on that new home within twelve months of the closing date on their present home, shall not have to pay a new initiation fee.

(b) General membership dues in the amount determined by the Board of Governors, including Beach lease fee of \$5.00, are payable as of February 1 of any fiscal year and are considered delinquent after March 31. Any member considered delinquent shall be assessed an additional \$25.00 late charge and interest as noted in paragraph (d). In addition, a progressive fee of \$50.00 will be assessed for each subsequent fiscal quarter end that said member is delinquent in paying their membership fee. Quarter end is defined as June 30th, September 30th, December 30th and March 31st. Once considered delinquent, the interest will accrue from February 1, the original due date, to the date paid. Late charges for the period of February 2 to June 20 will be \$50.00. From July 1 to the date of payment, an additional \$125.00 will be assessed.

The dues specified by the Board of Governors and collected from members of the Club may be used with the approval of the Board of Governors, for any activities of the community or of the Club.

(c) Any assessments must be approved at a special or general meeting by a two-thirds vote of the membership at that meeting. Assessments are due within 30 days of the date of notification by the Membership Committee.

(d) Minimum interest charge will be an amount set by the Board of Governors that, in its opinion, is considered reasonable and sufficient to cover the costs of processing the interest charge invoice.

(e) Any member failing to pay monies due within the time limited by the Board of Governors shall forfeit his or her right to vote and shall not be entitled to any rights or privileges of the Club. He/she will be reinstated by making payments of all such unpaid monies.

(f) There will be a charge imposed for any check returned by the payer's bank equal to the greater of \$25.00 or the charge imposed by the bank.

(g) In the event any member fails to pay their dues, assessments, late charges, interest charges, initiation fees, or any other monies due by August 1 of the year in which the obligation to pay the monies arose, then the Board reserves the right to direct the Club's attorney to initiate legal action to obtain a lien on the member's property. In the event legal action is undertaken, in addition to the other monies due, the member shall be obligated to pay the Club's attorney's fees, costs of Court, etc.

(h) Membership in the Club shall be granted to new owners upon proof of conveyance of title to property in Ocean Beach Unit II. Members of the club must notify OBYC Board of Governors in writing upon the sale of their property along with contact information regarding the new owners or their legal representative. The effective date of the membership of such new owners shall coincide with the effective date of the acquisition of title by such new owners, and such membership shall continue for the entire duration of ownership. Such new owners shall complete a membership data form and file the same with the Club at the time proof of conveyance of title is presented but any failure or delay in presenting such proof of conveyance of title or filing such membership data form shall not be deemed to relieve such new owners from the obligation of paying Club dues, assessments, fines and fees from the time the same shall have become due.

(i) Membership privileges in the Club will not be granted on resale or other transfer of ownership of property until all Club dues, assessments, Ernes and fees in arrears are paid in full.

(j) The Club shall have a lien on the real property in Ocean Beach Unit II of a member for all of such member's unpaid dues, assessments, fees and fines, together with the late payment charges thereon and reasonable attorney's fees for the collection thereof, which lien shall be effective and may be foreclosed in the following manner:

(k) Such lien shall be effective from and after the time of recording in the office of the Clerk of Ocean County of a claim of lien stating the description of the property, the name and address of the record owner, the amount due mid the date when due. Such claim of lien shall include only sums that are due and payable when the claim of lien is recorded and shall be signed and verified by an Officer of the Club. Upon full payment of all sums secured by the lien, the party making payment shall be entitled to a recordable satisfaction of lien.

(l) Liens for unpaid dues, assessments, fees and fines may be foreclosed by suit brought in the name of the Club in the same manner as a foreclosure of mortgage on real property.

(m) Any suit brought by the Club to recover a money judgment for unpaid dues, assessments and initiation fees shall not be construed as a waiver on its part of the lien securing the same.

(n) All members shall comply with the By-Laws and Rules and Regulations of Ocean Beach and Yacht Club. Failure to comply is subject to the imposition of fines.

**ARTICLE VI
MEETINGS
SECTION 1 - GENERAL AND SPECIAL**

- (a) General meetings of the Ocean Beach and Yacht Club Unit # 2 shall be held in June and August/September.
- (b) Special meetings of the members of the Club may be called by the President or Vice President upon the written request of fifty (50) members, upon the request of the Board of Governors or by the President at his discretion if he/she deems such special meetings to be necessary.
- (c) Fifty (50) members of the Club shall constitute a quorum for any special or general meeting of the Club.
- (d) Notice of special or general meetings of the members of the Club shall be mailed to the members at his or her address, as appears on the records of the Club, at least fourteen (14) days prior to the date of the meeting. It shall be the responsibility of each member to notify the Club in writing of any change of his or her address.

SECTION 2 - BOARD OF GOVERNORS

- (a) The Board of Governors shall hold a regular meeting of the Board on alternate weekends from Memorial Day to Labor Day inclusive, and at such times as may be deemed necessary by the President. Regular meetings of the Board of Governors shall be open to the membership and members may address the Board at such time as the President may so direct. The Board may under unusual circumstances hold a closed meeting, which meeting shall be designated a special meeting and shall not be scheduled at the same time as a regular meeting of the Board.
- (b) The Re-organization Meeting of the Board of Governors shall be held prior to October 1st.

ARTICLE VII
BOARD OF GOVERNORS, OFFICERS AND COMMITTEES
SECTION 1 – ELECTION

(a) Members of the Board of Governors shall be elected by a plurality of members of the Club at the annual meeting in August/September and such election shall be held by secret ballot. In the event of a tie, the Board of Governors, by majority vote shall choose the Governor-elect from among the tied candidates. No one shall be nominated, elected, appointed or serve on the Board of Governors who has not been a member of the Club for at least one year prior to his/her taking office.

(b) Officers of the Board of Governors shall be elected by the members of the Board at the Reorganization Meeting of the Board of Governors following the annual meeting of the Club.

SECTION 2 - ROSTER OF OFFICERS

The officers of the Club shall consist of:

President
Vice President
Secretary
Treasurer

SECTION 3 – COMMITTEES

Committees are to be as follows:

| | |
|--------------|-----------------------|
| Badges | Beach |
| By-Laws | Clubhouse |
| Executive | Grounds & Maintenance |
| Improvements | Marine |
| Membership | Nominating |
| Safety | Special Events |
| Insurance | |

Each committee shall have a member of the Board of Governors as a chairperson. At least two Governors shall be appointed to the Grounds and Maintenance Committee and to the Beach Committee. A Governor whose term expires in September shall not serve on the Nominating Committee in the year his/her term expires.

Each Governor shall serve on at least one Committee. Except as otherwise prescribed in these By-Laws, a committee chairperson may request that the President appoint members of the Club to serve on the respective Chairperson's committee. A member in good standing may request of the President that he/she serve on a club committee.

SECTION 4 – DUTIES OF OFFICERS

(a) PRESIDENT

The President shall be the chief executive officer. It shall be the duty of the President to preside at all meeting of the members and of the Board of Governors to call Special Meetings of the members and of the Board of Governors to appoint all committees provided for in the Certificate of Incorporation or by these By-Laws, and to appoint any other committees deemed necessary. The President shall, in the absence of the Treasurer sign jointly with the Vice-President all checks, draft, notes and other negotiable instruments in the name of and under the seal of the Club. The President shall also perform any and all other duties prescribed in any other section of the By-Laws. No one shall be elected President who has not served at least one year on the Board of Governors.

(b) VICE PRESIDENT

The Vice-President shall be vested with all powers and shall perform all the duties of the President in his/her absence and shall perform such other duties as may from time to time be delegated to him/her by the President or by the Board of Governors.

The Vice-President shall also have the power to sign jointly with the President checks etc. in the absence of the Treasurer. No one shall be elected Vice-President who has not served at least one year on the Board of Governors.

(c) SECRETARY

It shall be the duty of the Secretary to keep a record of the minutes of all regular and special meetings and to transcribe such records into a minute book to constitute a permanent record. The secretary shall also be the Club's parliamentarian and, at the request of the President, shall rule on any and all questions of parliamentary procedure at all meetings. It shall also be the duty of the Secretary to notify all members of any special or general meetings or other notifications as deemed necessary by the President.

(d) TREASURER

The Treasurer shall keep full and accurate records of receipts and disbursements of the funds of the Club in books belonging to the Club and shall deposit all monies and other valuables of the Club in the name of and the credit of the Club in such depositories as may be designated by the Board of Governors. All books and records of the Treasurer shall be available and open at all times for examination by the Board of Governors or by the executive officers. He/she shall execute all checks, drafts, notes or other negotiable paper in the name of and under the seal of the Club. At the expense of the Club, the Treasurer shall supply the Club with the proper surety bond written by a responsible surety company in the amount of \$150,000.00. Upon the retirement, resignation or death of the Treasurer and/or the Chairperson of the Special Events Committee, all records and equipment shall be turned over to the President of the Club.

SECTION 5 - DUTIES OF COMMITTEES

It shall be the duty of committees described to deposit monies received into such depositories as designated by the Board of Governors with a copy of said deposit forwarded to the Treasurer without delay.

(a) BADGE COMMITTEE

It shall be the duty of this committee to procure, package and dispense beach badges to members and daily and weekly badges to guest members. It shall also be the duty of the Badge Committee to deposit the monies received from the sale of all beach badges into such depositories as designated by the Treasurer without delay.

This Committee shall also be responsible for the administration of the member automobile stickers.

(b) BEACH COMMITTEE

It shall be the duty of this committee to oversee the operation of the beaches. The committee shall oversee the maintenance of the beaches, safety devices, the employment of lifeguard, the maintaining of cleanliness of the beaches and other matters incident to the proper use, control and operation of the beaches.

(c) BY- LAWS COMMITTEE

It shall be the duty of this committee to keep an up-to-date supply of the By-Laws available for members upon request. It shall also be the duty of the committee to advise the President of any changes deemed necessary in the current By-Laws and present these changes to the Board of Governors for review.

(d) CLUBHOUSE COMMITTEE

It shall be the duty of this committee to have charge of the clubhouse and be responsible for its cleanliness, maintenance and good repair. The committee shall also oversee the rentals of the facility.

(e) EXECUTIVE COMMITTEE

It shall be the duty of this committee to review each committee's proposed budget request for presentation to the full Board of Governors each December. At the request of the President, this committee shall review or investigate assigned topics prior to presentation to the full Board of Governors.

(f) GROUNDS AND MAINTENANCE COMMITTEE

It shall be the duty of this committee to see that all properties in the community are kept neat, well painted and in good repair. The committee shall be responsible for the maintenance of the Club's equipment, signs, playgrounds, grounds and parking lots and shall see that the Club's properties and grounds are kept neat and clean.

(g) IMPROVEMENT COMMITTEE

(1) CLUB FACILITIES AND PROPERTIES

It shall be the responsibility of this committee to make recommendations to the Board of Governors for major improvements of the Club's facilities and properties in accordance with the purposes in the Constitution. The committee shall be responsible for supervising the execution of such improvements as authorized by the Board of Governors including paving and resurfacing, major alterations and repairs to the Club's buildings and structures and control of erosion of the Club's waterfront properties.

No single improvement exceeding \$25,000.00 in cost shall be undertaken by the Club unless the proposed improvement is first approved by a majority of members present at a general or special meeting.

(2) MEMBER FACILITIES AND PROPERTIES

The committee shall also make recommendations to the Board of governors regarding requests by members for permission to make major exterior building repairs and site work on their properties, consistent with deed restrictions, Rules and Regulations, and By-Laws. The owner or member shall hold the Ocean Beach & Yacht Club and the Board of Governors safe and harmless from any and all liability of claims arising from injury to persons or damage to property occurring in the performance of such alterations.

The committee shall post inspect work for compliance with the approved plans. This committee shall also annually inspect all properties to ascertain whether any unauthorized work has been done.

(3) UNAUTHORIZED CONSTRUCTION OR ALTERATIONS

Any construction or alterations, requiring the Board of Governors and the Ocean Beach Company approval, which is in progress or which has been completed without an approved Ocean Beach Improvement Application will result in the following action:

(a) For any unauthorized work in progress, the owner/lessee will be fined \$350.00 and given notice from the Board of Governors to discontinue work. The owner/lessee will also be given an opportunity to explain his/her action to the Board and to file an Ocean Beach Unit 2 Improvement Application. Non-compliance with the notice to discontinue work will result in a court-ordered cease and desist and a fine of \$350.00 per day from the date of receipt of the first notice to discontinue work from the Board.

(b) If the Board finds or is made aware of any new completed unauthorized work (e.g. work completed within the past year) and such work would have been approved by the Board of Governors and the Ocean Beach Company, the owner/lessee will be fined \$350.00. The owner/lessee will also be given an opportunity to explain his/her action to the Board and to file an Ocean Beach Unit #2 Improvement Application.

(c) If the Board finds or is made aware of any new completed unauthorized work (e.g. work completed within the past year), and such work would not have been approved by the Board of Governors and the Ocean Beach Company, the owner/lessee will be fined \$350.00 and subject to possible suspension from the Association until such time as corrective action, agreed upon with the Board of Governors and the Ocean Beach Company, is taken. The owner/lessee will also be given an opportunity to explain his/her action to the Board.

(d) If work, approved or not approved, is performed during the period from the third Saturday in June through the Saturday after Labor Day, the owner/lessee will be fined \$350.00 for each day the work is conducted, commencing from the date notified by the Board to discontinue work. Noncompliance with such notice will result in a court-ordered cease and desist and the continuation of the \$350.00 - a day fine until compliance. The owner/lessee will also be given an opportunity to explain his/her action to the Board.

(e) Repeat offenders, which is defined as having violated the Unauthorized Construction or Alterations section of the By-Laws more than (2) times since being a member of the OBYC community. Fines will be levied at \$750 per day.

(f) The Board of Governors may use any and all legal means to insure compliance with this article. In addition, the owner/lessee shall hold the Ocean Beach and Yacht Club and the Board of Governors safe and harmless from any and all liability or claims arising from injury to persons or damage to property occurring in all performance of such alterations.

(h) MARINE COMMITTEE

It shall be the responsibility of this committee to maintain all docking facilities of the Club, to collect any fees in connection therewith that may be in affect from time to time and to control and administer the Rules and Regulations regarding such facilities.

(i) MEMBERSHIP COMMITTEE

It shall be the duty of the Membership Committee to be in charge of the applications of potential new members and renters, to receive applications first hand and expedite their decision, to receive complaints against tenants or members and bring such complaints to the attention of the Board of Governors.

It shall also be the duty of this committee to notify all members of dues, assessments, late charges and interest due and to collect and deposit all payments received payable to the Ocean Beach and Yacht Club. Monies collected are to be deposited in such depositories as may be designated by the Board of Governors.

It also shall be the duty if this committee to maintain an up-to-date roster of all current addresses of the members of the Club.

There shall be at least one other Governor on the Membership Committee and he/she shall be Vice-Chairperson of the Committee and shall act on temporary renter membership applications in the absence of the Chairperson.

(j) NOMINATING COMMITTEE

The Nominating Committee shall consist of three Governors elected at the previous general election. It shall be the duty of the Nominating Committee to recommend nominations for Governors of the Club and conduct the election of Governors at the annual meeting of the Club to be held in August/September of each year. The President may not be a member of this committee.

(k) SAFETY COMMITTEE

1. It shall be the duty of the Safety Committee to maintain within its authority an orderly community, and to protect all property of the Club and the welfare of all its member. The manager, together with the approval of the Board of Governors shall employ security officers, who, to the extent of their authority shall maintain law and order in the community.
2. This committee is responsible to see that no automobiles or other vehicles shall be parked on any of the roads, streets or ways of Ocean Beach Unit #2; to patrol the community for safety and security purposes; and to assure that all Club rules and regulations pertaining to pets, speed limits, mini bikes, motorcycles, trailers etc. are enforced.
3. Security Officers and or Governors may, when such action is required, make and sign a Township of Toms River Police complaint against any and all persons who, by their action, violate safety, health and/or general welfare of either themselves or others. Intoxication, rowdiness, disorderliness, loud profane and/or indecent language, indecent actions or any other violation deemed as such by the security officer and/or Governor shall be considered grounds for police action and/or suspension of membership of a member held responsible therefore.
4. It shall be the duty of the Chairperson of this committee to maintain order at all meetings. The Chairperson shall have the authority to eject any person from any meeting on order of the President.

(l) SPECIAL EVENTS

It shall be the responsibility of this committee to organize activities for the members and guests of Ocean Beach Unit # 2 and to insure proper supervision for all activities. Any of the events planned by the committee shall be submitted to the Board of Governors for approval.

1. All Special Events funds shall be held in a separate bank account. Proper accounting procedures shall be followed in administering the fund.
2. Receipts shall be used for future Special events and improvements of the Club as determined and approved by the Board of Governors.
3. This committee shall prepare its own budget in accordance with the time frames under Article VIII and it shall be subject to the approval of the Board of Governors.

(m) INSURANCE

It shall be the duty of this committee to keep an up-to-date with all required insurance for the safe and proper operations of the club. It shall also be the duty of the committee to advise the President of any changes deemed necessary with the current insurance and present these changes to the Board of Governors for review.

**ARTICLE VIII
FISCAL MANAGEMENT**

SECTION 1 - FISCAL YEAR

The fiscal year of the Club shall be January 1 through December 31 of each year.

SECTION 2 – FINANCIAL STATEMENTS

The Treasurer shall prepare or shall have prepared, combined financial statements, including all Club funds, using such generally accepted accounting principles ("GAAP") as may be available for entities for a purpose similar to that of the Club's purpose. Financial statements shall be prepared no less than on a quarterly basis during the course of the Club's fiscal year.

SECTION 3 – BUDGET

(a) Each committee chairperson shall submit to the Executive Committee before November 15 a tentative budget for the following fiscal year for their consideration and inclusion in the Club's budget.

(b) The Executive Committee will submit a proposed budget for the Club to the Board of Governors at their meeting in December. The Board of Governors, at that time will adopt, after proper review and adjustments, the Club's budget including a determination as to the members dues based on the needs of the Club for the ensuing year.

(c) Expenditures shall be budgeted to be less than budgeted income in any fiscal year.

(d) Included in the expenditures shall be sufficient reserves to fund future replacement of Club assets based on the Reserve Schedule.

(e) At the general meeting of the membership in June of each year the President shall present a status report on the budgets of the Club and the Special Events Committee to the members.

SECTION 4 – EXPENDITURES

Expenditures shall not exceed actual income without first being voted on and approved at a special or general meeting of the members of the Club at which two-thirds of the membership present at such special or general meeting shall vote in favor of the expenditure. If such expenditures are approved, a statement of a deficit assessment shall be sent to the members for such expenditures, and shall be due within 30 days. Additionally, any purchase(s) made by any Committee, as defined by Article VII Board of Governors, Officers and Committees – Section 3 – Committees, or request from the Life Guards, which is over \$750 will require OBYC Executive Board approval along with a written detailed rationale/justification for the purchase.

SECTION 5 – RESERVE FUND

- (a) A reserve schedule shall be prepared and reviewed annually.
- (b) The reserve schedule shall consider all long-term assets of the Club, which shall be defined as having a useful life of longer than one year.
- (c) A separate or allocated fund shall be set aside for each asset and shall be funded by contribution from the Operating Fund no less than on a semiannual basis during each fiscal year.
- (d) In the event the useful life is changed as a result of actual experience or reliable information obtained by the Board, funding shall come from or benefit membership assessments or dues, respectively.
- (e) Reserve funds shall be invested in government backed securities or certificates of deposit within SPIC and FDIC limits, using such maturity terms as may be appropriate so as to maximize investment income while providing the necessary liquidity to fund such replacements as they become due.

SECTION 6 – INDEPENDENT REVIEW

- (a) The financial statement of the Club shall be reviewed by a certified public accountant possessing the industry expertise in entities formed for a purpose similar to that of the Club's purpose.
- (b) The independent certified public accountants review report shall provide limited assurance to the Club that there are no material adjustments or additional disclosures necessary to the Club's financial statements to make the financial statements in conformity with generally accepted accounting principles.
- (c) The financial statements shall be reviewed by an independent certified public accountant upon retirement, resignation or death of the Treasurer and/or the Chairperson of the Special Events Committee.

ARTICLE IX

SECTION 1 – MISCELLANEOUS

- (a) Nothing contained in these By-Laws shall limit, restrict or prevent any member or group of members at any time from presenting grievances or complaints in writing and signed to the Club or to the Board of Governors.
- (b) A petition presented to the Board of Governors shall be acted upon at special or general meetings of the Club by the members present, upon a proper motion from the floor.
- (c) The Board of Governors shall make all Rules and Regulations which shall be necessary and proper for carrying into execution the Constitution and By-Laws of the Club. Such rules shall not infringe upon the rights and privileges of the members, and shall be considered to be in effect until such time as the Board terminates them, or until such time as the membership repeals them by a majority vote at a special or general meeting.
- (d) All tenants or visitors of the Club members shall be known as guests and all members of the Club shall be responsible for all of their guests.
- (e) Roberts Rules of Order of Parliamentary Practice shall be the authority on all questions of parliamentary law and proceedings except where there is a conflict between Roberts Rules of Order and the By-Laws, the By-Laws shall govern.

SECTION 2 - ORDER OF BUSINESS

(a) The order of business at all meetings of the Club and of the Board of Governors shall be as follows:

1. Roll Call
2. Reading of the Minutes
3. Communications
4. Financial Report
5. Committee Reports
6. Miscellaneous Reports
7. Old Business
8. New Business
9. Closing

The order may be varied by the Board of Governors when necessary to expedite the business of the meeting.

ARTICLE X

SECTION 1 - AMENDMENTS

(a) The members of this Club, by a vote of two-thirds of the voting membership present at any special or general meeting of the Club, may alter or amend these By-Laws, if notice of the amendments as proposed be contained in the notice of such special or general meeting.

ARTICLE XI

SECTION 1 - INDEMNIFICATION

No Board or committee member, agent or employee of the organization shall be liable for his acts or failure to act on any part of any other Board or committee member, agent, or employee of the Association; nor shall any Board or committee member, agent or employee be liable for his acts or failure to act under these bylaws, except only acts or omissions to act arising out of his willful misfeasance.

A Board or committee member shall perform the duties of a Board or committee member, including duties as a member of any committee of the Board on which the Board or committee member may serve, in good faith, in a manner such Board member believes to be in the best interest of this Association and with such care, including reasonable inquiry, as an ordinarily prudent person in a like situation would use under similar circumstances. In performing the duties of a Board or committee member, a Board or committee member shall be entitled to rely on information, opinions, reports or statements, including financial statements and other financial data, in each case prepared or presented by:

- a) one or more Officers or employees of the Association whom the Board or committee member believes to be reliable and competent in the matters presented;
- b) counsel, independent accountants or other persons as to matters which the Board or committee member believes to be within such person's professional or expert competence; or
- c) a committee of the Board upon which the Board member does not serve, as to matters within its designated authority, which committee the Board member believes to merit confidence, so long as in any such case, the Board member acts in good faith, after reasonable inquiry when the need therefore is indicated by the circumstances and without knowledge that would cause such reliance to be unwarranted.

A person who performs the duties of a Board or committee member in accordance with the above shall have no liability based upon any failure or alleged failure to discharge that person's obligations as a Board or committee member, including, without limiting the generality of the foregoing, any actions or omissions which exceed or defeat a public or charitable purpose to which the Association, or assets held by it, are dedicated.

The Association shall not be liable for bodily injuries unless those injuries were caused by the Association's willful, wanton, or grossly negligent action of commission or omission.

Document Change Log

ARTICLE V Section 1 Dues and Assessments- Paragraph (b) – Fee for late payment of dues is increased from \$10.00 to \$25.00; voted and favorably passed at the June 11, 2005 meeting of the OBYC General Membership.

ARTICLE XI Section 1 Indemnification – New article added; voted and favorably passed at the June 7, 2008 meeting of the OBYC General Membership.

All references to Dover Township were changed to Township of Toms River, as a result of the township name change; voted and favorably passed at the June 7, 2008 meeting of the OBYC General Membership.

ARTICLE VII Section 5 (g)(3) Unauthorized Construction or Alterations – Fines were changed from \$100 to \$250; voted and favorably passed at the August 30, 2008 meeting of the OBYC General Membership.

ARTICLE II Section 2 (b) – Admission – Removal of outdated verbiage regarding disapprovals of membership and the addition of (c) for clarification; voted and favorably passed at the June 6, 2020 meeting of the OBYC General Membership.

ARTICLE II Section 3 – Terms of Membership – Addition of clarifying language regarding membership in the form of an entity; voted and favorably passed at the June 6, 2020 meeting of the OBYC General Membership.

ARTICLE V Section 1 (a) – Dues and Assessments – Addition of clarifying language around when an initiation fee needs to be paid due to changes in Title with the recording of a Deed in the office of the Clerk of Ocean County; voted and favorably passed at the June 6, 2020 meeting of the OBYC General Membership.

ARTICLE V Section 1 (b) – Dues and Assessments – Addition of progressive fee language for delinquent membership dues; voted and favorably passed at the June 6, 2020 meeting of the OBYC General Membership.

ARTICLE V Section 1 (f) – Dues and Assessments – Reworded language for additional clarity regarding returned checks; voted and favorably passed at the June 6, 2020 meeting of the OBYC General Membership.

ARTICLE V Section 1 (g) – Dues and Assessments –Date change for when monies are due before the Club may initiate legal action; voted and favorably passed at the June 6, 2020 meeting of the OBYC General Membership.

ARTICLE V Section 1 (h) – Dues and Assessments – Addition of clarifying language regarding members requirement to notify the OBYC Board of Governors of property sales; voted and favorably passed at the June 6, 2020 meeting of the OBYC General Membership.

ARTICLE VII Section 3 – Committees – Addition of the Insurance Committee to the list of Committees; voted and favorably passed at the June 6, 2020 meeting of the OBYC General Membership.

ARTICLE VII Section 3 (m) – Committees – Addition of the description for the Insurance Committee; voted and favorably passed at the June 6, 2020 meeting of the OBYC General Membership.

ARTICLE VII Section 5 (g)(1) – Improvement Committee – Update the single improvement amount to \$25,000 for any improvement which may be undertaken by the Club unless the proposed improvement is first approved by a majority of members present at a general or special meeting. Also removed the verbiage around emergency repairs since the amount was less than the minimum required for approval; voted and favorably passed at the June 6, 2020 meeting of the OBYC General Membership.

ARTICLE VII Section 5 (g) – Improvement Committee (3)(a,b,c,d) - Fines were changed from \$250 to \$350; voted and favorably passed at the June 6, 2020 meeting of the OBYC General Membership.

ARTICLE VII Section 5 (g) – Improvement Committee (3) – Addition of subsection (e) for repeat offenders and re-lettered (e) to now be (f); voted and favorably passed at the June 6, 2020 meeting of the OBYC General Membership.

ARTICLE VIII Section 4 - Expenditures – Addition of language regarding purchases by Committees or Life Guards over \$750.00 requires OBYC Executive Board approval along with a detailed rationale/justification for the purchase which will be in writing; voted and favorably passed at the June 6, 2020 meeting of the OBYC General Membership.