



**AMERICAN LEGION NEWPORT HARBOR POST 291
EXECUTIVE BOARD MINUTES
TUESDAY, JULY 2, 2019**

SILENCE CELL PHONES

CALL TO ORDER: approximately 1801 HRS

INVOCATION: Ken Wilson

PLEDGE OF ALLEGIANCE: COMMANDER

ROLL CALL:

<input checked="" type="checkbox"/> Jon Reynolds, Commander	<input checked="" type="checkbox"/> Tony Melum, Judge Advocate	<input checked="" type="checkbox"/> Nick Giordano, M.a.L.
<input checked="" type="checkbox"/> Bob Brennen, 1 st Vice	<input checked="" type="checkbox"/> Bob Wine, Finance Officer	<input checked="" type="checkbox"/> Eric Schroeder, M.a.L.
<input checked="" type="checkbox"/> Anthony Morales, 2 nd Vice	<input checked="" type="checkbox"/> Bob Grundmeyer, Sgt-at-Arms	<input type="checkbox"/> Rich Whitlinger, M.a.L.
<input checked="" type="checkbox"/> Jim Updike, 3 rd Vice	<input checked="" type="checkbox"/> Chase Wickersham, Service Officer	<input checked="" type="checkbox"/> Robert Wright, M.a.L.
<input checked="" type="checkbox"/> Doug Nye, Jr. Past Comm	<input checked="" type="checkbox"/> Ken Wilson, Chaplain	<input checked="" type="checkbox"/> Kevin Van Otterloo, M.a.L.
<input checked="" type="checkbox"/> Mike Berdine, Adjutant	<input checked="" type="checkbox"/> Rich Frauenzimmer, Historian	<input checked="" type="checkbox"/> Wayne Zippi, M.a.L.

EXCUSED: Rich Whitlinger

INTRODUCTION OF GUESTS & GUEST COMMENTS:

Guests: 1. Paul Meye 2. Hector Storman 3. Ken Rogers 4. Gene Anderson 5. Frank Reinhart
6. Jon Reynolds 7. Doug Green 8. Tim Bercovitz 9. Al Yarrington 10. Kendall Madsen
11. Jeff Gottfredson 12. Caroline Wetherington 13. Lee Wetherington

Commander:

- ☐ Announcements, Initial Comments / Policies
 - ☐ Format of E-Board Meetings
 - Invocation; Pledge; Roll Call; Guests
 - Reports by Post 291 Programs and Affiliates
 - Approval of Minutes from previous E-Board meeting
 - Committee Reports
 - Officer Reports
 - Unfinished Business
 - New Business
 - Good of the Legion
 - Executive ("Closed") Session – if needed
 - Adjournment
 - ☐ E-Board Members shall serve with honesty, integrity, highest character, transparency, and fair play
 - E-Board Duties and Responsibilities (Bylaws Article 8.1.)
 - E-Board Governance and Bylaws (Bylaws Article 9.2.)

- ❑ E-Board shall comply with all:
 - Federal, State, and Local laws
 - American Legion Rules, Regulations, and Policies
 - Post 291 Constitution, Bylaws, Rules, Regulations, and Policies
- ❑ *Robert's Rules* + Bylaws govern conduct of meetings
 - Members of the Assembly
- ❑ Guests
 - May offer comments for no more than three minutes
 - Presentations must be arranged with Adjutant and Commander in advance of E-Board Meeting
- ❑ Committees will:
 - Meet at least monthly
 - Have a printed agenda for all meetings
 - Record Minutes for all meetings
- ❑ Executive ("Closed") Session — if scheduled
 - Employee topics, Incident Reports, or Legal Actions with Individuals — only
 - Must be arranged with Adjutant and Commander in advance of E-Board Meeting
- ❑ Other Comments —
 - Post 291 Family
 - Staff meetings
 - Organization chart w/detail
 - Chain of Command

Affiliates and Programs Reports:

- ❑ Auxiliary Unit 291 – Kendall Madson, 1st Vice – Past President and National Officer, Girls Nation – The Auxiliary organizes 4th of July Make-A-Wish this year with 210 attendees (all in order). There is a wine tasting event on July 18 with cost of \$25 (\$10 without wine). Summer is slow time.
- ❑ SAL Squadron 291 – Jeff Godfredson – Jeff reports a strong start to the year. Started formal donation coordination with a committee. So far, the SALs have donated over \$35,000. All going to directly benefit veterans. The SAL are also getting better organized for fund raising with a goal of collecting \$100,000. Jeff reports membership met goal of 1,487. He also spoke about the Flag Day event. SAL Squadron 291 will be the largest squadron.

Commander - Introductions:

- ❑ Reminders
 - Board Member duties and responsibilities
 - Follow Bylaws
 - Document purpose
 - Constitution – Who we are
 - Bylaws – What we do
 - Board make up
- ❑ Proposed Appointments - E-Board Officers
 - Adjutant Mike Berdine
 - Judge Advocate Tony Melum
 - Service Officer Chase Wickersham

- Proposed Appointments - Standing Committees
 - Finance
 - Bob Wine, Finance Officer, Chair
 - Mike Berdine, Adjutant
 - Tony Melum, Judge Advocate
 - Jim Updike
 - Bob Carolan
 - Dan Ferrari
 - Jon Reynolds, Ex Officio
 - Judicial
 - Tony Melum, JA, Chair
 - Bill Badenoch
 - Jim DeClerck
 - Bob Gaido
 - Doug Green
 - Burt McChesney
 - House
 - Mike Berdine, Adjutant, Chair
 - Bob Wine, Finance Officer
 - John Lindgren
 - Jim Updike
 - Nick Giordano
 - Eric Schroeder
 - Doug Nye
 - Jon Reynolds, Ex Officio
 - SAL
 - Bob Brennan, 1st Vice, Chair
 - Anthony Morales, 2nd Vice
 - Brian Fleming, Honor Guard
 - Nick Giordano, MaL
- Proposed Appointments Other Committees
 - Donations
 - Chase Wickersham, Chair
 - Ken Wilson, Chaplain
 - Nick Giordano, MaL, Post 291
 - Cory Vigil, Post 291
 - Gary Barnhill, Post 291
 - Debbie Schubert, Aux 291, Pres
 - Erica Linden, Aux 291
 - Tim Sullivan, SAL 291, Cmdr
 - John Long SAL 291
 - Bill Badenoch, ALYC
 - Bob Duff, ALYC
 - Audit
 - Sverre Thomassen, Chair
 - Eric Schroeder
 - Chase Wickersham

- ❑ Proposed Appointments Other Committees (continued)
 - Yacht Club(s)
 - Angelina Garcia
 - Sverre Thomassen
 - Rich Reyna
 - Ken Wilson
 - Mike Berdine
 - Bob Wine
 - Jim Updike
- ❑ Proposed Bank Signatories and Check Signers
 - Jon Reynolds Commander
 - Bob Wine Finance Officer
 - Mike Berdine Adjutant
 - Bob Brennan First Vice Commander
 - Jim Updike Third Vice Commander

Minutes Approval

- ❑ All Board members received copies of the June 6 Executive Board Minutes (amended)
 - The Commander asked for a motion to waive the reading of the Executive Board Minutes
 - The motion was approved.

Committee Reports

- ❑ No report for the following committees
 - Finance, House, Sons, Donations (first meeting July 11), Audit
- ❑ Judicial – Closed session
- ❑ 4th of July – Mike Berdine
 - Late start but going well
 - Credit to Auxiliary and SAL
 - Good volunteer base

OFFICERS' REPORTS

Commander – Jon Reynolds

The Commander delivered a letter July 1 to ALYC Commodore Bruce Batcheller asking how the American Legion Yacht Club will comply with the “Five Rules” (Attachment 1).

Adjutant – Mike Berdine

The Adjutant reported receipt of a letter from ALYC Commander (sic) Bruce Batcheller describing how ALYC will comply with the “Five Rules.” Adjutant Berdine read the attached letter, Motion Passed at Special ALYC Board Meeting June 13, 2019 and Officers and Directors (From ALYC Officers and Directors – 2019)- (Attachment 2 with attachments).

1ST VICE COMMANDER – Bob Brennen– Membership

The 1st Vice reports 100% completion in 2018/2019, will set same goal for 2019/2020 with focus on younger new members.

2ND VICE COMMANDER – Speaking about upcoming events and bands.

2nd Vice says 4th of July planning has been a challenge because of short notice. Donations are coming in slowly.

3RD VICE COMMANDER – Speaking on Americanism, youth and children, Boys State, and the Oratorical Contest.

No report.

JR. PAST COMMANDER

No report

FINANCE OFFICER – Speaking on Post operations.

Finance Officer Wine says he has yet to receive latest reports (June to date). He also reports he has been added as a signatory on ALYC accounts. He also has been working with Paul Meyer on 4th of July planning. Bob Wine commended Paul for being very helpful during the transition.

HISTORIAN – Speaking on the pictorial history of the Post.

Historian Frauenzimmer asked where to take pictures during the 4th of July. The suggestion is to roam the grounds.

SERGEANT AT ARMS –

No report

CHAPLAIN – Speaking on the spiritual welfare of Post members.

Ken Wilson supplied a quick update. 24 Post deaths since within two weeks. Ken tries to contact the families of all the deceased members.

SERVICE OFFICER – Speaking on the Post 291 veteran's assistance programs.

Chase Wickersham said committee has been formed and will meet July 11th.

MEMBERS AT LARGE –

No reports or comments.

JUDGE ADVOCATE – Speaking on the Post's Constitution, Bylaws, and Rules and Regulations.

Judge Advocate Tony Melum's report is about the termination of ALYC as a program of the Post.

Background

At the request of the Post 291 Commander, and in accordance with the duties assigned to the Judge Advocate in Article 8.2.2. of the Post 291 Bylaws to "advise the Post Commander on the interpretation or modifications of the Post's Constitution, Bylaws, and Rules and Regulations," I have analyzed the motion adopted by the E-Board at its meeting on Thursday 6 December 2018 to "terminate" the American Legion Yacht Club as a Program of Post 291.

Findings

My observations and findings from this analysis are:

1. Post 291 Constitution, Article VIII, clearly states that: "This Post recognizes The American Legion Yacht Club (ALYC) as a program of Post 291."

ARTICLE VIII American Legion Yacht Club

This Post recognizes The American Legion Yacht Club (ALYC) as a program of Post 291. ALYC operates under the sponsorship and jurisdiction of Post 291; therefore its financial data is included in the annual Post audit.

2. Post 291 Bylaws, Article 5.1., clearly states that: “The American Legion Yacht Club (ALYC) is a program of Post 291.”

5 ARTICLE 5 – American Legion Yacht Club
5.1. Affiliation to the Post - The American Legion Yacht Club (ALYC) is a program of Post 291. ALYC operates under the sponsorship and jurisdiction of Post 291 and is subject to the rules and regulations of Post 291. The purpose of this club is to encourage activities such as yacht racing and cruising and to promote the science of, seamanship and navigation. ALYC is permitted flexibility in planning its organization, activities, recreational and education programs for the needs of its own membership.
Revised 3 May 2009 Post 291 Bylaws Page 7 of 20

Post 291 Bylaws
5.2. Rules, Regulations, Policies, and Procedures – The American Legion Yacht Club (ALYC) is self-governing with their own Bylaws. In the event there is a fundamental difference or conflict between the Constitution, Bylaws, Rules and Regulations of Post 291 and ALYC policies the Post 291 governing policies shall supersede.

3. Post 291 Bylaws, Article 13.2., clearly states that: “Robert’s Rules of Order, revised, shall govern the conduct of all meetings except as may be otherwise provided in these Bylaws.”

13.2. Robert’s Rules - Robert’s Rules of Order, revised, shall govern the conduct of all meetings except as may be otherwise provided in these Bylaws.

4. California Corporations Code: Title 1, Corporations; Division 2, Nonprofit Corporation Law; Part 3, Nonprofit Mutual Benefit Corporations; Chapter 1, Organization and Bylaws; Article 5, Bylaws; Section 7150; Subdivision (a) (1): States that a board cannot adopt, amend, or repeal bylaws if it would:
“Materially and adversely affect the rights of members as to voting, dissolution, redemption ...”
5. *Robert’s Rules of Order*, Newly Revised, 10th Edition, Da Capo Press, 2000. Chapter X. Renewal of Motions; Dilatory and Improper Motions.; Section 39. Improper Motions, page 332, lines 15-18, clearly states:
Motions that conflict with the corporate charter, constitution, or bylaws of a society, or with procedural rules prescribed by national, state, or local laws, are out of order, and if any motion of this kind is adopted, it is null and void.

Conclusions

My conclusions from this analysis are:

1. The motion adopted by the E-Board at its meeting on Thursday 6 December 2018 to “terminate” the American Legion Yacht Club as a Program of Post 291 is null and void.
2. The American Legion Yacht Club, therefore, has never been terminated as a program of Post 291 and continues to be a program of Post 291.

Recommendations

My recommendations are:

1. Based on the findings and conclusions, the Post 291 E-Board should acknowledge the motion adopted on Thursday 6 December 2018 to “terminate” the American Legion Yacht Club as a Program of Post 291 is null and void and that the motion should immediately be vacated.
2. Post 291 Executive Board should reaffirm that the American Legion Yacht Club is a program of Post 291.

UNFINISHED BUSINESS

Nothing to report.

NEW BUSINESS

The Commander mentioned the July 13 Calendar Meeting at 10:00am and the Annual WWII and Korean War Veteran Luncheon planned for August 15.

The next agenda item was the approval of Standing Committees

1. A motion was made to approve the following membership structure of the Finance Committee - Bob Wine, Finance Officer, Chair, Mike Berdine, Adjutant, Tony Melum, Judge Advocate, Jim Updike, Bob Carolan, Dan Ferrari, Jon Reynolds, Ex Officio
M/S/C – A motion was made and approved to accept the above Finance Committee
2. A motion was made to approve the following membership structure of the House Committee - Mike Berdine, Adjutant, Chair, Bob Wine, Finance Officer, John Lindgren, Jim Updike, Nick Giordano, Eric Schroeder, Doug Nye, Jon Reynolds, Ex Officio
M/S/C – A motion was made and approved to accept the above House Committee
3. A motion was made to approve the following membership structure of the Judicial Committee - Tony Melum, JA, Chair, Bill Badenoch, Jim DeClerck, Bob Gaido, Doug Green, Burt McChesney
M/S/C – A motion was made and approved to accept the above Judicial Committee
4. A motion was made to approve the following membership structure of the SAL Committee - Bob Brennan, 1st Vice, Chair, Anthony Morales, 2nd Vice, Brian Fleming, Honor Guard, Nick Giordano, MaL
M/S/C – A motion was made and approved to accept the above SAL Committee

The Commander noted that Service Officer Chase Wickersham created a Donations and Veterans Assistance Committee. A motion was made to approve the following membership in the committee - Chase Wickersham, Chair, Ken Wilson, Chaplain, Nick Giordano, MaL, Post 291, Cory Vigil, Post 291, Gary Barnhill, Post 291, Debbie Schubert, Aux 291, Pres, Erica Linden, Aux 291, Tim Sullivan, SAL 291, Cmdr, John Long SAL 291
M/S/C – A motion was made and approved to accept the above Donations and Veterans Assistance Committee

Commander Reynolds also established an Audit Committee with the following members - Sverre Thomassen, Chair, Eric Schroeder, Chase Wickersham
M/S/C – A motion was made and approved to accept the above Audit Committee

Commander Reynolds then announced a committee to deal with the yacht club controversy with the following members - Angelina Garcia, Sverre Thomassen, Rich Reyna, Ken Wilson, Mike Berdine, Bob Wine, Jim Updike
M/S/C – A motion was made and approved to accept the above Yacht Club Committee

The need for maintaining a politically non-partisan Post was discussed. OD and “blue badge” responsibilities
M/S/C – A motion was made and approved to send a communication out to membership that the American Legion is apolitical and that political campaigning is not allowed on the Post.

At approximately 1915, Bob Brennen was excused from the meeting.

A motion was made to approve the following Bank Signatories - Jon Reynolds, Commander, Bob Wine, Finance Officer, Mike Berdine, Adjutant, Bob Brennan, First Vice Commander, Jim Updike, Third Vice Commander
M/S/C – A motion was made and approved to accept the above Bank Signatories

The following motion was made:

WHEREAS, the Post 291 Constitution, in Article VIII thereof, clearly states that: “This Post recognizes The American Legion Yacht Club (ALYC) as a program of Post 291;” and
WHEREAS, the Post 291 Bylaws, in Article 5.1., clearly state that: “The American Legion Yacht Club (ALYC) is a program of Post 291;” and

WHEREAS, the Post 291 Bylaws, in Article 13.2., clearly state that: "Robert's Rules of Order, revised, shall govern the conduct of all meetings except as may be otherwise provided in these Bylaws;" and

WHEREAS, the California Corporations Code: Title 1, Corporations; Division 2, Nonprofit Corporation Law; Part 3, Nonprofit Mutual Benefit Corporations; Chapter 1, Organization and Bylaws; Article 5, Bylaws; Section 7150; Subdivision (a) (1): States that a board cannot adopt, amend, or repeal bylaws if it would:

"Materially and adversely affect the rights of members as to voting, dissolution, redemption ..." and

WHEREAS, *Robert's Rules of Order*, Newly Revised, 11th Edition, Da Capo Press, 2011. Chapter X. Renewal of Motions; Dilatory and Improper Motions.; Section 39. Improper Motions, page 343, lines 14-17, clearly states:

Motions that conflict with the corporate charter, constitution, or bylaws of a society, or with procedural rules prescribed by national, state, or local laws, are out of order, and if any motion of this kind is adopted, it is null and void.

NOW, THEREFORE, be it RESOLVED, that the motion adopted by the Post 291 Executive Board on Thursday 6 December 2018 "to terminate the current American Legion Yacht Club program for their refusal to follow and otherwise comply with the National Commander's "5 Rules" effective December 6, 2018" conflicts with Post 291 Constitution Article VIII and with Post 291 Bylaws Article 5.1. and is, therefore, null and void and is vacated; and

RESOLVED, that the American Legion Yacht Club is not and has not been terminated as a program of Post 291; and

RESOLVED, that on this date of Tuesday 2 July 2019, the Executive Board of Newport Harbor Post 291 of The American Legion confirms that, under Post 291 Constitution Article VIII and under Post 291 Bylaws Article 5.1., the American Legion Yacht Club is a program of Post 291; and

RESOLVED, that the current Post 291 Constitution and Post 291 Bylaws dated 3 May 2009 are valid and clearly state that the American Legion Yacht Club is a program of Post 291.

Discussion: A member (A) asked for the following to be read officially into the minutes: "If you go through with this motion and vote on this, those of you who are members of the American Yacht Club Board must recuse yourself (sic) from voting. You do not have the ability to do that. You are breaking the law if you do." Another member (B) said "There is no member here – a member of the American Legion Yacht Club Board. None." Member A then said "OK. Nobody on this board is a member of the American Legion Yacht Club?" Member B then said "That is not what you said." Member A then stated "Any member of this board that is voting must recuse themselves (sic) from voting on this issue if they are also a member of the American Legion Yacht Club."

M/S/C – A motion was made and approved to accept the above motion to vacate the 6 December 2018 termination of the American Legion Yacht Club as a program of Post 291 by a seven to five vote.

The following motion was made:

I move that the Post 291 Executive Board approve that the American Legion Yacht Club is in full compliance with the Five Rules from National American Legion.

M/S/C – A motion was made and approved to accept the above motion that the American Legion Yacht Club is in compliance with the "Five Rules" from National American Legion by a seven to five vote.

The following motion was made:

I move that the Post 291 Executive Board approve the American Legion Yacht Club 2019 Officers and Directors.

M/S/C – A motion was made and approved to accept the above motion to approve the American Legion Yacht Club 2019 Officers and Directors by a seven to five vote.

The following motion was made:

I move that the Post 291 Executive Board approve the American Legion Yacht Club 1967 Articles of Incorporation and the American Legion Yacht Club 2006 Bylaws.

M/S/C – A motion was made and approved to accept the above motion to approve the American Legion Yacht Club 1967 Articles of Incorporation and the American Legion Yacht Club 2006 Bylaws by a seven to five vote.

The following motion was made:

I move the adoption of the following resolution:

WHEREAS, the American Legion Yacht Club has shown that it is in full compliance with the Five Rules from National American Legion,

NOW, THEREFORE, be it

RESOLVED, that the Suspension of the American Legion Yacht Club directed by the Post 291 Executive Board of Newport Harbor Post 291 of The American Legion at its meeting on Thursday 6 September 2018 is revoked, removed, and vacated; and

RESOLVED, that the American Legion Yacht Club is authorized to immediately resume activities on Post 291 property with full access to and use of American Legion Yacht Club assets, resources, and property; and

RESOLVED, that the American Legion Yacht Club may immediately and fully restore reciprocity with other yacht clubs; and

RESOLVED, that the American Legion Yacht Club may continue to operate with its current duly elected Board and Officers; and

RESOLVED, that the American Legion Yacht Club may continue to operate under its current Articles of Incorporation and Bylaws.

M/S/C – A motion was made and approved to accept the above motion to revoke, remove and vacate the 6 September 2018 suspension of the American Legion Yacht Club as a program of Post 291 and to restore normal operations per the above by a seven to five vote

The following motion was made:

I move that the forged copy of Post 291 Bylaws currently on the Post 291 website be immediately removed and replaced with the original document.

M/S/C – A motion was made and approved to accept the above motion to the Post 291 Bylaws on the Post 291 website and replace them with the original document by a seven to three vote with two abstentions.

GOOD OF THE LEGION

Commander Reynolds provided an overview of Post 291's relationship to layers of American Legion organization units at the national, state and district levels and spoke about the Post 291 Constitution and Bylaws defining the Post 291 Sons of the American Legion and the American Legion Yacht Club (ALYC) as programs of Post 291. The Executive Board does not have the authority change those relationships except through amendments to the Post 291 bylaws. The Post 291 Auxiliary is hosted by Post 291 as an affiliate. When people are elected to either the Post 291 Executive Board or to ALYC's Board then they become board members of a California Corporation. Post 291 Executive Board members must comply with both Post 291 Bylaws and California Corporation law.

The Commander announced a recess for 10 minutes at approximately 1945 hours

CLOSED SESSION: approximately 2000 hours.

The suspension of a Post 291 member was discussed. Judge Advocate Tony Melum presented a report from Judicial Committee.

A motion was made that the one-year suspension of the named Post 291 member imposed by the Executive Board at its meeting on Thursday 6 June 2019 be terminated immediately.

M/S/C – A motion was made and approved to remove the above noted suspension.

RETURNED TO OPEN SESSION: approximately 2004 hours.

M/S/C – A motion was made and approved to adjourn the meeting

ADJOURNED: approximately 2004 hours.

Monday 1 July 2019

Commodore Bruce Batcheller
American Legion Yacht Club
215 15th Street
Newport Beach, CA 92663-4556

Dear Commodore Batcheller:

As you're aware, Newport Harbor Post 291 of The American Legion has received additional rules that programs of American Legion Posts must comply with. Attached is a copy of the letter dated 10 April 2018 from American Legion National Adjutant Daniel S. Wheeler, attaching "Five Rules of Subsidiary Corporations or SAL and Riders or Semi Independent Programs."

Since the American Legion Yacht Club (ALYC) is a Program of Newport Harbor Post 291, please let me know as soon as possible how ALYC will comply with these Five Rules.

Sincerely,

Jon F. Reynolds
Commander
Newport Harbor Post 291 of The American Legion
215 15th Street
Newport Beach, CA 92663-4556

Attachment:

Letter dated 10 April 2018 from American Legion National Adjutant Daniel S. Wheeler.

American Legion Yacht Club

215 15th Street
Newport Beach, CA 92663
(949) 673-5002
www.alyc.com



Tuesday 2 July 2019

Commander Jon Reynolds
Newport Harbor Post 291 of The American Legion
215 15th Street
Newport Beach, CA 92663-4556

Dear Commander Reynolds:

Thank you for your letter of Monday 1 July requesting how the American Legion Yacht Club (ALYC) will comply with the Five Rules from National American Legion.

At a special board meeting held on June 13, 2019, the American Legion Yacht Club Board approved implementation of the Five Rules for Post Programs that Post 291 received from National American Legion. Attached is a copy of the motion that was made, seconded, and approved by the ALYC Board. As noted in the motion, ALYC is already in compliance with most of the Five Rules.

To expedite implementation of the Five Rules, the Post 291 Finance Officer has been added as a signatory on ALYC financial institution accounts.

ALYC will also include a financial report with the regular ALYC report at monthly E-Board meetings. Please note any ALYC member always has access to current ALYC financial statement by logging in to the members portal at alyc.com.

Attached are copies of the ALYC Articles of Incorporation (dated 17 January 1967) and Bylaws (dated 6 August 2006). Since ALYC has been in existence and has been operating satisfactorily for 52 years — and was formed entirely by Post 291 members — approval of the ALYC Articles of Incorporation and its Bylaws by Post 291 is implicit. Additionally, the current ALYC 2006 Bylaws were presented to the Post 291 Commander following approval by the ALYC Membership, and there were no comments nor objections to these Bylaws by the Post 291 Commander at that time. Further, there is nothing in the current ALYC Articles of Incorporation and current ALYC Bylaws that conflicts with the Five Rules directed by National American Legion, nor is there anything in the current ALYC Articles of Incorporation and current ALYC Bylaws that conflicts with Post 291 Articles of Incorporation, Post 291 Constitution, Post 291 Bylaws, and Post 291 Rules, Regulations, and Policies.

Although ALYC is in the process of modifying and updating its bylaws, this motion by the ALYC Board fulfills the immediate requirement for compliance with the Five Rules from National American Legion. The new ALYC Bylaws will provide for recurring and continuing compliance with the Five Rules, and these bylaws will be presented to the Post 291 Executive Board for approval upon their completion.

American Legion Yacht Club

215 15th Street
Newport Beach, CA 92663
(949) 673-5002
www.alyc.com



All these actions should fully satisfy the Five Rules received from National American Legion. Therefore, request your acknowledgement that these actions constitute full compliance with the Five Rules for Post Programs that Post 291 received from National American Legion.

And, it is requested that now with the completion of all these actions described above, the suspension of ALYC activities from Post 291 property stated in Commander Nye's letter dated Thursday 6 September 2018 will be revoked and removed.

Sincerely,

A handwritten signature in black ink that reads "Bruce J. Batcheller".

Bruce Batcheller
Commodore
American Legion Yacht Club

Attachments:

1. Motion Passed at ALYC Special Board Meeting on Thursday 13 June 2019.
2. List of ALYC Elected Officers and Directors for 2019.
3. Copy of ALYC Articles of Incorporation, State of California, 17 January 1967, Corporation Number C0520975.
4. Copy of ALYC Bylaws, 6 August 2006.

Motion Passed at Regular Special ALYC Board Meeting on Thursday 13 June 2019

I move that:

ALYC implement the “Five Rules of Subsidiary Corporations or SAL and Riders or Semi Independent Programs” received from National American Legion as noted.

Rule 1. All officers, directors, trustees, etc. must be named by the Post.

ALYC is and has been already in compliance.

All Officers and Directors of ALYC are, in fact (and must be, as directed by ALYC Bylaws), members of Post 291. Since, according to the first sentence of Post 291 Bylaws Section 5.2., Rules, Regulations, Policies, and Procedures, that states: “The American Legion Yacht Club (ALYC) is self-governing with their own Bylaws,” ALYC Officers and Directors are nominated and elected internally (by ALYC Flag Members, i.e., ALYC members who are Post 291 members), then ”approved / ratified / endorsed” by the Post 291 Executive Board.

Rule 2. All vacancies in the subsidiary corporation must be filled by the Post.

ALYC is and has been already in compliance.

Although the ALYC corporation is not a subsidiary corporation, ALYC is similarly in compliance with this rule as with Rule 1. Since ALYC is a “self-governing” program of Post 291, vacancies in the ALYC Board or Officer positions are nominated and elected internally (by ALYC Flag Members, i.e., ALYC members who are Post 291 members), then ”approved / ratified / endorsed” by the Post 291 Executive Board.

Rule 3. The subsidiary corporation must report to the Post, no less frequently than monthly. These reports must include financial reports.

ALYC is and has been in compliance, and will ensure financial reports are included in its monthly reports to the Post 291 Executive Board.

Again, although the ALYC corporation is not a subsidiary corporation, ALYC conducts monthly reporting to the Post at its monthly ALYC Board meeting, since all members of the ALYC Board are Post 291 members; and financial reports are provided at those meetings. In addition, the ALYC Commodore (or other ALYC Officer) attends each monthly Post Executive Board meeting and provides a report to the Executive Board. **Financial reports will be included in all future ALYC reports at the monthly Executive Board meetings.**

Rule 4. The Post Treasurer or Finance Officer or Post fiscal officer must be a signatory on all accounts.

ALYC has completed this task by adding the Post 291 Finance Officer as a signatory to ALYC financial institution accounts.

Rule 5. All amendments to articles of incorporation or bylaws must be approved by the Post. (If current text has not been approved by the Post, it too must be so approved.)

ALYC is and has been already in compliance.

Since ALYC has been in existence and has been operating satisfactorily for 52 years — and was formed entirely by Post 291 members — approval of the ALYC Articles of Incorporation and its Bylaws by Post 291 is implicit. Moreover, the current ALYC 2006 Bylaws were presented to the Post 291 Commander following approval by the ALYC Membership; and there were no comments nor objections to these Bylaws by the Post 291 Commander at that time.

Further, there is nothing in the current ALYC Articles of Incorporation and current ALYC 2006 Bylaws that conflicts with the Five Rules directed by National American Legion, nor is there anything in the current ALYC Articles of Incorporation and current ALYC 2006 Bylaws that conflicts with Post 291 Articles of Incorporation and Post 291 Bylaws.

American Legion Yacht Club – Officers & Directors – 2019

Name	Email	Phone
Commodore: Bruce Batcheller	bbatcheller@mac.com	Home: - - - - -
	commodore@alyc.com	Cell: 949-235-2875
Vice Commodore: Angelina Garcia	linadiver.27@gmail.com	Home: - - - - -
	vicecommodore@alyc.com	Cell: 949-300-5519
Rear Commodore: George Rappard	grappardlamis@gmail.com	Home:
	rearcommodore@alyc.com	Cell: 424-522-3922
Fleet Captain: Dan Paracchini	odsailor68@gmail.com	Home: - - - - -
	fleetcaptain@alyc.com	Cell: 562-858-0831
Port Captain: Larry Furiani	lfuriani@gmail.com	Home: - - - - -
	portcaptain@alyc.com	Cell: 714-920-8083
Jr. Staff Commodore: Douglas Green	dgreen92807@gmail.com	Home: 714-921-3093
	jrstaffcommodore@alyc.com	Cell: 949-394-6768
Secretary and Treasurer: Sverre Thomassen	sverrej1@cox.net	Home: 714-730-5123
	judgeadvocate@alyc.com	Cell: 714-904-2194
Director and Judge Advocate: Tom Lorenz	webetv@socal.rr.com	Home: 714-801-8664
	secretary@alyc.com	Cell: 714-968-4393
Director and Chaplain: Steve Sawdon	sailing7777@gmail.com	Home: - - - - -
	director1@alyc.com	Cell: 949-279-6262
Director and Veteran Outreach Chair: Bill Badenoch	webadenoch@gmail.com	Home: - - - - -
	director2@alyc.com	Cell: 714-907-6719
Director: Bob Duff	Bob.Duff@icloud.com	Home: - - - - -
	director3@alyc.com	Cell: 949- 241-9230

State of California



SECRETARY OF STATE

I, *Kevin Shelley*, Secretary of State of the State of California, hereby certify:

That the attached transcript of 4 page(s) was prepared by and in this office from the record on file, of which it purports to be a copy, and that it is full, true and correct.

IN WITNESS WHEREOF, I execute this certificate and affix the Great Seal of the State of California this day of

JUN 19 2003

Kevin Shelley
Secretary of State



520975

FILED

In the office of the Secretary of State
of the State of California

JAN 7 1967

FRANK M. TOLSON, Secretary of State

Deputy

ARTICLES OF INCORPORATION

of

THE AMERICAN LEGION YACHT CLUB, INC.

A Non-Profit Corporation

FIRST: The name of this corporation shall be THE
AMERICAN LEGION YACHT CLUB, INC.

SECOND: This corporation is organized NOT for profit
and the objects and purposes to be transacted and carried on are
to bring together those persons who are interested in boating and
yachting in order to further and promote the sport and sportsman-
like conduct of those interested in the sport.

THIRD: The corporation shall be non-stock and no divi-
dends or pecuniary profits shall be declared or paid to the members
thereof.

FOURTH: This corporation is organized pursuant to the
General Nonprofit Corporation Law of the State of California.

FIFTH: The county in this State where the principal
office for the transaction of the business of this corporation is
located is Orange County.

SIXTH: The names and addresses of the persons who are
to act in the capacity of directors until the selection of their
successors are:

<u>Name</u>	<u>Address</u>
KENNETH W. COHN	2311 North Park Boulevard Santa Ana, California
WALLACE L. STEPHENS	3147 College Avenue Costa Mesa, California
RICHARD R. LAWTON	2213 South Diamond Street Santa Ana, California

SEVENTH: The authorized number and qualifications of
members of the corporation, the different classes of membership,
if any, the property, voting and other rights and privileges of

Restriction of right
to amend articles

No

yes

1 members, and their liability to dues and assessments and the
2 method of collection thereof, shall be as set forth in the Bylaws.

3 EIGHTH: This corporation is one which does not contem-
4 plate pecuniary gain or profit to the members thereof and it is or-
5 ganized solely for nonprofit purposes. Upon the winding up and
6 dissolution of this corporation, after paying or adequately pro-
7 viding for the debts and obligations of the corporation, the
8 remaining assets shall be distributed to a nonprofit fund, founda-
9 tion or corporation, which is organized and operated exclusively
10 for charitable, religious and/or scientific purposes and which has
11 established its tax-exempt status under Section 501(c) of the
12 Internal Revenue Code. If this corporation holds any assets on
13 trust, such assets shall be disposed of in such manner as may be
14 directed by decree of the superior court of the county in which this
15 corporation's principal office is located, upon petition therefor
16 by the Attorney General or by any person concerned in the liquida-
17 tion.

18 IN WITNESS WHEREOF, the undersigned, being the persons
19 hereinabove named as the first directors, have executed these
20 Articles of Incorporation, this 10th day of January, 1967.

21
22 Kenneth W. Cohn
23 KENNETH W. COHN, Incorporator

24 Wallace L. Stephens
25 WALLACE L. STEPHENS, Incorporator


26 Richard R. Lawton
27 RICHARD R. LAWTON, Incorporator

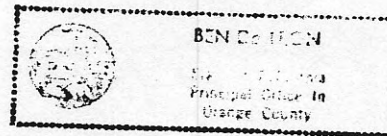
28 State of California)
County of Orange) ss.

29 On this 10th day of January, 1967, before me,
30 Basil Koni, a Notary Public for the State of California, with
31 principal office in Orange County, personally appeared KENNETH
32 W. COHN, WALLACE L. STEPHENS and RICHARD R. LAWTON, known to me

1 to be the persons whose names are subscribed to the within
2 Articles of Incorporation, and acknowledged to me that they executed
3 the same.

4 IN WITNESS WHEREOF, I have hereunto set my hand and
5 affixed my official seal on the day and year first above written.

6
7 
8 Notary Public



12 My Commission Expires Sept. 15, 1966
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JAN 17 1967



STATE OF CALIFORNIA

FRANCHISE TAX BOARD

1025 P STREET
SACRAMENTO, CALIFORNIA 95814

January 17, 1967

The American Legion Yacht Club, Inc.
215 West 15th Street
Newport Beach, California

Re: Exemption from franchise tax

Gentlemen:

It is the opinion of this office, based upon the evidence presented, that you are exempt from State franchise tax under the provisions of Section 23701g of the Revenue and Taxation Code, as it is shown that you are organized and operated exclusively as a social and recreational organization.

Accordingly, you will not be required to file franchise tax returns unless you change the character of your organization, the purposes for which you were organized, or your method of operation. You are required to report any such changes immediately to this office in order that their effect upon your exempt status may be determined.

If in any year your gross income exceeds \$25,000, you are required to file an information return on Form 199 on or before the 15th day of the 5th month following the close of your fiscal year. These forms will be mailed to you if you provide us with your current postal address.

If the organization is not yet incorporated or has not yet qualified to do business in California, this approval will expire unless incorporation or qualification is completed within thirty days.

Very truly yours,

Donald H. Reinholdt
Donald H. Reinholdt
Assistant Counsel

DHR:ef

cc: Secretary of State



BYLAWS
AMERICAN LEGION YACHT CLUB

Article I. NAME

The name of this corporation (hereinafter referred to as the "Club") is AMERICAN LEGION YACHT CLUB.

Article II. OFFICE

The office for the transaction of the business of the Club is located at 215 15th Street, Newport Beach, CA 92663.

Article III. PURPOSE

The purpose of this Club shall be to encourage yacht racing and cruising, to promote the science of seamanship and navigation and with the parent American Legion Newport Harbor Post 291 to provide a suitable clubhouse and marina for the education, recreational and social use of its members and families.

Article IV. BURGEE

The burgee of the Club shall be white triangle with a blue cross horizontally and vertically, with a solid red circle, surrounded by a concentric white circle, surrounded by a concentric red circle.

Article V. MEMBERSHIP

Section 1. Eligibility. All current members, in good standing, of the American Legion, the American Legion Auxiliary and Sons of the American Legion, shall be eligible for membership in the Club.

Section 2. Classes of Membership. Members of the Club shall consist of the following classes:

- 2.1 Flag Membership. A Flag Member must be a member of the parent organization, American Legion Newport Harbor Post 291. Flag Members retain the following:
 - a) The right to vote in the Club
 - b) The right to hold office in the Club
- 2.2 Membership (Member). Membership is open to the following: (Members do not have voting privileges or the right to hold office)
 - a) Members of the American Legion Auxiliary
 - b) Members of the Sons of the American Legion
 - c) All members of Posts of the American Legion other than Post 291
- 2.3 Honorary Membership. Any person whom the club shall wish to honor may, by a unanimous vote of the Board at a meeting which at least two-thirds of the Directors are present, be elected an Honorary Member, with all the rights and privileges of Members. An Honorary Membership shall continue only until 31 December unless the Board shall have reelected him or her.

- 2.4 **Staff Commodore.** Every member having served a full term as Commodore of the club shall receive the title of Staff Commodore.

Article VI. APPLICATION FOR MEMBERSHIP

Section 1. Application Form. All candidates for membership shall file a written Application:

- a) The Application Form shall be provided by the Club.
- b) Accompanying the Application Form must be a current legible copy of the prospective member's Membership Card in the American Legion, American Legion Auxiliary or Sons of the American Legion.
- c) All Application Fees and Dues must accompany the Application.
- d) The Application Form shall be filed with the Secretary of the Club.
- e) Application must be signed by 2 flag members.

Section 2. Membership Committee. The Chairman of the Membership Committee shall be the Rear Commodore:

- a) The Secretary shall present all Applications to the Membership Committee.
- b) The Membership Committee shall investigate all Applications for accuracy and validity.
- c) The Chairman of the Membership Committee shall present the application(s) to the Board of Directors at the next Board Meeting.

Section 3. Action by the Board of Directors. It shall be by the majority vote of the Board members present to accept or deny the Application. There must be a quorum present in order to have a vote.

Section 4. Notification. The Secretary or Membership Chairman shall notify the Applicant of the decision of the Board by sending the Applicant a current Club Membership Card if accepted or a denial notice and return of all Application Fees and Dues if the Applicant is denied membership.

Section 5. Denial. Reasons for denial of application shall be held in inviolate confidence of the Board of Directors. There is no appeal of denial; however, the applicant may re-apply after the lapse of at least one membership year.

Article VII. DUES AND FEES

Section 1. Determination. All Dues and Fees shall be fixed by the Board of Directors and made payable as the Board may prescribe.

Section 2. Suspension and Forfeiture. If any dues or indebtedness to the Club remain unpaid after 30 days from the due date, the member shall be subject to suspension from membership. If a member is suspended at the discretion of the Board of Directors, all privileges of the Club shall be suspended. If any unpaid dues or indebtedness remain after 90 days from the due date, the member shall forfeit all interest in the membership.

Section 3. Reinstatement. If a member has forfeited all interest in the membership, the member may apply as a new member at a later date.

Article VIII. TRANSFER OF MEMBERSHIP

Section 1. Transfer. Membership in the Club is nontransferable.

Section 2. Surviving Spouse. Upon the death of a member, the membership can not be transferred to a surviving spouse. The surviving spouse may attain membership as prescribed in Article V and by payment of dues as prescribed in Article VII.

Article IX. TERMINATION OF MEMBERSHIP

Section 1. Termination by Resignation. All resignations must be in writing and addressed to the Commodore

- a) The resignation must show the effective date which must be the current date or later but can not be retroactive.
- b) No additional dues or fees shall accrue to the member after the resignation is received by the Board.

Section 2. Termination Upon Death. Upon the death of a member, membership ceases.

Article X. DISCIPLINE

Section 1. Discipline by Parent Organization. If a member fails to remain in good standing by suspension or termination in:

- a) The American Legion
- b) The American Legion Auxiliary or
- c) The Sons of the American Legion

then the membership in the Club shall be suspended or terminated, respectively and automatically, in accordance with the Parent Organization.

Section 2. Discipline by the Club. Any member can be suspended or expelled by action of the Board of Directors for any action or misconduct by the member, which is injurious to the Club or any individual member or brings dishonor to the Club.

2.1 Charges. A complaint, in writing signed and dated, must be filed by a member with the Board of Directors, stating the circumstances, time, date, location and witnesses to the action or misconduct, where applicable:

- a) The Board shall investigate all the circumstances of the complaint.
- b) The Board shall determine if the complaint warrants disciplinary action.
- c) If disciplinary action is necessary, the Board shall furnish the accused member a copy of the complaint together with a copy of the current Bylaws, give a minimum 15 Day Notice (not to exceed 30 days) to appear before the Board for a Hearing stating date, time and place.

2.2 Hearing. The accused member shall have the following rights:

- a) Appear before the Board for the member's defense against the charges
- b) Not appear but file a written response to the charges
- c) Failure to appear or file a written response forfeits these rights

2.3 Resolution. At the conclusion of the Hearing, or any time extension necessary for the Board,

in closed session the Board shall render a judgment by a three fourths vote of the Board Members present as follows: (there must be a quorum to have a hearing)

- a) Find the member not guilty of all charges
- b) Find the member guilty and suspend the member from Club activities
- c) Find the member guilty and expel the member from the Club

2.4 Notification. The member shall be notified of the results of the hearing by written Notice.

2.5 Appeal. Any member found guilty by a vote of the Board and subject to suspension or expulsion has the right to appeal within 30 days of the date of the Notice as follows:

- a) Appeal to the General Membership through the Board, in writing, for final resolution
- b) Within two General Membership Meetings present the member's case for defense
- c) The Club Judge Advocate shall preside at this part of the Meeting and allow the Club's case to be presented
- d) The case shall be placed before the members present at the Meeting and, by a written Ballot, a simple majority shall determine to uphold the Board's decision or to vacate the Board's decision
- e) The decision at this General Membership Meeting shall be final and not subject to further appeal
- f) If the Board's decision is upheld, the associated Parent Organization of the member, the American Legion, American Legion Auxiliary or the Sons of the American Legion, must be notified immediately.

Article XI. BOARD

Section 1. Powers. The following are the General and Specific Powers for the management of the Club:

- 1.1 General Corporate Powers.** Subject to the provisions of the California law and any limitations in the Articles of Incorporation and these Bylaws relating to action required to be approved by the Flag members, the business and affairs of the Club shall be managed and all corporate powers shall be exercised by or under the direction of the Board of Directors. However,
 - a) No action shall be taken by the Board which conflicts with any vote of the Flag members.
 - b) In order to preserve the tax exempt status of the Club, neither the Board nor any member shall commit any act on behalf of the Club which is inconsistent with these Bylaws or the nonprofit purpose of the Club.
- 1.2 Specific Powers.** The Board shall oversee and control the Club's property, enforce the Club's Bylaws, establish rules and regulations for the preservation of order and select and remove all agents of the Club.

Section 2. Number, Qualification, and Election of Board. The Board is as follows:

- 2.1 Number.** The number of the Board shall be 12 including the Commodore, Vice Commodore, Rear Commodore, Fleet Captain, Port Captain, Jr. Staff Commodore and six Directors elected at large.

2.2 **Qualification.** All Board members must be Flag members.

2.3 **Election.** The Board shall be elected annually at the Club General Meeting in November each year and shall take office at the December Board Meeting.

Section 3. Quorum. A quorum to conduct business shall be a simple majority of the Board . If a quorum is not present, Staff Commodores present may sit as a Board member until a quorum is present. The order of Staff Commodores being seated shall be in order of seniority.

Section 4. Meetings. The Board shall meet prior to every General Meeting. Special meetings may be called as needed.

Section 5. Removal of Board members. Board members may be removed from office by a vote of the Flag members or by forfeiture as follows:

5.1 **By Flag Members.** At a Special Meeting, a two-thirds majority of the Flag Membership present shall be required to remove a Board member from office.

5.2 **By Forfeiture.** If a Board member is absent, without an excused leave given by the Commodore, for three Board Meetings during the calendar year, the Board member forfeits the seat and is removed from the Board at the discretion of the Board by a majority vote.

Section 6. Vacancies. Vacancies in the Board by death, resignation, removal, disqualification or any other cause shall be filled by a majority vote of the remaining Board.

Article XII. OFFICERS

Section 1. Officers. The officers of the Club shall be: Commodore, Vice Commodore, Rear Commodore, Secretary, Treasurer, Fleet Captain, Port Captain and Judge Advocate. All officers must be Flag members.

Section 2. Election of Officers and Directors. The Commodore, Vice Commodore, Rear Commodore, Fleet Captain, Port Captain and six directors shall be elected annually by the Flag membership at the Club General Meeting in November each year and shall take office at the December Executive Board Meeting. The Board shall elect a Secretary and a Treasurer from the Board at the December Board Meeting.

Section 3. Appointment of Officers. The Commodore shall appoint a Judge Advocate and a Chaplain from the Directors.

Section 4. Duties of Officers. The general duties of the officers of the Club are (but are not limited to):

4.1 **Commodore.** The Commodore is the chief executive officer of the Club. The Commodore shall, subject to the control of the Board , supervise, direct and control the business affairs and the officers of the Club. The Commodore shall take command of the fleet and preside at all General Meetings, Board Meetings and any other Meetings of the Club. The Commodore shall have such other powers and duties as may be prescribed by the Board or these Bylaws.

4.2 **Vice Commodore.** The Vice Commodore shall assist and be the executive officer of the Commodore. In the absence or disability of the Commodore, the Vice Commodore shall perform all the duties of the Commodore.

4.3 **Rear Commodore.** The Rear Commodore shall assist the Commodore and, in the absence or disability of the Commodore and Vice Commodore, shall perform the duties of Commodore.

4.4 **Fleet Captain.** The Fleet Captain shall supervise all racing, cruising and other fleet activities of the Club.

4.5 **Port Captain.** The Port Captain shall be responsible for the operation and maintenance of all

facilities and vessels under control of the Club including assigning slips and moorings.

4.6 Secretary. The duties of the Secretary include but are not limited to the following:

- a) To keep a true record of the minutes of all Board Meetings, General Meetings and any special meetings of the Board or membership
- b) To have custody of all reports, documents and communications of the Club
- c) To keep a roll of all members with dates of election to membership
- d) To notify members of their election to membership
- e) To give due notice of each Board Meeting
- f) To give due notice to the membership of each General Meeting
- g) To perform such other duties especially that of corporate Secretary

4.7 Treasurer. The duties of the Treasurer include but are not limited to the following:

- a) To have care, custody and control of all monies of the Club
- b) To maintain books of original entry including cash receipts, cash disbursements and inventory records
- c) To present to the Board and membership, periodic financial statements of a Balance Sheet and Income and Expense Statement at least once per year.
- d) To check for propriety and prepare all invoices for payment as approved by budget or the Board
- e) To adhere to the system of internal controls as approved by the Board
- f) To prepare and send Dues notices to the membership and report to the Board of the results thereof including dues in arrears
- g) To maintain a Fidelity Bond as authorized by the Board and maintain all other insurance policies as approved by the Board

4.8 Judge Advocate. The Judge Advocate shall interpret and offer an opinion of any legal matter concerning the Club, actions of the Board or these Bylaws.

Section 5. Removal of Officers. Any officer appointed by the Commodore may be removed by the Commodore or the Board. Any officer elected by the Board may be removed by the Board.

Section 6. Resignation of Officers. Any officer may resign at any time by giving written notice to the Board. The resignation shall take effect at the date of receipt of the notice or at a later date as specified in the letter of resignation.

Section 7. Vacancies in Office. Vacancies in any office by death, resignation, removal, disqualification or any other cause shall be filled in the manner as prescribed in these Bylaws.

Section 8. Multiple Offices. The offices of Secretary and Treasurer may be held by the same person.

Article XIII. ELECTIONS

Section 1. Elections. The Commodore, Vice Commodore, Rear Commodore, Fleet Captain, Port Captain and six Directors shall be elected annually. Board members shall be elected each year for one year only and their terms shall not be staggered.

Section 2. Nominating Committee. By 15 September, the Commodore shall appoint a Nominating Committee as follows:

- 2.1 The Committee. The Committee shall consist of five Flag members who are not seeking elected office in the Club, at least one shall be a Staff Commodore.
- 2.2 Nominations from the Committee. It is the duty of the Committee, by majority vote, to recommend Flag members for each elected office for the coming year.
- 2.3 Report. The Committee shall communicate its recommendations to the Secretary of the Club by its Report before the October General Membership Meeting.
- 2.4 Posting. The Secretary shall post the Committee Election Report on the Bulletin Board of the Club before the October General Meeting. The Secretary may also have the Report posted on the current Club Website and in the current issue of the Sea Breeze.
- 2.5 Nominations from the Floor. Nominations of Flag members may be made by Flag members from the floor. Nominations from the floor may be made at the October and/or the November General Meeting.
- 2.6 Elections. The date of the Annual Election of Board Members shall be the date of the November General Meeting.
 - a) All Flag members present, after due identification with the Secretary or Secretary designate, shall be eligible to vote. There shall be no votes by proxy.
 - b) Flag members shall vote on a ballot form prepared by the Secretary and shall vote for no more than one candidate for each office.
 - c) For each contested office, the candidate who receives the most votes for such office shall be elected to the office. If any office is not contested, the Commodore may direct the Secretary to cast one vote for the office after a unanimous motion is made and passed from the floor.

Article XIV. MEETINGS

Section 1. Meetings of Flag Membership. Meetings of the Flag Membership are the Annual Meeting, General Meetings and Special Meetings and all members may attend.

Section 2. Place and Conduct. All Meetings shall be held at the Club, 215 15th Street, Newport Beach, CA 92663, or at such other place as designated by the Board. If the Board designates another location, then the Board shall give the Flag members at least 10 days notice of such change. Robert's Rules of Order Newly Revised shall govern all Meetings as long as they are not inconsistent with these Bylaws and any special rules of order the Club may adopt.

Section 3. Annual Meeting. The Annual Meeting of the Club shall be the General Meeting of the Club held in January. This Meeting shall include the Installation of Board Members newly elected and any other business as may need to be conducted.

Section 4. General Meetings. General Meetings shall be held as designated by the Board.

Section 5. Special Meetings. Special Meetings may be called by the Commodore, the Board or by Flag members as follows:

- 5.1 When called by the Board, at least 10 days notice shall be given to the Flag members by the Secretary.
- 5.2 Special Meetings called by Flag members must be by Petition and must:
 - a) be signed by at least 25 Flag members.
 - b) specify in detail the purpose and business to come before the Meeting
 - c) consider only the business specified in the Petition at the Meeting
 - d) submitted to the Secretary in writing
 - e) allow for at least 30 days for the Meeting to be scheduled
 - f) not allow for proxy votes

Article XV. ACCOUNTS AND FUNDS

Section 1. Finance Committee. The entire Board shall constitute the Finance Committee. The Finance Committee shall:

- 1.1 Designate the banks or financial institutions wherein Club funds are deposited
- 1.2 Oversee the Clubs financial affairs
- 1.3 Designate the persons authorized to sign checks of the Club's bank accounts
- 1.4 Designate the persons authorized to control the Club's assets

Section 2. Budget. By the December Board Meeting, the Board shall secure from each Officer or Committee Chairperson, who is in charge of any Budget item, a report of an estimate of the income and expenses of said item for the year ended. This report shall be the basis for the Budget for the following year. The Treasurer shall present the budget at the January Board meeting.

Section 3. Appropriations. No appropriation shall be made and no debt incurred at any General Meeting without the consent of the Board. A Special Meeting may be called by Flag members for this purpose.

Section 4. Audit Committee. The Board shall annually appoint an Audit Committee as follows:

- 4.1 Consisting of three Flag members
- 4.2 To examine the records of the Treasurer
- 4.3 To report their findings to the Board
- 4.4 To examine the records of the Treasurer more than annually if requested by the Audit Committee

Article XVI. YACHT ROUTINE

Section 1. Yacht Routine. Yacht Routine, as prescribed by the Board, shall be the official rules of yachting etiquette of the Club.

Article XVII. COMMITTEES

Section 1. Standing Committees. Standing Committees are as follows:

- 1.1 Finance Committee

1.2 Membership Committee

Section 2. Special Committees. With the approval of the Board, the Commodore may appoint additional committees for the purpose of carrying out special assignments.

Article XVIII. AMENDMENTS

Section 1. Amendments. These Bylaws may be amended as follows:

- 1.1 At a General or Special Meeting
- 1.2 At least two-thirds of the Flag members present vote for the amendment
- 1.3 At least 30 days notice must be given to the Flag members
- 1.4 Any amendment shall be posted on the Club Bulletin Board and may be posted on the Club Website and in the current issue of the Sea Breeze

APPROVED BY THE FLAG MEMBERSHIP on Sunday AUGUST 06, 2006

COMMODORE: Adrian Bartlow
(Bart)

State of California
County of Orange
Subscribed and sworn to (or affirmed) before
me this 07th day of August, 2006.
by Adrian Andrew Bartlow
personally known to me or proved to me on
the basis of satisfactory evidence to be the
person(s) who appeared before me.

Diane Smith
Notary Public

