

**BYLAWS
OF
NEWPORT AQUATIC CENTER
A CALIFORNIA NON-PROFIT PUBLIC BENEFIT CORPORATION,
AS AMENDED**

**ARTICLE I
OFFICERS**

Section 1. **PRINCIPAL OFFICE.** The principal office for the transaction of activities and affairs of the corporations is located at number One Whitecliffs Drive, Newport Beach, in Orange County, California. The Board of Directors ("Board") may change the principal office from one location to another. Any change of location of principal office shall be noted by the secretary on these Bylaws opposite this section, where this section may be amended to state the new location.

**ARTICLE II
PURPOSES AND LIMITATIONS**

Section 1. **PURPOSE.** The purpose of this corporation is to promote the health, physical fitness and goodwill of the community through Olympic-style rowing, kayaking, and canoeing.

Section 2. **LIMITATIONS.** Because of the commitment of the Newport Aquatic Center to the benefit of the entire community through amateur, Olympic-style water sports, no action shall be taken by the Newport Aquatic Center or its Board of Directors that in any way discriminates against any portion of the community based upon race, color, creed, national origin, religion, political affiliation or sexual preference. Further, the Newport Aquatic Center shall not involve itself, nor allow any of its property to be used for political activity.

**ARTICLE III
MEMBERS**

Section 1. **CLASSES AND QUALIFICATIONS.** This corporation shall have several classes of members, as established by the Board of Directors ("Board") from time to time. Any person dedicated to the purposes of this corporation shall be eligible for membership upon timely payment of such dues and fees as the Board may fix from time to time.

Section 2. **DUES.** Each member must pay, within the time and on the conditions set by the Board, the dues, fees and assessments in amounts to be fixed from time to time

by the Board. The Board may, in its discretion, set different dues, fees, and assessments for each class of membership established by the Board.

Section 3. RIGHTS, PRIVILEGES AND LIMITATIONS. Members shall have those rights and privileges that are delineated in the Articles of Incorporation, these Bylaws, and as may from time to time be determined by the Board of Directors, with such distinctions between classes of members as shall be warranted. Members shall not vote for Directors, on proposed mergers, dissolution, disposition of all or substantially all of the assets of the Association, or on the amendment or repeal of the Bylaws.

Section 4. TERMINATION OF MEMBERSHIP. A membership shall be terminated on the occurrence of any of the following events:

- A. Resignation of the member;
- B. Expiration of the period of the membership, unless the membership is renewed on the renewal terms fixed by the Board;
- C. Failure of the member to pay dues, fees, or assessments as set by the Board within thirty days after they have become due and payable;
- D. Expulsion of a member under Article III, Section 5 of these Bylaws based on the good faith determination of the Board, or a committee or person authorized by the Board to make such a determination, that the member has failed in a material and serious degree to observe the rules of conduct for the corporation established by the Board, or has engaged in conduct material and seriously prejudicial to the purposes and interest of the corporation.
- E. Suspension of membership. A membership may be suspended under Article III, Section 5 of these Bylaws, based upon a good faith determination of the Board, or a committee or person authorized by the Board to make such a determination, that the member has failed in a material and serious degree to observe the corporation's rules of conduct, or has engaged in conduct materially and seriously prejudicial to the purposes of the interest of the corporation.
- F. Interim Suspension. Pending the hearing described in Article III, Section 5 a membership may be summarily suspended, based upon a good faith determination of the Board, or a committee or person authorized by the Board to make such a determination, that the member has failed in a material and serious degree to observe the corporation's rules of conduct, or has engaged in conduct materially and seriously prejudicial to the purposes in the interest of the corporation.
- G. A person whose membership is suspended pursuant to this section shall not be a member during the period of suspension.

Section 5. PROCEDURE FOR EXPULSION OR SUSPENSION. If grounds appear to exist for the expulsion or suspension of a member under Article III Section 4 D or E of these Bylaws, the procedure set forth below shall be followed:

- A. The member shall be given 15 days prior notice of the proposed expulsion or suspension and the reasons for the proposed expulsion or suspension. Notice shall

be given by any method reasonably calculated to provide actual notice. Any notice given by mail shall be sent by first class – Return Receipt Requested – to the members last address as shown on the corporation's records.

- B. The member shall be given an opportunity to be heard, either orally or in writing, at least five days before the effective date of the proposed expulsion or suspension. The hearing shall be held, or written statement considered, by the Board or by a committee or person authorized by the Board to determine whether expulsion or suspension should take place.
- C. The Board, committee or person shall decide whether or not the member should be suspended, expelled, or sanctioned in some other way. The decision of the Board, committee, or person shall be final.

ARTICLE IV DIRECTORS

Section 1. POWERS. Subject to the provisions and limitations of the California Non-Profit Public Benefit Corporation Law and any other applicable laws, and subject to the limitation of the Articles of Incorporation and Bylaws, the corporation's activities and affairs shall be managed, and all corporate powers shall be exercised, by or under the direction of the Board.

Section 2. SPECIFIC POWERS. Without prejudice to the general powers set forth in Article IV Section 1 of these Bylaws, but subject to the same limitations, the Directors shall have the power to:

- A. Appoint and remove, at the pleasure of the Board, all of the corporation's officers, agents, and employees; prescribe powers and duties for them that are consistent with the law, with the Articles of Incorporation, and with the Bylaws; and fix their compensation.
- B. Change the principal office or principal business office in California from one location to another.
- C. Establish classes of membership and a corresponding fee schedule for membership dues.
- D. Direct all of the financial matters faced by the corporation, including but not limited to borrowing money and incurring indebtedness on behalf of the corporation, except that any vote of the Directors to borrow money or incur indebtedness must be approved by at least 3/4ths of the Directors.
- E. Establish rule of conduct for the corporation and its members.

Section 3. NUMBER OF DIRECTORS. Board of Directors shall consist of at least 8 but no more than 20 Directors until changed by amendment to these Bylaws. The exact numbers of Directors shall be fixed, within those limits, by a resolution adopted by the Board of Directors. Qualifications for Directors are: (1) membership in good standing in

the Newport Aquatic Center; (2) A demonstrated, active interest in the health and welfare of the community through Olympic-style rowing, kayaking, and canoeing.

Section 4. ELECTION OF DIRECTORS. Directors, including the Chairman, shall be elected to the Board of Directors by written ballot of the Directors then in office.

Section 5. TERM. Each Director shall serve a term of three years. One-third of the active Directors shall be elected at each annual meeting of the members. The remaining two-thirds of the Board of Directors shall face reelection in the two successive years.

Section 6. VACANCIES ON THE BOARD. Vacancy or vacancies on the Board shall exist on the occurrence of the following: (a) Death or resignation of any Director; (b) The declaration by the resolution of the Board of a vacancy in the office of the Director who has been declared of unsound mind by an order of the court, convicted of a felony, been absent from four successive Board meetings, or found by final order of judgment of any court to have breached a duty under Article 3 of Chapter 2 of the California non-profit public benefit corporation law and (c) removal of a Director by the Board as is provided for herein.

Section 7. FILLING VACANCIES. Vacancies on the Board shall be filled by a majority of the Directors then in office.

Section 8. RESIGNATION AND REMOVAL. Any Director or the Chairman of the Board may resign from the Board of Directors at any time upon submitting a written resignation to the President. All such resignations shall be accepted. The Chairman or any Director may be removed from office, with or without cause, at any time upon a vote of two-thirds of the Directors then in office at a meeting of the Board called for the purpose of voting the removal of the Chairman or Director.

Section 9. MEETINGS. Regular meetings of the Board of Directors shall be at such a time and in such places as may be decided from time to time by the Board of Directors. The Board shall meet at least once every year. Special meetings of the Board may be called by the Chairman, or by any two Directors, and shall be held at a time and in a place to be determined by the Chairman in accordance with law. Any meeting may be closed by a majority vote of those present to exclude all but the Chairman, President, Members of the Board, and those considered necessary for the transaction of business by the Board.

Section 10. MEETINGS BY TELEPHONE. Any meeting may be held by conference telephone or similar communication equipment, as long as the Directors participating in the meeting can hear one another. All such Directors shall be deemed to be present in person at such meeting.

Section 11. NOTICE. Written notice of the time and place of any regular meeting of the Board or Directors shall be sent to each Director not less than thirty (30) days prior to the meeting. Notice of a special meeting shall be at least four (4) days in advance of the

meeting if sent by first class mail or 48 hours in advance if given by telephone. Such notice shall contain the agenda of the meeting and no other business shall be conducted. Attendance at a meeting by a Director shall constitute waiver of notice, unless the purpose of attending, stated in writing, is to protest lack of due and proper notice. A Director may also waive notice in writing.

Section 12. COMPENSATION. No Directors shall receive any compensation for his or her activities and service as a Director.

Section 13. QUORUM. Two thirds (66.33%) of the Directors then in office shall constitute a Quorum for the transaction of business, except to adjourn. Subject to the provisions of Article IV Section 2D, and Article IV, Section 16, every action taken or decision made by two thirds of the Directors present at a duly held meeting at which a Quorum is present shall be the act of the Board, subject to the more stringent provisions of the California Non-Profit Public Corporation Law existing from time to time.

Section 14. AGENDA. At any meeting of the Board, only those issues appearing on the agenda shall be discussed. An issue may be placed on the agenda by any Director who informs the Secretary in writing of the Director's wish to add an issue to the agenda at least on month preceding the meeting for which the agenda is being prepared. The agenda shall be mailed to the Directors at least three weeks preceding the meeting to which it pertains.

Section 15. WAIVER. The agenda requirements of Article IV, Section 14 can be waived by the Board by a vote of 3/4th of the Directors present at a meeting for which a quorum is present.

Section 16. BOARD ACTIONS REQUIRING A TWO THIRDS VOTE OF THE TOTAL NUMBER OF DIRECTORS.

Two thirds of the total number of Directors then in office shall be required concerning the following actions:

1. Dissolve the Corporation.
2. Changes to the Bylaws.
3. Commence litigation proceedings on behalf of the Corporation.
4. Changes to the authorized number of Directors, currently set at not less than 8 and not more than 20.
5. Employment decisions regarding the Executive Director.
6. Conflict of interest transactions.
7. Selling or transferring all, or substantially all, of the assets of the Corporation.
8. Approval of the budget for the Corporation for each upcoming year, to be approved in January of each year."

ARTICLE V OFFICERS

Section 1. APPOINTMENT. The officers and employees of the corporation shall be appointed by vote of the majority of the Board.

Section 2. REMOVAL OF OFFICERS. Without prejudice to any rights of an officer or employee under any contract of employment, any officer or employee may be removed with or without cause by the Board, or by any officer on whom the Board may confer that power of removal.

Section 3. PRESIDENT. The Board of Directors shall elect one of its members to act as president for a one year term. The president shall preside at Board meetings, and shall enjoy all such powers and duties as are conferred upon the President by the Board.

Section 4. SECRETARY. The Board of Directors shall elect one of its members to act as Secretary of the corporation for a one year term. The Secretary shall keep or cause to be kept, at the corporations principal office or such other place as the Board may direct, a book of minutes of meetings, proceedings, and actions of the Board and of committees of the Board. The minutes of the meetings shall include the time and place that the meeting was held, whether the meeting was annual, regular, or special, and, if special, how authorized, the notice given, and the names of those present at the Board and committee meetings. The Secretary shall keep or cause to be kept, at the principal office, a copy of the Articles of Incorporation and Bylaws, as amended to date.

Section 5. TREASURER. The Board of Directors shall elect one of its members to act as Treasurer for a one year term. The Treasurer of the corporation shall be the chief financial officer, responsible for the maintenance of adequate and correct books and accounts of the corporations properties and transactions. The Treasurer shall send or cause to be given to the Directors such financial statements and reports as are required to be given by law, by these Bylaws, or by the Board. The books of account shall be open to the inspection by any Director at all reasonable times.

ARTICLES VI INDEMNIFICATION

Section 1. RIGHT OF INDEMNITY. To the fullest extent permitted by law, this corporation shall indemnify its Directors, officers, employees, and other persons described in section 5238(a) of the California Corporation's Code, including persons formally occupying any such positions, against all expenses, judgment, fines, settlements and other amounts actually and reasonably incurred by them in connection with any "proceeding", as the term is used in that section, and including any action by or in the right of the corporation, by reason of the fact that the person is or was a person described

in that section. "Expenses" as used in this Bylaw, shall have the same meaning as section 5238(a) of the California Corporation Code.

Section 2. INSURANCE. The Corporation shall have the right to purchase and maintain insurance to the fullest extent permitted by law on behalf of its officers, Directors, employees, and other agents, against any liability asserted against or incurred by any officer, Director, employee, or agent in such capacity or arising out of the officers, Directors, employees or agents status as such.

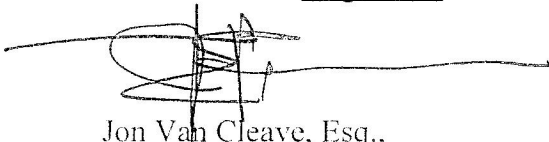
ARTICLE VII AMENDMENTS

AMENDMENTS BY THE BOARD. The Board may adopt, amend, or repeal Bylaws.

ARTICLE VIII CERTIFICATION OF THE SECRETARY

I certify that I am the duly elected and acting secretary of the Newport Aquatic Center, a California non-profit public benefit corporation, that the above Bylaws, consisting of seven pages, are Bylaws of this corporation as amended and adopted by the Board of Directors on August 20, 2014.

Executed as of August 20, 2014.



Jon Van Cleave, Esq.,
Secretary