

NORTHWEST YACHT BROKERS ASSOCIATION

Bylaws**ARTICLE I****Name****I**

The name of this organization shall be the NORTHWEST YACHT BROKERS ASSOCIATION (hereinafter referred to as the "association").

**ARTICLE II****Purposes****II****Section 1. THE PURPOSES OF THE ASSOCIATION ARE:**

- (1) To actively promote boating to the general public, via a diversity of activities that include, but are not limited to, putting on boat shows, clinics and seminars;
- (2) To define an organization that addresses the special needs of those involved in selling new and used yachts, and related marine activities;
- (3) To unite those engaged in the business of new and used yacht sales for the purpose of promoting cooperation and professionalism among its members;

- (4) To promote and maintain a high standard of conduct in the transacting of the yacht sales business;
- (5) To instill into the boating public a greater confidence in yacht brokers and dealers;
- (6) To encourage a greater interest in the welfare and safety of the boating public, through such endeavors as public education, lobbying efforts and cooperation with other organizations.



ARTICLE III

Interpretations



Section 1.

- (1) In these bylaws, unless the context otherwise requires:
 - (a) "Directors" means the directors of the society for the time being.
 - (b) "Act" means the society act of the state of Washington from time to time in force and all amendments to it.
- (2) The definitions in the act on the date these bylaws become effective apply to these bylaws.

Section 2. Words importing the singular include the plural and vice versa and words importing a male person include a female person and a corporation, unless the context otherwise requires.



ARTICLE IV

IV

Membership And Meetings

Section 1. There shall be eligible for membership herein any individual, partnership or corporation legitimately engaged and established in the practice of selling yachts, either new or used, or any individual, partnership or corporation legitimately engaged in a marine-related activity. Every member of this association who is legitimately engaged in selling yachts within the State of Washington shall hold a Washington vessel dealer's license as required by law, or shall be employed by or under contract to such a member. Every member of this association who is legitimately engaged in selling yachts outside the State of Washington shall be a member in good standing with all local and state licensing and regulatory authorities, or shall be employed by or under contract to such a member.

Section 2.

- (1) Application shall be made in writing, stating the address of the applicant. Said application shall contain a pledge of the applicant to abide by the yacht brokers' *Code of Ethics* and the *Bylaws* of this association and any amendments thereto.
- (2) The board of directors, after the objections are heard, shall pass upon the application for membership in the association by a two-thirds majority vote.

Section 3. There shall be four classifications of membership in this association: *individual, business, affiliate* and *honorary*. There shall be an individual membership for each eligible person actively engaged in selling yachts. There shall be a business membership when the individual holding the Washington's vessel dealer's license joins the association. One individual shall be designated the business representative. Each separate office of a business or partnership shall be required to make an application for business membership as if it were a separate entity. There shall be an affiliate membership for each individual involved in a marine-related activity but who is not actively engaged in the business of selling yachts. There shall be an honorary membership that may be accorded to former officers and members of the association by action of the board of directors.

Section 4. The current annual dues for membership in the association shall be established by the board of directors by majority vote, payable as the board of directors may determine and said directors may levy such additional assessments as they may from time to time deem necessary not in excess of the amount of the annual dues in any one year.

Section 5. Membership in the association shall not be transferable and a member's membership shall cease:

- (1) By delivering a resignation in the association;
- (2) On the death of the member, or in the case of a corporation or partnership on its dissolution;
- (3) On the suspension or expulsion of the member by action of the board of directors;
- (4) On a member's dues and/or assessments as may be levied not being paid within thirty days of billing.

Section 6.

- (1) The Board of Directors may admonish, reprimand, suspend or expel any member of the association, after due consideration. Grounds for such action are as follows:
 - (a) Having two or more unresolved disputes with other members of the association, with non-members from the yacht brokerage community or members of the public.
 - (b) Serious violation of the association Bylaws.
 - (c) Continued violation of the association Code of Ethics.
- (2) Charges under this section are to be brought by the Ethics Committee, which will forward in writing such cases as they deem appropriate to the Board of Directors for formal consideration and hearing. The board shall proceed as follows:
 - (a) The accused shall be notified in writing a minimum of (10) days prior to a hearing on such charges, at which time he or she may present witnesses and evidence on his or her behalf.
 - (b) At the sole discretion of the Board of Directors, members may be admonished, reprimanded, suspended or expelled from the

association by a three-fourths (3/4) vote of the board members present. Admonishment or reprimand can be public or private. Suspension or expulsion will be public.

- (c) If the charge is against a member of the Board of Directors, such accused shall have no right to vote thereon, and shall have no right to be present during the consideration of the charges. Such accused shall have all other rights as provided for in this section.
- (3) Cause for any action taken by the Board shall be deemed sufficient if the requisite members of the Board of Directors deem the action to be in the best interest of the association.

Section 7. The annual meeting of the association will be held in the month of October each year, at a time and place selected by the board of directors. Notice of said meeting stating the time and place thereof shall be given by mail at least 20 days prior to the meeting to each member at the address last furnished by him to the association. Twenty-five percent (25%) of the members of the association shall constitute a quorum but never less than three (3) persons.

Section 8. *Robert's Rules of Order* shall be the manual of procedures at all meetings of the members and the board of directors.

Section 9. Meetings of the association shall be confined to members and invited guests. Voting shall be by members present at the meeting, or by a write-in ballot. Each business and individual member in good standing shall have one vote at the meetings of this association. Affiliate members and honorary members shall not have any voting privileges at meetings of the association.

Section 10. The board of directors shall call a special meeting of members within ten days when requested in writing to do so by ten percent (10%) or more members of the association.



ARTICLE V

Officers, Board of Directors & Standing Committees



Section 1. The officers of the association include a president, a vice president, a secretary-treasurer, and the immediate past president.

Section 2. The affairs of the association shall be managed by a board of directors, ten in number, to include the president, the vice president, the secretary-treasurer, the immediate past president, and six others to be elected from the individual members or business members representatives. No firm or corporation shall have more than two representatives on the board of directors.

Section 2a. All officers and board of directors of the association must be voting members of the association.

Section 3. Each member of the board of directors shall have one vote.

Section 4. At all meetings of the board of directors five (5) members thereof shall constitute a quorum.



Section 5. The board of directors shall meet at least quarterly and at other such times as the president may call a meeting when requested to do so by a majority of the directors.

Section 6. The officers shall be elected for a term of one year at the annual meeting of the association.

Section 7. The board of directors shall be elected for a term of two years at the annual meeting of the association

Section 8. The immediate past president of the association shall serve on the board of directors for one year.

Section 9. The members may by special resolution remove any member of the board of directors before the expiration of his term of office, and may elect a successor to complete the term of office.

Section 10. The board of directors shall have made an annual accounting of all records and books of account of the association by a certified accountant.

Section 11. The directors may exercise all the powers and do all the acts and things that the association may exercise to do, and which are not by these bylaws or by statute or otherwise lawfully directed or required to be exercised or done by the members in general meeting but subject to:

- (1) All laws affecting the association;
- (2) These bylaws;
- (3) Rules made by the members in general meeting.

Section 12. The *president* shall

- (1) Preside at all meetings of the association and of the directors;
- (2) Act as the chief executive officer of the association and shall supervise the other officers in the execution of their duties.

Section 13. The *vice president* shall carry out the duties of the president during his absence.

Section 14. The *secretary-treasurer* shall

- (1) Conduct the correspondence of the association;
- (2) Issue notices of meetings of the association and directors;
- (3) Keep minutes of all meetings of the association and directors;
- (4) Have custody of all records and documents of the association;
- (5) Maintain the registry of members;

- (6) Keep the financial records, including books of account, necessary to comply with the act and;
- (7) Render financial statements to the directors, members and others when required.

Section 15. The president, or in his absence, the vice president, shall act as chairman of all board meetings. In the absence of both, the directors may elect one of their number to act as chairman.

Section 16.

- (1) In order to carry out the purposes of the association, the directors may, on behalf of and in the name of the association, raise or secure the payment or repayment of money in the manner they decide, and, in particular but without limiting the foregoing, to the issue of debentures;
- (2) No debenture shall be issued without the sanction of a special resolution;
- (3) The members may by special resolution restrict the borrowing powers of the directors, but a restriction imposed expires at the next annual general meeting.

Section 17. There shall be the following standing committees: bylaws committee, ethics committee; and nominating committee. All standing committees shall report, as needed, from time to time, to the board of directors. Membership of standing committees shall be by appointment by the board of directors. Other standing committees may be established by the board of directors as deemed fit for the purposes of carrying out the business of the association.

- (1) **BYLAWS COMMITTEE:** The bylaws committee shall consist of at least three members, not more than one of whom shall be a member of the board of directors. Duties shall be as follows:
 - (a) To review continually the bylaws of the association;
 - (b) To recommend appropriate changes to the board of directors.
- (2) **ETHICS COMMITTEE:** The ethics committee shall consist of at least five members, not more than one of whom shall be a member of the board of directors. Duties shall be as follows:

- (a) To hear disputes between members, informally, and to recommend solutions whenever possible. Members shall be free to contact individual members of the board of directors to discuss problems;
 - (b) To assist in setting up binding arbitration procedures when appropriate;
 - (c) To review continually the yacht broker's *Code of Ethics* and to recommend appropriate changes to the board of directors;
 - (d) To consider other such matters as bear on the ethics of the yacht brokerage profession, including review of complaints against brokers generally.
- (3) NOMINATING COMMITTEE:** The nominating committee shall consist of three members, not more than one of whom shall be a member of the board of directors. Duties shall be as follows:
- (a) Not less than one month prior to the annual meeting of each year, the nominating committee shall contact each member of the association to solicit nominations for offices;
 - (a1) All nominees must be voting members of the association to be eligible to hold office in the association.
 - (b) Not more than one month and not less than fifteen days prior to the annual meeting of each year, the committee shall report to the secretary-treasurer the names of members to be nominated for office at the forthcoming annual meeting and the offices for which they are to be nominated. The secretary-treasurer shall cause the names of those nominated to be mailed to the entire membership at least fifteen days prior to the annual meeting;
 - (c) No member whose name shall not have been reported as a candidate by the nominating committee shall be eligible for the election unless notice of intention to nominate that member at the annual meeting, stating the office for which the member is to be nominated and signed by not less than five members entitled to vote shall be given to the secretary-treasurer at least fifteen days prior to the annual meeting;
 - (d) At the discretion of the board of directors, nominations for officers for the current year may be made from the floor at the annual meeting, with elections carried by a majority vote of members in good standing in attendance.

Section 17a. All chairs of standing committees must be voting members of the association.

Section 18. Every director and every committee member shall be deemed to have assumed office or to have undertaken a committee position on the express understanding and agreement and condition that every director and every committee member, his heirs, executors and administrators, and estate, and effects shall from time to time and at all times, be indemnified and saved harmless out of the funds of the association from and against all costs, charges and expenses.



ARTICLE VI

Limitation

VI

The association is a non-profit organization. No part of any income of the association is payable to, or available for the personal benefit of any member.



ARTICLE VII

Records

VII

Section 1. The books and records of the association shall be in the custody of the secretary-treasurer and shall be kept at the registered office of the association or at such place designated by the board of directors.

Section 2. The books and records of the association may be inspected by any member at reasonable times on reasonable notice.



ARTICLE VIII

Amendments

VIII

Section 1. These bylaws may be amended at any regular or special meeting of the association by a three-fourths vote of those members in good standing who are in attendance, provided such amendment does not conflict with any provision of the constitution and provided also that the subject of the amendment has been contained in the notice of the meeting, which notice shall be mailed to every member of the association at least fourteen days prior to the meeting.

Section 2. These bylaws may be amended at any regular or special meeting of the board of directors by a three-fourths vote of those directors in good standing who are in attendance, provided such amendment does not conflict with any provision of the constitution and provided also that the subject of the amendment has been contained in the notice of the meeting.



ARTICLE IX

IX

Mediation And Binding Arbitration

When a dispute arises between members, and when a resolution is not readily amenable to all parties involved, the aggrieved members shall submit their cases as follows:

(1) MEDIATION:

- (a) Each aggrieved member shall select one other member at large from the membership of the association to represent him: these two members shall together agree on one other member. These three shall comprise the mediation committee for the dispute;
- (b) Each member shall submit a written statement of the case to the mediation committee;
- (c) Each member shall then appear in person for a hearing before the mediation committee;
- (d) The mediation committee shall render its decision, which may be rejected or accepted by either party. A written report of their decision shall be sent to the board of directors and to both parties.

(2) BINDING ARBITRATION: if the decision of the Mediation Committee is rejected by either party:

- (a) The dispute shall be submitted to binding arbitration;
- (b) All disputes are to be submitted to the American Arbitration Association for a final, binding decision;
- (c) By virtue of membership in this association, all members waive the right to proceed with any further action in the case of a dispute other than what is stated here.

