

BY- LAWS

OCEAN ISLANDERS SHAG CLUB

ARTICLE 1

PREAMBLE

Section 1. The name of the Corporation, Non-Profit 501C-7 tax exempt, is Ocean Islanders Shag Club, hereinafter referred to as OISC.

Section 2. The Principal Office of the Corporation is: 6583 Longwater Court SW, Ocean Isle Beach, NC. 28469.

Section 3. The purpose of the Corporation shall be, for the benefit of its members,: To promote and preserve the heritage of beach music and shag dancing; To educate and teach the art and history of shag dancing, To provide the opportunity to practice dancing techniques and skills; To communicate about beach music and shag dancing activities at OISC and other shag clubs in the local area; To contribute positively to the members' communities in ways that are defined and authorized by the Board of Directors and Officers (hereinafter referred to as Board).

Section 4. The Corporation shall be governed by the Board as further provided and defined in these By-Laws.

Section 5. Dissolution of the Corporation

Upon the dissolution of the Corporation, assets shall be distributed for one or more exempt purposes within the meaning of section 501(c)(3) of the Internal Revenue Code, or the corresponding section of any future federal tax code, or shall be distributed to the federal government, or to a state or local government, for a public purpose. Any such assets not so disposed of shall be disposed of by a Court of Competent Jurisdiction of the county in which the principal office of the corporation is then located, exclusively for such purposes or to such organization or organizations, as said Court shall determine, which are organized and operated exclusively for such purposes.

Section 6. Limitation of Activities

No part of the net earnings of the Corporation shall inure to the benefit of, or be distributable to its members, trustees, officers, or other private persons, except that the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in Section 3 hereof. No substantial part of the activities of the Corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the corporation shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of or in opposition to any candidate for public office.

Notwithstanding any other provision of these articles, the Corporation shall not

carry on any other activities not permitted to be carried on (a) by a corporation exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code, or the corresponding section of any future federal tax code, or (b) by a corporation, contributions to which are deductible under section 170(c)(2) of the Internal Revenue Code, or the corresponding section of any future federal tax code.

ARTICLE 2

MEMBERSHIP

Section I: Classification and Qualifications

- A. Membership in the Corporation is open to all people who have a desire to learn and to dance the Carolina Shag. It will be expected that they will promote the Carolina Shag, the music, and the lifestyle.
- B. Discrimination – Membership in the Corporation is open to all persons regardless of race, national origin, color, sex, religion or disability. A member must be twenty-one years of age or older.
- C. Classifications of Membership
 1. **Active Regular Members** – Active regular members in good standing are entitled to vote, to attend all Club functions, be elected to hold any office and serve on any committee within the Corporation. No classification of membership is transferable.
 2. **Affiliated Associate Member** - This membership status is conveyed to those persons who are full members in good standing of any Association of Carolina Shag Club (ACSC) member club other than OISC, who properly complete an application to become an Affiliated Associate Member (AAM) of OISC, have paid the proper annual fee for AAM status as defined by the OISC fee policy, and have been approved for AAM status by the OISC Board. AAM members acknowledge an interest in the Carolina Shag and the preservation of the dance, the music, and the lifestyle which OISC enjoys. An AAM membership entitles such member to admission to all OISC parties (without benefit of special OISC functions, unless approved and under conditions defined by the OISC Board), to attend OISC membership corporation meetings and engage in discussion during such meetings, to receive the OISC newsletter, and to upgrade membership status to a full OISC member status if desired once certain conditions are met. An AAM member, having attended five (5) or more paid events may upgrade to full OISC member based upon the OISC membership dues policy; otherwise, the cost of regular membership will be the cost at the time of upgrade. An AAM member has no voting rights and cannot hold an office in OISC.
 3. **Unaffiliated Associate Member** - This membership status is conveyed to those persons who acknowledge an interest in the Carolina Shag which Ocean Islanders Shag club (OISC) enjoys, who are not a full member of an Association of Carolina Shag Club (ACSC) member club, who properly complete an application to become an Unaffiliated Associate Member (UAM)

of OISC, who have paid the proper annual fee for UAM status as defined by the OISC fee policy, and who have been approved for UAM status by the OISC Board. A UAM membership entitles such member to admission to all OISC parties (without benefit of special OISC functions, unless approved and under conditions defined by the OISC Board), and to receive the OISC newsletter. UAM members shall not attend OISC membership corporation meetings, shall not have the right to vote on OISC corporation matters, and shall not hold an office in OISC.

- D. *Eligibility Requirement* - To be in good standing, all classifications of members wishing to join the Club shall complete the official application for that membership classification, and pay the required dues yearly, if and/or as appropriate for that classification. Members who renew their memberships and have an application on file with OISC, need only pay their required dues.
- E. The Board, at its discretion, may issue member identification cards.

ARTICLE 3

DUES

Section I: Membership Dues

- A. Payment of Dues – Dues for all classifications of members are to be paid annually, covering the period of membership from January 1st through December 30th, such being a fiscal year. The Board by a vote of two-thirds of its members shall establish a written policy and procedure for the purpose of establishing membership dues, the amount of such dues and payment of such dues. The policy shall be entitled “Membership Dues Policy” and upon such policy being adopted by the Board shall be incorporated herein by reference without any amendment action to the By-Laws.
- B. Member(s) shall be notified in writing (e-email, regular mail and/or notice in the newsletter) one month prior to the upcoming membership due date (the normal time for renewal each year), the date being the same for all members at the end of the fiscal year referred to in “A” of this Article.
- C. Transfer or Refunds of Dues – Dues shall not be transferable or refundable.
- D. The Board by a vote of two-thirds of its members present at the time of the vote shall have the power to alter the time for the annual renewal period. During such extension all board members, officers, and committees shall remain in office with full duties as prescribed.

Section II: Delinquency of Members

- A. Members shall be notified by email, written notice and/or telephone of delinquency in their membership dues. This notification shall follow the written notification in Section I, item “B”.

- B. A member whose dues are delinquent, as defined within the Membership Dues Policy, shall be removed from the active membership roster to an inactive membership roster after notice in Section I, item “B”, and the additional delinquency notification in Section II, item “A”.
- C. A delinquent member forfeits all rights, privileges and benefits of the Club and participation in activities of the Club as a member in good standing as it pertains to their level of membership.
- D. Any Regular member owing money to the Club for delinquent membership dues shall not be allowed to run for any office, vote on any proposals, propositions, by-laws or election.
- E. A delinquent member may rejoin and receive full membership in the Club and all privileges attached thereto upon payment of a regular membership annual fee of regardless of the date upon which the member rejoins the Club, if within the same fiscal operating year that delinquency occurs. If member wishes to rejoin in another operating year, then in addition to paying the normal annual dues, applicant must also complete and submit a membership application, and be approved by the Board.

Section III: Disciplinary Action: Censure, Suspension, or Expulsion

Any member may be censured, suspended or expelled from membership in the Club for good cause. For purposes of this Section, “good cause” shall include, without limitations, the following behavior at any club function, dance, or meeting of the Club or any other shag club: assaultive behavior against any person; disorderly conduct tending to promote a breach of the peace; open and notoriously illegal or grossly immoral public conduct; and any other personal conduct adverse to the best interests and purposes of the Club. The Board by a vote of two-thirds of its members shall establish written procedures for the purpose of disciplinary action as entitled in this section, which written policy shall be entitled, “Disciplinary Action of Members” and upon such policy being adopted by the Board shall be incorporated herein by reference without any amendment action to the By-Laws.

ARTICLE 4

BUSINESS MEETINGS OF MEMBERS

- Section 1. The members shall meet at least once a year, normally in January, in open meetings to transact business that has come before the Board. Other meetings may be called as deemed necessary by the Board. New Board members will be elected in the month of January, usually concurrent with the normal OISC January meeting.
- Section 2. Members will be notified by email, telephone, newsletter, and/or other electronic means as may be approved by the Board. No paper notices will be provided.
- Section 3. A Quorum at such meetings will consist of at least 10% of the registered members.
- Section 4. Motions made at the meetings may be dealt with at that time by the Board or tabled

until the next meeting to allow further research by the Board.

Section 5. An orderly parliamentary procedure will be utilized at these meetings similar to "Roberts Rules of Order".

Section 6. Valid proxies will be allowed if forms approved by the Board are used and signed by those who wish to use them. Proxy forms can be obtained from the Board. Each proxy will be counted only for the item in question during the meeting to vote, and must be received by the Board prior to or on the meeting date to be counted.

Section 7. The Board, at its discretion and at any time during the fiscal year, may elect to utilize with OISC members electronic/internet based voting applications in lieu of, or in addition to, in-person voting.

ARTICLE 5

BOARD OF DIRECTORS

Section 1. The business and affairs of the Corporation shall be managed by the Board.

Section 2. The Corporation shall have four (4) Board positions filling the offices of President, Vice President, Treasurer, and Secretary, and as many as two (2) Directors at Large who may serve in a number of different capacities as defined by the Board. At its discretion, the Board may elect to add, or reduce, the number of Board positions as long as the number is sufficient to meet the needs of the Corporation. All persons serving and/or running for a Board position must be members in good standing. It is allowable for members to nominate themselves.

Section 3. The Board is not required to meet at any set time, and may elect to meet at any time and as often as is necessary to properly handle the business of the Corporation. Meetings will typically be called and scheduled by the President in accordance with the availability of Board members. This covers regular and special meetings. At least three (3) Board members must be present to constitute a quorum for voting on issues of a more urgent matter that need to be addressed in an expedient manner. Any matters decided on by the Board with less than all members present, but at least three (3) will be entered into the minutes as approved by the full Board of Directors.

Section 4. Vacancies on the Board, that must be filled during the fiscal year, may be filled by any member in good standing and may be approved to complete the service term by a majority of the remaining Board members.

Section 5. Members of the Board shall fill a one-year term, or to the end of the fiscal year if added to the Board anytime during the operating year. Board members may resign for any reason by giving written notice thirty (30) days prior to the effective resignation date.

Section 6. Term limits will not apply to any Board position. Board members may continue to serve on the Board as they are willing, either in their current role or a different role,

as long as they are voted into the position by the Corporation membership as and when required.

ARTICLE 6

Board Duties/Roles

- Section 1. Those members holding an Officer role of the Corporation shall have such powers and shall perform such duties as set forth in these By-Laws, or as specified from time to time by the Board. Each Officer has the duty to preserve and transmit their records, documents and other papers to the Board as requested by other members of the Board, or upon leaving their position.
- Section 2. The President shall be the principal executive officer of the Corporation and shall preside over all meetings of the members and the Board. The President will exercise general supervision over the affairs of the Corporation and perform other duties as customary to the President of the Board.
- Section 3. The Vice-President shall have the duty to discharge all of the duties of the President in the event of the President's death, absence, disability or illness. When these events happen, the Vice-President shall act with all of the powers of the President. The Vice-President shall perform such other duties as assigned by the President or the Board.
- Section 4. The Secretary shall have the powers to keep the minutes of the Corporation meetings, to maintain and be the custodian of the Corporation's records, and to issue Corporation correspondence as required and/or directed by the President or Board. Further, as a Board member, the Secretary will be an active participant with other Board members in managing the business of the Corporation. The Secretary shall perform such other duties as assigned by the President or the Board.
- Section 5. The Treasurer will be responsible for developing and maintaining financial and reporting documents as necessary to properly (per acceptable accounting standards) account for the financial transactions of the Corporation. Further, the Treasurer will work with the Board to assure that proper controls are in place for the handling of the funds of the Corporation, and to facilitate the availability of financial information that may be needed to assure the requirements of a Nonprofit 501C-7 business entity are met (which may include the filing of necessary tax information if directed by the President and/or Board). The Treasurer will also be the primary manager of the Corporation's banking needs and accounts. As a Board member, the Treasurer will be an active participant with other Board members in managing the business of the Corporation. The Treasurer shall perform other such duties as assigned by the President or the Board.
- Section 6. The Director(s) at Large, as members of the Board, will be (an) active participant(s) with other Board members in managing the business of the Corporation. The specific duties for the Director(s) at Large will be assigned by the President, in collaboration with the Board, based upon the needs of the Corporation, and may be changed by the President and/or Board at any time to meet the changing needs of the Corporation over time.

- Section 7. Any Board member may be removed, by a majority vote of the other Board members, when it is determined that the best interests of the Corporation would be served thereby.
- Section 8. Board members who elect not to continue serving another term, and/or who are not voted into another term of office, may, at the discretion of the incoming term Board and with the agreement of the exiting Board members, be asked to serve as ex-officio Board members to aid in the transition to the incoming Board, for a period not longer than six (6) months.

ARTICLE 7

ELECTION OF BOARD MEMBERS

Section 1. Prior to the end of the fiscal operating year of the Corporation, and with sufficient time for a nominating process to occur, the Board will open up nominations for the Board positions. At the Board's discretion, a Nominating Committee may be chosen by the Board to perform this task.

The Nominating Committee, if appointed, may solicit the membership to find suitable candidates to serve on the Board for the coming year. Otherwise, the Board will have this responsibility. Current Board members may nominate themselves, or be nominated by a member of the Corporation if the current Board member agrees, to run for another term in office. Those offered these various positions by the Nominating Committee and accepted by the ones chosen shall become the nominees for the next election to be held no later than the date of the Corporation's first normal meeting in January, and certified at the same meeting. Officers newly elected will begin their duties on the first day of February following the election. There will be no prerequisite experience required for serving in any of these positions.

- A. After determining who the new Board nominees will be, the Board Secretary will prepare an election ballot and send (by the means agreed by the Board) the ballot to the members no later than the end of December of the current operating year. Votes may be submitted prior to the January meeting, if a provision for doing so has been provided by the Board, or members may elect to cast their ballots at the January meeting. Those who bring a proxy ballot, properly completed and signed, from a member in good standing that can't be present, may also tender those at this time.
- B. At the meeting in January, all ballots (those submitted prior to the meeting as well as those submitted at the meeting, including any write-in submissions) will be counted by the Secretary, with the count confirmed by at least one other Board member, to determine who the elected Board members will be for the upcoming operating year. Those candidates with the highest number of votes for each position will be elected to office.

Section 2. If enough candidates in good standing cannot be found to fill all Board positions at the time of the January election, the Board will continue to pursue members of good standing to fill the position(s) until the position(s) are filled. In this case, the Board may appoint the member(s) to fill the remainder of the term without the requirement of a Corporation membership vote.

Section 3. Any vacancy occurring during the course of the year may be filled by the Board, with the appointed member serving in that capacity until the end of the operating year, except for the Office of President, in which case the Vice President will take up that position for the remainder of the operating year.

Article 8

INDEMNIFICATION OF BOARD MEMBERS

Each member of the Board of the Corporation, now or hereafter serving as such, shall be indemnified by the Corporation against any and all claims and liabilities to which he or she has, or shall, become subject by reason of serving or having served as such Board member, or by reason of any action alleged to have been taken, omitted, or neglected by him or her as such Board member, and the Corporation shall reimburse each such person for all legal expenses which are reasonably incurred.

ARTICLE 9

COMMITTEES

Section 1 The Board shall from time to time appoint committees either standing or ad-hoc, to assist with functions of the Corporation.

Section 2. The Board shall appoint a Chairperson for such committees from the Corporation membership, and/or shall appoint a Board member to act as Chairperson or as a direct liaison to the Board.

ARTICLE 10

FUNDS, EXPENDITURES, AND MANAGEMENT

Section 1. The fiscal year shall be the calendar year beginning January 1st.

Section 2. The Corporation's funds may be raised by the collection of dues, fees, and any other logical method developed by the Board. These funds will be placed into the bank account(s) of the Corporation and used by the Board as needed to meet the needs of the Corporation. Collection and use of funds will be consistent with the requirements of an IRS 501C-7 tax exempt corporation.

Section 3. The Board shall designate and authorize two (2) Board members, usually the Treasurer and the President, to access, manage, and disburse authorized funds from, the Corporation bank account(s).

Section 4. Contractual arrangements that may be necessary to meet the operating needs of the Corporation will be authorized by the Board and/or the Corporation's legal counsel.

Section 5. Board approval, by majority vote, will be required for the use of Corporation funds for various special projects that are approved by the Board to meet the needs of the Corporation.

Section 6. All funds taken in by the Corporation shall be deposited into the bank account(s) of the Corporation at the earliest opportunity by those authorized to do so.

Section 7. Annually, to occur by the end of the first fiscal operating quarter, the financial records of the Corporation for the prior operating year will be audited by a qualified auditor and certified as proper by such auditor. Any problems identified by the auditor will be addressed immediately by the Board with corrections implemented as reasonably required by law. The auditor may further make suggestions for the improvement of financial recordkeeping, with such suggestions taken under advisement by the Board, and implemented if reasonable. The auditor may be a non-member, or member in good standing, of the Corporation, but may not be, nor have a business association with, a serving Board member.

Section 8. The Corporation shall maintain accurate and complete books and records and minutes of all proceedings of the activities of all facets of the Corporation. All records and books of the Corporation will be made available to the Board upon request. Also, these records will be turned over to the Board members who will be replacing them at the end of their terms. The books and records will not be made available to the members at any time unless deemed appropriate by a majority of the Board of Directors.

Article 11

WAIVER OF NOTICE

The Board may give a waiver of notice to members at any time without prior notification.

ARTICLE 12

AMENDMENTS

The Corporation's Board may amend, rescind, repeal, or otherwise alter these By-Laws at any time. Changes to the By-Laws will go into effect immediately upon approval by the Board, but to be permanently changed, approval must be granted by majority vote of the members of the Corporation as soon as reasonably possible, but no later than the next scheduled meeting of the Corporation. If the members of the Corporation do not accept the changes, then the changes must be removed from the By-Laws immediately after such vote.