

**BY-LAWS
OF
THE RED EYE YACHT CLUB INC.**

**Article I
Stockholders**

Section 1.01 – Annual Meeting

The annual meeting of the stockholders of the corporation shall be held at the principal office of the corporation in Baltimore County, Maryland on the second Sunday of February at 1:00 PM EST (or at such other hour and/or place within Baltimore County, MD as may be fixed by the Board of Directors) for the election of Directors and for the transaction of general business. Such annual meetings shall be general meetings. That is to say open for the transaction of any business within the powers of the corporation without special notice of such business except in any case in which special notice is required by statute.

Section 1.02 – Special Meetings

Special meetings of the stockholders of the corporation may be called at any time by the President or by a majority of the Board of Directors either by note or in writing or by a majority of the Executive Committee (if created pursuant to the By-Laws) either by vote or in writing. Upon request in writing, delivered to the Secretary or Assistant Secretary, of a majority of all stockholders entitled to vote, it shall be the duty of the said Secretary or assistant Secretary to call forthwith a meeting of stockholders at the expense of the corporation. Such request shall state the purpose of the meeting and notice shall be given as provided in Section 1.03 of this Article. No business other than that stated in the notice shall be transacted at any special meeting of the stockholders, however called. Special meetings of the stockholders shall be at the principal office of the corporation whether within or outside the State of Maryland as named in Section 1.01 of this Article. Special meetings may also be called in accordance with applicable provisions of law.

Section 1.03 – Notice of Meetings

No less than seven (7) days and not more than thirty (30) days written or printed notice of every annual meeting and of every special meeting of the stockholders shall be given to each holder of stock having voting rights whose name appears as a holder of record upon the books of the corporation at the close of business 31 December for the determination of stockholders entitled to notice of such meeting in accordance with these By-Laws. Such notice of annual or special meetings shall state the place, day and hour of such meeting and in the case of special meetings shall also state the business proposed to be transacted thereat. Such notice shall be given to each stockholder by leaving same with him or at his residence or usual place of business, or electronically, or by mailing it postage prepaid and addressed to him or her at his or her address as it appears on the books of the corporation. No notice of the time, place or purpose of any meeting of stockholders, whether prescribed by law, by the Charter or these By-Laws need be given to any stockholder who attends in person, or by proxy, or who, in writing executed and filed with the records of the meeting either before or after the holding thereof, waives such notice. No notice of any meeting, regular or special, need be given to any stockholder who is not entitled to vote thereat.

Section 1.04 – Quorum

At any meeting of stockholders the presence, in person or by proxy, of 25% of all stockholders having voting rights at such meeting shall be necessary and sufficient to constitute a quorum for the election of directors or for the transaction of other business, but in the absence of a quorum, the stockholders entitled to vote who shall be present in person or by proxy at any meeting (or adjournment thereof) may, by vote of a majority of stockholders so present and entitled to vote, adjourn the meeting from time to time, but not for a period over (30) days at any one time, by announcement at the meeting until a quorum shall attend. At any such adjourned meeting at which a quorum shall be present, any business may be transacted at the meeting as originally notified.

Section 1.05 – Proxies

Stockholders may vote either in person or by proxy, but no proxy shall be accepted unless such proxy shall on its face name the specific meeting for which it is to be in force. Every proxy shall be in writing subscribed by a stockholder, or his duly appointed attorney, and shall be dated, but need not be sealed, witnessed or acknowledged.

Section 1.06 – Voting

At every meeting of the stockholders, every stockholder, who on the date for the determination of voting rights thereat shall have one share of stock registered in his or her name on the books of the Corporation and shall be a primary member in good standing of the Red Eye Yacht Club II, Inc., shall be entitled to one vote. Upon demand of a majority of the stockholders present in person or by proxy and entitled to vote, the vote on any question before a meeting shall be by

ballot; and except in cases in which it is by statute, by the Charter, or by these By-Laws otherwise provided, a majority of the votes cast shall be sufficient to elect and pass any measure.

Section 1.07 – Inspectors

Two inspectors may be elected by the stockholders at any meeting, and if so elected, such inspectors shall open and close the polls, shall receive and take charge of the proxies and ballots and decide all questions as to the qualifications of voters, the validity of proxies and the acceptance or rejection of votes.

Section 1.08 – List of Stockholders

Prior to each meeting of the stockholders the Secretary or an Assistant Secretary shall prepare a full, true and complete list in alphabetical order of all stockholders entitled to vote at such meeting and shall be responsible for the production of such list at the meeting.

Section 1.09 – Order of Business

At all meeting of stockholders, the order of business shall be as far as applicable and practicable as follows:

1. Organization
2. Proof of notice of meeting or of waivers thereof. The certification of the Secretary of the corporation or the affidavit of any other person who mailed the notice or caused the same to be mailed shall be accepted as proof of service of notice by mail.
3. Submission of an alphabetical list of stockholders entitled to vote thereat.
4. At an annual meeting or at a meeting called for that purpose, reading of unapproved minutes of preceding meetings and action thereon.
5. Reports
6. At an annual meeting, the election of directors.
7. Unfinished business
8. New Business
9. Adjournment

ARTICLE II

BOARD OF DIRECTORS

Section 2.01 – Election and Powers

The business and property of the corporation, except as otherwise provided by statute or by the charter or by these by-laws shall be conducted and managed by its Board of Directors, which shall consist of nine members. Directors shall be elected at each annual meeting of stockholders by holders of stock present in person or by proxy at such meeting and entitled to vote thereat. Five directors shall be elected on odd years and four directors shall be elected on even years. Each director elected at any annual meeting shall hold office for two (2) years and until his or her successor shall have been elected and qualified or until he or she shall die or resign, or shall have been removed. The Board of Directors shall keep minutes of its meetings and a full account of its transactions. Each director, at the time of his election, shall be a stockholder of the corporation.

Section 2.02 – First Regular Meeting

After each meeting of stockholders at which a Board of Directors shall have been elected, the Board of Directors shall meet as soon as practicable for the purpose of organization and the transaction of other business at the principal business office of the corporation.

Section 2.03 – Additional Regular Meetings

All meetings of the Board of Directors shall be held at the principal business office of the corporation at such times as may be fixed by general resolution of the Board.

Section 2.04 – Special Meetings

Special meetings of the Board of Directors shall be held whenever called by the President, by a majority of the Directors or by a majority of the Executive Committee, if there shall be an Executive Committee, either in writing or by vote.

Section 2.05 – Notice of Meetings

Notice of the place, day, and hour of every regular and special meeting shall be given to each director either:

1. By notice in writing mailed to him or her postage prepaid not later than the second day before the day set for the meeting and addressed to him or her at his or her last known post office address according to the records of the corporation, or

2. By notice in writing delivered personally or left at his residence or usual place of business not later than the second day before the day fixed for the meeting, or
3. By electronic means not later than the second day before the day set for the meeting.

Section 2.06 – Quorum

A majority of the Board of Directors shall be necessary and sufficient to constitute a quorum for the transaction of business at every meeting of the Board of Directors, but if at any meeting there be less than a quorum present, a majority of those present may adjourn the meeting from time to time without notice other than by announcement at the meeting until a quorum shall attend. At any adjourned meeting at which a quorum shall be present, any business may be transacted which might have been transacted at the meeting as originally notified.

Section 2.07 – Removal

At any special meeting of the stockholders and Board of Directors called for the purpose, any director may, by the vote of a majority of all the stockholders entitled to vote, be removed from office, with or without cause and another be appointed in the place of the person so removed to serve for the remainder of his or her term.

Section 2.08 – Vacancies

If any director shall die or resign, or if the stockholders shall remove any director without appointing another in his or her place, a majority of the remaining directors (although such majority is less than a quorum) may elect a successor to hold office for the unexpired portion of the term of office of the director whose place so became vacant and until his successor shall have been duly chosen and qualified.

Section 2.09 – Compensation

Directors, as such, shall not receive any stated compensation for their services, but by resolution of the Board of Directors a fixed sum and expenses of attendance, if any, may be allowed for attendance at any regular or special meeting thereof. Nothing in this section shall preclude a director from serving the corporation in any other capacity and receiving compensation therefor.

Section 2.10 – Absenteeism

Any director missing two (2) consecutive meetings shall be removed.

Article III **Officers**

Section 3.01 – Executive Officers

The executive officers of the corporation shall be a President, a Vice President, a Secretary and a Treasurer, and such other officers as the Board from time to time considers necessary for the proper conduct of the business of the corporation. The executive officers shall be elected annually by the Board of Directors at its first meeting following the annual meeting of stockholders. Each such officer shall hold office for a term of one year, and thereafter until his or her successor is elected and qualified or until his or her death, resignation or removal.

Section 3.02 – President

The president shall be a director of the corporation. He or she shall be chief executive officer of the corporation. He or she shall, when present, preside at all meetings of the stockholders and directors; shall have general management and direction of the business of the corporation and all powers ordinarily exercised by the President of a corporation; shall have authority to sign and execute, in the name of the corporation, all authorized deeds, mortgages, bonds, contracts or other instruments; shall annually prepare a full and true statement of the affairs of the corporation including a Balance Sheet and Operating Statement which shall be submitted at the annual meeting of the stockholders and which shall be filed within twenty (20) days thereafter at the principal office of the corporation in the State of Maryland and a duplicate thereof shall be filed at the principal office outside the State, if any.

Section 3.03 – Vice President

In the absence of the President, the Vice President shall perform all the duties of the President, and when so acting shall have the powers of the President. The Vice President shall (if provided by resolution of the Board of Directors) have authority to sign and execute in the name of the corporation all authorized deeds, mortgages, bonds, contracts and other instruments, and shall also have such additional powers and duties as may be assigned to him or her by the Board of Directors.

Section 3.04 – Secretary

The Secretary shall keep the minutes of the meetings of the stockholders, of the Board of Directors and of the Executive Committee, in the books provided for the purpose; shall see that all notices are duly given in accordance with the provisions of the By-Laws or as required by law; shall be the custodian of the records and of the corporation seal or seals of the corporation; shall see that the corporate seal is affixed to all documents, the execution of which on behalf of the corporation under its seal is duly authorized, and when so affixed may attest the same; he or she may sign, with the President or a Vice President, certificates of stock of the corporation: and, in general shall perform all duties ordinarily incident to the office of Secretary of a corporation, and such other duties as, from time to time, may be assigned by the Board of Directors or President.

Section 3.05 – Treasurer

The Treasurer shall have charge of and be responsible for all funds, securities, receipts and disbursements of the corporation and shall deposit or cause to be deposited in the name of the corporation all monies or other valuable effects in such banks, trust companies or other depositories as shall, from time to time, be selected by the Board of Directors; shall render to the President and to the Board of Directors, whenever requested, an account of the financial condition of the corporation; he or she may sign, with the President or Vice President, certificates of stock of the corporation; and in general perform all duties ordinarily incident to the office of a Treasurer of a corporation, and such other duties as may be assigned by the Board of Directors or President.

Section 3.06 – Assistant Officers

The Board of Directors may elect one or more Assistant Secretaries and one or more Assistant Treasurers. Each such Assistant Secretary and Assistant Treasurer shall hold office for such period and shall have such authority and perform such duties as the Board of Directors may prescribe.

Section 3.07 – Compensation

The Board of Directors shall have the power to fix the compensation, if any, of all officers of the corporation.

Section 3.08 – Officers Holding More Than One Office

Two or more offices (except that of President and Vice President) may be held by the same person, but no officer shall execute, acknowledge or verify any instrument in more than one capacity.

Section 3.09 – Removal

The Board of Directors shall have power at any regular or special meeting to remove any officer with or without cause, and such action shall be conclusive on the officer so removed. The Board may authorize any officer to remove subordinate officers.

Section 3.10 – Vacancies

The Board of Directors at any regular or special meeting shall have the power to fill a vacancy occurring in any office for the unexpired portion of the term.

Article IV
Committees

Section 4.01 – Executive Committee

The Board may create an Executive Committee of its own members and define its duties, subject to the provisions of law. In the absence of any member, the members thereof present at a meeting may appoint another member of the Board to act in place of such absent member.

Section 4.02 – Other Committees

The Board may create such other committees as it deems advisable and define their duties.

Article V
Stock

Section 5.01 – Certificates

Each shareholder shall be entitled to a stock certificate upon payment of the stock share price as fixed by the Board of Directors and upon execution of a Restrictive Stockholders Agreement. Such certificates shall be signed by the President or Vice President and the Secretary or an Assistant Secretary or the Treasurer or an Assistant Treasurer and shall thereafter be sealed with the seal of the corporation.

Section 5.02 – Transfer of Shares

Shares of stock shall be transferable only on the books of the corporation by the holder thereof in person or by his duly authorized attorney and on surrender of the certificate duly endorsed.

Section 5.03 – Stock

No stock shall be sold or transferred by any stockholder without compliance with the Restrictive Stockholders Agreement, including first having submitted the same to the Executive Committee, to be formed for that purpose. The duties of said committee being to determine whether or not the prospective transferor or purchaser of said share of stock is a member of the Red Eye Yacht Club II, Inc. and in good standing or whether or not said committee should purchase said stock and hold or retire the same for the Red Eye Yacht Club, Inc. Stockholders who terminate their membership in Red Eye Yacht Club II, Inc., under any circumstances, must surrender the stock within six (6) months or forever forfeit its value.

Section 5.04 – Stock Price

The value or par value of one share of stock shall be \$100.00, and shall not be redeemed for more than that amount. Stock shall not bear interest and shall not pay dividends.

Article VI
Sundry Provisions

Section 6.01 – Negotiable Instruments & Other Evidence of Indebtedness

All checks, drafts or orders for the payment of monies, notes and other evidences of indebtedness, issued in the name of the corporation, shall be signed by such officer or officers as may be designated from time to time by resolution of the Board of Directors. No checks shall be signed in blank.

Section 6.02 – Fiscal Year

The fiscal year for the corporation shall be the calendar year, beginning the first day of January and terminating on the thirty-first day of December in each year, unless otherwise provided by the Board of Directors.

Section 6.03- Seal

The seal of the corporation shall be circular in form with the name of the corporation inscribed around the outer edge and in the center shall be inscribed the word “Maryland” and the year of incorporation.

Section 6.04 – Amendments

These By-Laws may be amended only at a regular meeting of stockholders without notice, or at a special meeting of stockholders, the notice of which shall set forth the terms of the proposed amendment, by the vote of a majority of stockholders present in person or by proxy at such meeting.