

**BELAIR SWIM AND RACQUET CLUB
(A MARYLAND CORPORATION)**

CORPORATION BY-LAWS

(Sept 1992 Edition with Sept 2000 & 2001 & 2006 & 2015 Amendments)

ARTICLE I – NAME

The name of the Corporation shall be The Belair Swim and Racquet Club, Inc.

ARTICLE II - PURPOSE

- (1) To construct, organize, equip, promote, maintain and operate a club primarily for the purpose of providing swimming and tennis facilities for its members; recreation and other facilities for its members; together with such incidental objects as are appropriate in the conduct of its above mentioned activities in Bowie, Prince George's County, Maryland.
- (2) To make and perform any contracts and to do any acts and things and exercise any powers suitable, convenient, proper and incidental for the accomplishments of any objects enumerated herein.
- (3) The Corporation shall be authorized to exercise all the powers, rights, and privileges granted to non-stock corporations by the laws of the State of Maryland now or hereafter in force, for the accomplishment of the objects enumerated herein.
- (4) The fiscal year of the Corporation shall begin on October 1 and end on September 30 of each year. This amendment will become effective on October 1, 1976.

ARTICLE III – BOARD OF DIRECTORS

- (1) Duties: The management of the affairs of the Corporation is hereby vested in a Board of Directors composed of nine (9) elected Club members and one (1) Club member appointed by the elected board. The appointed member shall serve as the Special Assistant to the Board of Directors. The Special Assistant shall have no voting privileges. Said board shall exercise all powers of the Corporation and perform all lawful acts which are not by these By-Laws conferred on the officers and members.
- (2) Removal of Non-Active Directors: If any officer or member of the Board of Directors becomes inactive or fails to properly carry out his or her duties, after notification, they can be removed from office by a vote of six (6) Board members. The removal of any Director shall be followed by the timely appointment of a replacement in accordance with Article III, Section 5D.
- (3) Term of Office: Each member of the Board of Directors shall serve for a term of three (3) years or for the balance of an expired term if elected thereto as provided in Section 5D.
 - (A) No member may serve on the Board of Directors for more than two consecutive three-year terms, with two exceptions:
 1. The time served filling an appointed position on the Board will not be counted towards this limitation.

2. If there are an insufficient number of non-Board nominees to fill all expiring terms on the Board, incumbent Board members may be reelected for an additional term. Non-Board nominees will run unopposed at the annual meeting; incumbent Board nominees will compete for the remaining terms.

(B) This amendment will become effective January 1, 1990; this By-Law change applies to terms previously served by current Board members.

(4) Meetings:

(A) A majority of the Directors shall constitute a quorum at any Directors meeting.

(B) The Board of Directors shall meet at such times as they may deem necessary. When so requested in writing by any one Director, the President shall convene a special meeting of the Board.

(5) Election:

(A) One adult member per family may vote at the annual membership meeting, and only those persons nominated hereinafter provided shall be eligible for such office.

(B) All nominations shall be in writing, signed by at least ten (10) members, and accepted in writing by the person nominated. All such nominations shall be received by the Secretary of the Corporation not less than fifteen (15) days prior to the annual meeting. The Secretary shall prepare and make available for inspection, at least five days prior to the meeting, a list of all nominees. No nominations shall be made from the floor. (Amended 11/73)

(C) Members of the Board of Directors shall be elected at the annual meeting of the Club members. The three (3) candidates receiving the highest number of votes shall serve a term of three years. The candidates receiving the next highest number of votes shall serve the unexpired term of the vacancies, if any, on the Board of Directors. (Amended 11/73)

(D) Vacancies on the Board of Directors shall be filled by appointment by the Board of Directors. Such appointee shall serve until the next election. (Amended 10/67)

(6) Limitations: The Board of Directors shall not be authorized to obligate to expend funds in excess of \$40,000.00 for a single capital improvement, without first securing the approval of the general membership by majority vote of those present at an annual or special membership meeting, notice of which meeting shall include the nature and cost of the proposed improvement. (Added by Amendment 3/66; Amended 9/83; Amended 9/00)

(7) Compensation: Compensation for elected and appointed members of the Board of Directors shall be in the form of exemption from paying the annual dues of the Club. There shall be no other form of compensation to any elected or appointed Board member. Upon resignation or removal from office, the amount equivalent to the annual dues shall be prorated on a twelve-month basis. (Added by Amendment 11/73)

ARTICLE IV - OFFICERS

(1) At the first meeting of the Board of Directors, the Board shall elect from among its members, the following officers: President, Vice President, Secretary, Treasurer, and other such officers as the Board may deem necessary. The Board shall appoint a Special Assistant for a one year term. (Amended 10/72 and 11/73)

(2) The President: The President shall be a Director. He shall preside at the meeting of the members and shall be the chief administrative officer of the Corporation. He shall, subject to confirmation by the Directors, appoint all committees and shall designate the chairman of each committee. The President shall be an ex-officio member of all committees.

(3) The Vice-President(s): The Vice-President(s) shall be a Director and have all the powers, authority, and duties of the President during his absence or inability to act. The Vice-President shall assist the President and shall perform such other functions as may be directed by the Board. (Amended 11/73)

(4) The Secretary: The Secretary shall be a Director and keep the minutes of all membership and Board meetings; keep all corporate records except financial records; conduct all official correspondence under the supervision of the President; send out all notices of meetings; perform all duties incidental to the office of the Secretary, subject to the control of the Board of Directors; submit such reports as may be required by the Board. (Amended 11/73)

(5) The Treasurer: The Treasurer shall be a Director and make and keep records of all financial transactions of the Corporation; be responsible for the receipt of all monies due the Corporation and deposit the same in depositories approved by the Board; be one of the officers authorized to sign checks; make all disbursements; render bills and statements for the charges incurred by all members; and perform other such duties as are incidental to the position of Treasurer, subject to the control of the Board. A financial statement shall be provided at the Annual Meeting and to any member upon request via regular or electronic mail. Any of these functions may be performed by the Club accountant as directed by the Treasurer and/or the President. (Amended 10/72, 11/73, and 9/06)

(6) Bonds: The Board of Directors shall insure that any members authorized to disperse funds are at all times bonded in an amount not less than \$10,000.00 or in such amounts as are considered adequate by the Board to secure funds of the Corporation.

(7) Indemnification of Directors and Officers: The Club shall indemnify each Director or Officer from and against any and all judgements, fines, penalties and claims (including settlements and expenses attendant upon each) imposed or asserted against him or her by reason of being or having been such Director or Officer, other than when the determination shall have been made judicially, or in the manner hereinafter provided, that he or she was guilty of gross negligence or willful misconduct. The indemnification shall be made only if the Club shall be advised by the Board of Directors, that in their or his opinion such Director or Officer was not guilty of gross negligence or willful misconduct in the performance of his or her duty, and, in the event of a settlement, that such settlement was, or if still to be made, would be, in the best interests of the Club. If the determination is to be made by the Board of Directors, it may rely, as to all questions of law, on the advice of independent council. Every reference herein to Director or Officer shall include every Director or Officer or former Director or Officer of the Club.

ARTICLE V – AUTHORITIES

All Directors and agents of the Corporation as between themselves and the Corporation shall respectively have such authority and perform such duties in the management of the property and the affairs of the Corporation as may be provided in these By-Laws, and as may be determined by resolution of the Board of Directors only.

ARTICLE VI – COMMITTEES

(1) Standing Committees: The standing committees of the Corporation shall be as follows: Membership, Finance, and Pools and Grounds.

(A) The Membership Committee: The Membership Committee shall receive and consider all applications for membership, report to the Board of Directors, which shall have sole power to approve or disapprove their recommendations for membership including names and addresses and other data concerning admission, maintenance, and termination of membership as are appropriate in accordance with the requirements of the Board, and maintain a waiting list of approved prospective members. The Membership Committee shall have other such authority, responsibility, and duties as may from time to time be assigned or delegated to it by the Board of Directors. (Amended 11/73)

(B) The Finance Committee: The Finance Committee shall prepare financial studies on such projects as may be assigned to it by the Board of Directors and shall conduct all financial planning for the Corporation. All acts of the Finance Committee must be approved by the Board of Directors before they can be implemented. The Finance Committee shall submit to the Board of Directors not later than September 30th of each year, a proposed budget containing an estimate of anticipated income and expenditures of the Corporation for the coming year. The Finance Committee shall have other such authority, responsibility, and duties as may from time to time be assigned to it by the Board of Directors. (Amended 9/79)

(C) The Pools and Grounds Committee: The Pools and Grounds Committee shall be responsible for general upkeep and maintenance of all of the Club's physical facilities, including the grounds and landscaping. The Pools and Grounds Committee shall have other such authority, responsibility, and duties as may from time to time be assigned to it by the Board of Directors.

(2) Special Committees: There shall be other such committees as the President, with the approval of the Board of Directors, shall deem necessary.

ARTICLE VII – MEMBERSHIP

(1) Definitions:

(A) Resident means a person who occupies a home that is geographically situated in Bowie, Maryland or within a 10-mile radius of the Club. Members leaving these areas may retain resident status and membership if they occupy a home within a 15-mile radius of the Club. The geographic restriction on residency shall not apply when the Club is below the maximum number of regular members identified in Article VII Paragraph (2). (Amended 2015)

- (B) Member means an adult resident (age 18 years or over) or family unit who has been duly admitted to membership in the Club. Membership may be transferred only in accordance with Article VII of these By-Laws. (Amended 2015)
 - (C) Family Unit means a “regular” or “seasonal” member and his/her spouse, children, and other dependents who permanently and continuously reside in the member's household. For the purpose of voting and quorum count, each family unit otherwise eligible shall be counted as one (1) vote. (Amended 2015)
 - (D) Individual means a “regular” or “seasonal” membership owned by an individual. Only the named individual member will be allowed into the Club under an Individual Membership. For the purpose of voting and quorum count, each individual membership otherwise eligible shall be counted as one (1) vote. (Amended 2015))
 - (E) "Regular Member" means an individual or family unit which has been duly admitted to membership in the Club, is in good standing and has duly paid its annual assessment for the current year. Regular members shall each have one vote at meetings of the regular members. In no event will the family unit have more than one vote at a meeting of the regular members. (Amended 2015)
 - (F) "Seasonal Member" means an individual or family unit, other than a "regular member" which has been duly accepted for membership for a stated year, only, is in good standing and has paid the amount specified by the Board of Directors as being the assessment for that year for annual members. Such assessment shall not be refundable in whole or in part. Seasonal memberships shall be non-transferable. Seasonal members shall not be entitled to vote at the meetings of the members, nor shall they be entitled to be elected to the Board of Directors. (Amended 2015)
- (2) There shall be two classes of members known as "regular members" and "seasonal members". There shall be a maximum of 750 members. Seasonal members may be admitted for any year only to the extent that there are then fewer than 750 regular members. (Amended 2015)
- (3) All family units and individuals shall be entitled to use all the Club facilities subject to the rules and regulations promulgated by the Board of Directors in connection with such use. (Amended 2015)
- (4) Membership Transfer:
- (A) A member desiring to terminate his membership shall notify the Club in writing. If there is an approved prospective member on the waiting list, the Club shall direct the prospective member to send the full membership fee to the Club. Upon receipt of the same, the Club shall give such sum less fees and costs assessed against the selling member to the retiring (selling) member and perform any other acts necessary to transfer the membership. These fees and costs will be established annually by the Board of Directors. The transfer fee assessed against the selling member shall not exceed five (5) percent of the current membership fee. If the Club is not at the maximum number of family units identified in Article VII Paragraph (2), no prospective members are on the waiting list and this transfer mechanism can not be applied. Members may either resign or find prospective members on their own to transfer their memberships to and when doing so, no transfer fee will be applied. Membership transfers are not final until approved by the Club Membership Chairperson and all outstanding fees have been paid by the departing member. (Amended 9/79 and **9/06**)

- (B) A new member purchasing a membership during June, July or August shall pay one-third (1/3) of the annual dues for each of those three months, and the amount paid by the new member shall be reimbursed to the outgoing member. The member who holds the membership on the first day of the month shall be deemed to have held it for the entire month for the purpose of prorating the annual dues. (Amended 9/79)
- (C) A member who desires to transfer his membership to a non-member shall notify the Club in writing of the same. The Club shall, in turn, direct the prospective member, if approved, to send the full membership fee to the Club. Upon receipt, the Club shall give such sum less any fees due to the retiring member. The Club will deal with the principals only. In this instance only, the retiring member will not have to wait his turn on the Club waiting list in order to redeem his bond as described in paragraph (4)A above. (Amended 9/87)
- (D) When a member rents his home, the renter thereof shall have the first option to purchase the membership in the Club, subject to the approval of the Board of Directors. This option must be exercised within ten (10) days after occupancy. (Amended 9/79)
- (E) When a regular member rents his home and sells his membership due to temporary transfer from the area, he will be given priority consideration for membership upon his return as a Bowie resident. (Amended 9/79)
- (F) A person holding a family unit membership may convert it to an individual membership if he/she meets the requirements of paragraph (1)(D) above, and if a single membership is available. (Amendment 9/92 and 9/01)
- (G) If a person holding an individual membership becomes part of a family unit, he/she may convert their individual membership to a family membership provided the total number of family unit memberships does not exceed 750. The Club will give the membership fee (less any transfer fee, as provided for in paragraph (4)(A) above) to the family whose membership is being replaced by the individual membership. (Added by amendment 9/92)
- (H) Separate waiting lists for individual and family unit memberships will be maintained by the membership chairman. (Added by amendment 9/92)

(5) A member may resign from the Club and such resignation shall be governed by Article VII of these By-Laws. Dues shall be refunded on a prorated basis for the base period of June, July and August.

(6) The Directors shall determine the amount of annual dues, membership fees, and when they are payable. Said dues shall be used for the operating expenses and capital improvements of the Club.

(7) Suspension: The Board of Directors shall have the authority, after notice and hearing as provided for in Section 8 of this Article, to suspend any person for a period of up to one year for good cause shown. The Club Manager shall have the power and authority to suspend any person for a period of up to, but not more than two weeks, without prior consent, approval, or notice to the Board of Directors, for conduct by that person in the use of any of the Club's facilities which is contrary to the rules and regulations promulgated by the Board of Directors for the government of the Club and its members.

(8) Expulsion: The Club shall have the power by act of its Board of Directors to expel from membership any member who fails to comply with the reasonable and lawful requirements of the By-Laws, for non-payment of annual dues by June 1st each year, who fails to comply with the rules and regulations made by the Board of Directors for the government of the Club and its members without liability for an accounting, provided, however that action directed toward expulsion from membership shall not be taken until ten (10) days written notice has been given the offending member to attend a

hearing before the Board of Directors. In case of expulsion, the membership fee will be refunded, minus the annual dues on a prorated basis for the base period of June, July and August. (Amended 9/79)

ARTICLE VIII - MEETING OF MEMBERS

(1) Annual Meeting: The annual meeting of the members shall be held at a time and place designated by the Directors, at least once every calendar year. Notice shall be given to the members at least fifteen days but not more than thirty days prior thereto by electronic mail (or regular mail if no e-mail address is available). (Amended 9/06).

(2) Special Meetings: The Directors may call a special meeting of the membership at any time or a special meeting shall be called upon the request of thirty (30) members in writing. Members shall receive notice of such a special meeting not less than ten (10) days prior thereto; such notice shall state the purpose of such meeting and no other business shall be transacted at such meeting. (Amended 11/73)

(3) Forty family units in good standing shall constitute a quorum at membership meetings. There shall be no proxies or absentee ballots.

ARTICLE IX - AMENDMENT OF BY-LAWS

Amendment to these By-Laws or any portion thereto may be made at an annual meeting or at any meeting of the regular members, called pursuant to these By-Laws by a two-thirds (2/3rds) vote of the family units present, provided that the proposed amendment or amendments shall be previously approved by the Board of Directors or by thirty (30) members in writing, and that a notice of the proposed amendments along with a copy shall be mailed to each family unit at least ten (10) days prior to such meeting.

ARTICLE X - MISCELLANEOUS

(1) Upon dissolution of the Club, the proceeds from the dissolution, insofar as is permitted by law, shall be distributed in the following manner: payment of debts and obligations of the Club; payment to the members (subject to the set-off of all debt obligations owed by any member of the Club).

(2) All parliamentary procedure not provided for herein shall be in accordance with procedures set forth in Roberts Rules of Order, Revised.

(3) Whenever these By-Laws require written notice to members, the mailing of such notice to the last known address of the member shall constitute notice.

(4) The Board of Directors shall establish an account entitled "Reserve For Depreciation", in which it will set aside a sum not less than \$3000.00 per year commencing with the fiscal year 1967. However, if the Club operation results in a surplus, the Board shall have the authority to increase this sum by up to the amount of the surplus. Said increase shall reflect the foresight of the Board of Directors with regards to future needs of the Club within the bounds of use for this account. This procedure shall continue until such time that the reserve reaches the level of \$100,000.00, at which time it shall thereafter be maintained except as hereinafter provided. Such reserve shall be available only for the purpose of defraying the cost of major repairs or replacements of the Club's facilities. For the purpose of this Article, a "major repair or replacement" shall be defined as one involving a single expenditure of

\$1,000.00 or more. Such reserve shall not be available for normal operating expenses. (Section 4 adopted by amendment in 1966, and amended 9/72 and 9/84).