

By-Laws
Hunter Mill Swim and Racquet Club
Amended May 21, 2007

Article One
NAME

Section 1. Name. The name of this corporation shall be as identified in the Articles of Incorporation, hereinafter referred to as “the Club.”

Article Two
PURPOSE

Section 1. Purpose. The purpose for which the Club is formed is as identified in the Articles of Incorporation. The facilities of the Club are to be operated primarily and priorly for pleasure and non-profit recreation of the Club’s members.

Article Three
MEMBERSHIP

Section 1. Membership Privileges. Persons admitted to the membership are hereafter referred to as members and enjoy all the privileges and responsibilities as set forth herein for members. Membership shall be extended without regard to race, religion, sex or national origin. There are three types of membership available at the discretion of the Board of Directors. Family Unit Membership will have all full membership privileges as described in the applicable “Family Unit Membership” paragraph of these By-Laws. The Absentee Membership is a Family Unit Membership that does not have use or voting privileges and is subject to the regulations and restrictions as described in Article Three, Section 11 “Absentee Membership” of these By-Laws. The Leasing Membership is a Family Unit Membership that does not have voting privileges and is subject to the regulations and restrictions as described in Article Three, Section 12 “Leasing of Membership” of these By-Laws.

Section 2. Membership Admission. The Board of Directors is authorized to admit to membership any person, age 18 or over, who has been recommended by the Membership Chairperson upon receipt of a properly executed application form and the payment of the required fee, together with dues for the first season of membership plus the amount of any special assessment being paid by other members of the Club for that year.

Section 3. Family Unit Membership. As defined in the Articles of Incorporation, a single Membership may only be issued to the head of household and immediate family. Child caregivers for members are granted non-fee paying access to the Club to the extent it supports their caregiver duties for a membership. “Immediate family” shall be defined to be all persons of the same immediate family residing in the same dwelling. The Board of Directors, upon application of any membership, or at any other time as the need arises, shall determine whether, in the discretion of the Board of Directors, a particular person is to be considered within the immediate family.

Section 4. Membership Fees, Dues and Assessments. Membership fees, annual dues and special assessments shall be determined by the Board of Directors and announced by the Board of Directors. Membership fees are a one-time payment by the member upon joining the Hunter Mill Swim and Racquet Club. Membership fees will not be prorated and are not refundable once paid. The Annual Dues are paid on an annual basis and provide for the use of the club tennis and pool facilities. Annual dues can be prorated for a first time member joining during the current season. Prorating of annual dues is at the discretion of the Board of Directors. Membership fees or annual dues cannot be paid separately for tennis or pool access. A Special Assessment may be required to cover capital expenditures, unplanned major maintenance or repairs, and any other special circumstances. Special assessments and the terms thereof will be presented to the membership at the annual meeting or a special meeting of the membership convened by the Board of Directors in accordance with Article Four. Upon reaching a quorum for such a meeting, approval of any special assessment will require a simple majority vote of the membership represented at the meeting, as established by proxy and actual attendance.

Section 5. Annual Dues Assessment. Each membership shall pay the annual dues assessment set by the Board of Directors at such time as demand for such assessment is made or their membership will be forfeited.

Section 6. Membership in Good Standing. Membership in good standing shall be established only when the member has paid all fees and dues in the manner prescribed herein and for so long as that all family members or others designated access to the Club facilities of the membership abide by all the rules and regulations of the Club.

Section 7. Suspension and Revocation of Membership. The Board of Directors, at its discretion may suspend the Club privileges or revoke a membership of any membership of any member for reasonable cause, including, but not limited to, failure to pay dues and assessments, failure to abide by the provisions of the Articles of Incorporation, these By-laws, the operating rules and regulations or for falsification of an application for membership. A person whose membership has been revoked may be reinstated at any time within one year upon appeal and approval by the Board of Directors and upon payment of any fees and dues in arrears plus penalties.

Section 8. Delinquent Dues, Fees and/or Assessments. A member whose annual dues, and/or fees, and/or assessments (called payments) have not been received by the Club when due may have said membership suspended by the Board of Directors. Written notice of such suspension shall be mailed by the Board of Directors to the member's address appearing in the records of the Club via certified mail. If the delinquent payments are not postmarked within 10 days after sending said notice, the suspension shall become a revocation of all rights and privileges to include use of the facilities and voting in Club business. The Board of Directors will then terminate the membership without further action. A terminated membership may not be reinstated unless the member has brought its account current by paying all outstanding dues, fees and assessments.

Section 9. Membership Retirement. A member may not sell or transfer its membership directly but is entitled to retire its membership. The Board of Directors shall determine on a year-by-year basis if there is a retirement incentive paid to a member at the time of retirement. Members who are planning to retire their membership are required to contact the Club by letter or e-mail.

Section 10. Membership Conveyance. A membership number may be an attractive selling feature for a home of a current member who is moving away from the area. The Board recognizes this and will allow a member to convey their membership number to the purchaser of their home under the following conditions.

- The member should inform the Club of the intention to convey the membership number to the home purchaser.
- The member and the purchaser should each send a letter (or e-mail) to the Club acknowledging the conveyance of the number.
- The purchaser of the home must pay the Club the one time membership fee in effect at the time of sale within 30 days of closing on the home.

Section 11. Absentee Membership. Members may request absentee membership status, subject to approval of and conditions set forth by the Board of Directors. Absentee membership is usually provided for active members in good standing who are temporarily relocated and expect to return to active membership at a later date. Once approved by the Board of Directors, absentee members shall receive all announcements of the Club and shall be required to pay an annual fee, determined by the Board of Directors, to maintain such status. . If a Member is renting their home and wishes to take an absentee status for the season, they can direct the Club to offer a lease to their renter for that season by informing the Club of the renters' name, address and contact information. The renter is treated as any other leasee by completing an application form and abiding by the rules established by the Club. See section on Leasing a Membership for additional information. Should the renter not accept the leased membership when available, the Club has the right to offer the lease to the next family on the waiting list with no further obligation to the renter.

Absentee members may not vote on matters of the Club business (except for special assessments) and may not use the Club facilities. An absentee member may regain full active status the following year by notifying the Club and paying 1) the dues for the current year and, 2) any and all special assessments levied against members during the period said membership was in absentee status. Absentee status shall be granted for no more than three consecutive years. After three years, the Board of Directors, at its discretion, shall suspend membership. Written notice of such suspension shall be mailed by the Board of Directors to the member's address appearing in the records of the Club via certified mail. If the full dues and any special assessments are not paid within 10 days after sending said notice, the Board of Directors will then terminate the membership without further action.

Section 12. Leasing of Membership. At the discretion of the Board of Directors, the Club may offer membership leases. Membership privileges, at the discretion of the Board of Directors, may be leased from the Club for a one year period. Individuals interested in this lease must provide an application to join the Club and meet all membership requirements as stated in the Club's Articles of Incorporation and these By-Laws. Lessees of such memberships shall fully comply with the rules and regulation of the Club as applicable to all other memberships. The lessor shall be required to pay an annual fee, determined by the Board of Directors, to maintain the leasing status of the Membership. At the discretion of the Board of Directors, the Club may offer a membership lease to an individual who is on our Wait list and has leased the year before. During the second or subsequent year, should a membership become available for that individual and he/she chooses not to exercise that option, their lease for the season will be terminated and their name will be removed from the Wait List. If the Club is able to lease it out to another individual, he will be reimbursed the pro-rated amount the Club was able to obtain from the new individual for the partial season. The number of leased memberships shall be no more than ten (10) plus the number of absentee and vacant memberships.

Section 13. Guests. The Board of Directors shall admit guests of members to the use of the facilities of the Club pursuant to the by-laws and rules and regulations promulgated. A member must accompany all guests while the guest is using the Club facilities.

Section 14. Redemptions. The Club is not responsible for redemption or refund of any membership fee, wait list fee, lease fee, absentee fee, annual dues or assessments of a member wishing to resign from the Club.

Section 15. Change of Address. It shall be the responsibility of all members to keep the Club informed of address changes and changes in the number of individuals for the individual membership.

Section 16. Total Membership. The total number of memberships shall be in accordance with the Articles of Incorporation.

Article Four MEETING OF MEMBERS

Section 1. Meeting of Members. A regular annual meeting of the membership shall be held after the operational season and no later than 15 November of any year at such time and place as the Board of Directors shall designate, however, said meeting will take place in Fairfax County, VA.

Section 2. Special Meetings. The President or a majority of the Board of Directors may call a special meeting of the membership. Also, upon the written request of not less than 25 members, the President shall call a special meeting of the membership at a date within 30 days after receipt of such request. Notices of special meetings in all instances shall state distinctly the objectives and purpose of the meeting and no business other than that for which the meeting is called shall be presented or transacted.

Section 3. Notice of Meetings. At least seven, but not more than sixty (60) days before the date of an annual or special meeting of the members, the Secretary shall cause written notice thereof to be mailed or delivered to each member at the address appearing for such member on the records of the Club.

Section 4. Quorum. At any annual or special meeting, Club adult (18 or over) members from 25 different memberships, present or represented by proxy, shall constitute a quorum. Except as otherwise herein provided, a simple majority vote of those memberships present and represented at a meeting in which a quorum has been established shall be sufficient to transact business. Any adult member (18 or over) of a single membership may attend and represent that membership, however in the event of multiple adults in attendance from the same membership, only the vote of the head-of-household, as designated in the member registry, or if not present, the most senior adult by age of the membership attending, shall count in voting.

Section 5. Voting. At any annual or special meeting, each membership shall be entitled to one vote. A member may vote in person or by proxy designed in writing. A member voting by proxy will be considered as present.

Section 6. Rules of Order. Robert's Rules of Order shall govern all proceedings.

Article Five BOARD OF DIRECTORS

Section 1. Board of Directors. The membership of the Board of Directors shall not exceed eleven nor be less than seven and shall only include members in good standing. In the event a Director loses his good standing as a member, is determined not to be in good standing as a member, or is suspended per Article 3B of the Club, and such standing or suspension is not corrected within 30 days, then the Director shall be removed from Board and his seat declared vacant.

Section 2. Members of the Board of Directors. The President, Vice President, Secretary, and Treasurer of the Club shall be members of the Board of Directors during their terms of Office. The Board of Directors shall determine other Officer or Committee Chairs that require fulfillment from acting Directors.

Section 3. Elections. Regular elections of the Board of Directors shall take place at the annual meeting of the members. All directors shall be elected to serve three-year terms with such terms staggered so that no more than four terms expire in any one year. In order to preserve or correct staggered terms, some directors shall serve lesser terms (one or two years) as mutually agreed by the directors at the next subsequent meeting after such issue is identified, or if no majority consensus can be reached by the directors at the subsequent meeting, then the Director positions held by the Officers shall be forced to stand for reelection at the next annual meeting to the extent required in the order of Secretary, Treasurer, Vice President and President until the correct staggering of terms is achieved. No Director shall serve over 3 years without standing for election or reelection.

Article Six OFFICERS

Section 1. President. The President of the Club shall preside over meetings of the Board of Directors during his/her term of office. He/she shall act as principal executive officer for the Club and shall along with the Secretary, sign all official contracts, agreements, authorizations and applications pertaining to the business of the Club. Signature authorization may be passed to another member but only in writing, presented to the member so authorized by the President.

Section 2. Vice President. In the absence of the President, the Vice President shall preside at the meetings of the Board of Directors. The Vice President shall have all the powers of the President during the absence or disability of the President. The Vice President shall have all the powers delegated to him/her by the President to include the power to sign checks for the disbursement of Club funds. The Vice President shall be an ex-officio member of all committees that the Board of Directors shall appoint.

Section 3. Treasurer. The Treasurer shall have custody of all funds and financial records of the Club save those that he/she shall designate to be kept by other Directors. The Treasurer shall compile and submit for approval a yearly budget for the operations of the Club. This budget must be prepared and submitted within three days of the annual meeting. The Treasurer shall have authority to sign checks for disbursement of Club funds and shall collect all revenues payable to the Club. All financial records to include those kept for tax purposes shall be kept and maintained by the Treasurer. The Treasurer shall prepare and submit financial reports and statements to the Board of Directors as the Board of Directors may require. All tax returns shall be the responsibility of the Treasurer and shall insure the accuracy and timely filing of same. The Treasurer shall only deposit the funds of the Club in institutions that are insured by the Federal Deposit Insurance Corporation. The Treasurer may be bonded for the performance of his/her job at the discretion of the Board of Directors. The cost of said bond shall be born by the Club. The Treasurer shall keep and maintain the official membership records of the Club, or if a Membership Director is established and occupied, then this responsibility will be shared with the Membership Director.

Section 4. Secretary. The Secretary of the Club shall also be the Secretary for the Board of Directors. The Secretary shall prepare and maintain complete records of meetings of the Board of Directors and distribute them for approval within 5 days of said meetings. The Secretary shall maintain the voting records of the membership and record voting results and terms of office for Director seats within the Club records. The Secretary shall also prepare and mail all required notices of all meetings. Together with the President, and Treasurer, the Secretary shall sign all official contracts, agreements, authorizations and applications pertaining to the business of the Club.

Section 5. Termination/Commencement of Office. All newly elected Directors shall commence their terms of office, and the predecessors shall terminate their terms of office, as of close of the annual meeting at which their elections occurred. The slate of proposed officers for the next fiscal year shall be presented at the annual meeting. The Board of Directors elected at the annual meeting shall elect officers at the conclusion of the meeting.

Section 6. Removal from Office. Any member of the Board of Directors who shall fail to attend three consecutive meetings or otherwise fail to perform their duties may be removed from office by a majority vote of the remaining Directors but only after the member to be removed has had full benefit of due process to include notice and opportunity to be heard.

Section 7. Assignment of Various Duties. Other duties shall be assigned to the officers and the Board of Directors from time to time, which shall pertain to the positions held.

Section 8. Indemnification. The Club shall fully indemnify the members of the Board of Directors for any act that is not ultra vires, which results in legal proceedings and/or judgments against that member. In addition, the Club shall indemnify and save the members of the Board of Directors harmless from any losses, claims, demands, suits, judgments or out-of-pocket expenses as a result of any injury or damage to or claim by any third persons or their property which is directly or indirectly caused in the course of performance as members of the Board of Directors. Further, the Club shall indemnify and compensate the members of the Board of Directors and its attorneys for any costs that are a result of defending litigation for any claim, suit, or judgment by a third party arising directly or indirectly out of any actions taken by the Board of Directors or any of its members.

Section 9. Compensation. The Club may pay compensation in reasonable amounts to its directors or officers for services. Payment of compensation is at the Discretion of the Board of Directors.

Section 10. Vacancies. Any vacancy occurring in the Board of Directors may be filled at any meeting of the Board of Directors by the affirmative vote of a majority of the remaining directors, though less than a quorum of the Board of Directors. Any director elected to fill a vacancy shall serve as such until the expiration of the original elected term of the vacated Director position.

Article Seven MEETINGS OF THE BOARD OF DIRECTORS

Section 1. Schedule of Meetings. The Board of Directors shall meet once each month during the period of April to September of each year. The President may call a special meeting at any time. A special meeting may also be called at the request of any two Directors. The President shall fix the time and place of each meeting. Meetings of the Board of Directors shall be open to the members unless the Board of Directors, by a majority vote, elects to proceed in executive session.

Section 2. Quorum. A simple majority of the Board of Directors shall be required to transact business at the Board of Directors meeting. The acts of a majority of the Directors present at a meeting shall be the acts of the entire Board of Directors.

Section 3. Notice of Meetings. The Secretary shall give notice of each meeting of the Board of Directors no less than five days prior to the meeting. Such notice may be by mail, e-mail or telephone.

Section 4. Control and Direction. The Board of Directors shall exercise all general direction and control of business of the Club.

Article Eight PROPERTY AND FINANCE

Section 1. Net Worth. The Club shall not authorize a contract for any obligation that is in excess of the net worth of the Club.

Section 2. Corporate Assets. Any obligation of the Corporation assets requires the prior approval of a majority of the Directors present at a duly constituted and properly conducted meeting of the Board of Directors.

Section 3. Expenditures. No unbudgeted obligation or expenditure may be made by any committee, office or member of the Board of Directors without prior approval of the Board of Directors except that the Director of Facilities or Operations in consultation with the President, and at least 2 other members of the Board of Directors are authorized to obligate expenditures in emergency situations when it is not feasible to obtain prior approval of the Board of Directors and immediate action is necessary to protect and preserve Club property and insure continued operation of its facilities.

Section 4. Audit.

- a) The financial records of Hunter Mill Swim and Racquet Club shall be audited on an annual basis in accordance with agreed-upon fiscal year-end auditing procedures.
- b) An audit committee, or a professional auditor, shall be selected by the Board prior to the end of each fiscal year. An auditing committee shall consist of no fewer than three members. No one who had signature authority for the period audited or with current signature authority shall sit on the audit committee.
- c) The Treasurer shall submit the books to the auditor/audit committee at the end of the fiscal year. The audit report shall be submitted in writing to the board prior to finalization of the proposed budget for the upcoming fiscal year.
- d) Upon resignation of a Treasurer, the Board shall require an audit within two weeks of the resignation. The audit shall be performed with fiscal year-end auditing procedures and shall not be performed in lieu of the fiscal year-end audit.
- e) A newly elected treasurer shall not undertake any duties or responsibilities of the office until an audit report is presented to and accepted by the board.
- f) The Audit report shall, at a minimum, contain the following or similar language, addressing each identified audit area below:

In accordance with Section 4 of the Bylaws, I noted the following relative to the financial statements of Hunter Mill Swim and Racquet Club for the fiscal year [year]

- *Disbursements were supported by requests for payment (invoices, receipts), and payments were made for activities designated in the approved budget. Exceptions are:[None/List exceptions.]*
- *Receipts were from sources designated in the approved budget. Exceptions are:[None/List exceptions.]*
- *Changes to the approved budget were supported by actions taken by the board as reflected in the minutes. Exceptions are:[None/List exceptions.]*
- *All receipts and disbursements were properly categorized into appropriate line items. Exceptions are:[None/List exceptions.]*

- *The bank statements were reconciled to the financial statements on a monthly basis. Exceptions are:[None/List exceptions.]*
- *The financial statements accurately reflect the revenue and disbursement activity, and the ending cash position, as of September 30,[year] and for the fiscal year then ended. Exceptions are:[None/List exceptions.]*

Section 5. Fiscal Year. The fiscal year shall be defined as ending on 30 September of each year.

Section 6. Insurance. The Club shall maintain adequate comprehensive, fire, casualty, loss, and liability insurance to protect the assets of the Club. Said insurance policy shall include replacement value. In addition, the Club shall maintain Board of Directors and personal liability insurance for all members of the Board of Directors. The Board of Directors must review the insurance annually.

Article Nine GENERAL PROVISIONS

Section 1. Provisions. All powers, authority, duties, and functions of the members, Directors, officers and employees of the Club shall be exercised in strict conformity with applicable provisions of law and regulations and of the Articles of Incorporation and the By-Laws of the Club.

Article Ten NOMINATING COMMITTEE

Section 1. Nominating Committee. The President subject to the approval of the Board of Directors may appoint a nominating committee at least sixty days prior to the annual meeting if deemed appropriate by the Board of Directors. This committee shall consist of no more than five members and shall nominate a slate of no less than the number of Directors to be elected. The Board of Directors shall determine the number of proposed Board seats for the subsequent election prior to appointing the nominating committee and shall announce the proposed seats within the announcement for the General Meeting. The members may present additional nominations at the annual meeting, but this shall not increase the proposed number of elected seats. Election to open seats on the Board of Directors is determined by the most number of votes received per candidate.

Article Eleven AMENDMENTS TO BY-LAWS

Section 1. Amendments. Amendments to these by-laws may be adopted by affirmative votes of 2/3 (rounded down to the lowest number) of the Directors present at a duly constituted meeting of the Board of Directors. Such amendments shall be effective after adoption, and shall remain effective until accepted or rejected by a simple majority of the members present at a duly constituted meeting. All amendments unapproved at the time of the annual general meeting shall be subject to approval vote at the Annual General Meeting.