

X Revised February 2019

Article I
Corporate Title And Purpose

Section 1 - Title

This Corporation shall be known as Hunters Creek Swim and Racquet Club, Inc. (herein referred to as the "Corporation").

Section 2 - Purpose

Hunters Creek Swim and Racquet Club, Inc. is a non-profit Corporation. This Corporation shall lease real estate, develop, operate, and maintain a swimming pool, clubhouse, and tennis court for the benefit of its members. The Corporation may undertake the development of other facilities and capital improvement programs as approved by its members and the Hunters Creek Home Owners Association as stipulated in the lease between the two organizations.

Section 3 – Definitions

- A. Corporate Member: For the purposes of this document, “corporate member” and “member” and similar variations are synonymous.

Article II
Membership

Section 1 - Corporate Membership

X There shall be a maximum of three hundred and twenty-five (325) corporate memberships. An individual may become a corporate member if he has paid or had paid on his behalf the initial membership fee and the membership annual dues.

An additional ten (10) corporate memberships shall be made available to Hunters Creek homeowners in the event that the pool membership has reached the maximum of 325 and no memberships are available for sale on the open market. The sale price of the corporate membership shall be determined by the Hunters Creek Swim and Racquet Club Board of Directors. The Corporation may exercise its right to buy back, according to Article II, Section 10, paragraph c, to maintain the membership total at or near 325.

Section 2 - Others

There shall be no other membership other than the corporate membership (for example, subleasing one's privileges) and the use of the corporate facilities shall not be allowed to others who are not guests or tenants of corporate members. The Board of Directors shall approve exceptions for the occasional charitable, civic, or individual use on an individual basis.

Section 3 - Rights Of Corporate Members

The owner of each corporate membership has the following rights:

- A. The right of said corporate member and members of his/her household residing together, to use the Corporation's recreation facilities, subject to such rules and regulations as may be prescribed by the Board of Directors or its duly authorized committees; which said rights shall remain in full force and effect as long as the said member fulfills all obligations under these by-laws or the rules and regulations hereto.
- B. The right to one vote per corporate membership owned. Either in person or by proxy to another corporate member designated in writing, on all matters specified herein or presented to the members at any duly called regular or special meeting.
- C. The right to hold office in the Corporation.

Section 4 - Application For Membership

Each applicant for membership shall submit an application in writing, on forms furnished by the Corporation, to the membership manager.

- A. **Corporate** - Applicants for a new membership shall submit the membership fee and annual dues with the application. The membership fee shall be determined by the Board of Directors. Dues may be prorated at the discretion of the Board of Directors.

- B. **Transfer** - corporate members may transfer their membership by private sale only if they are members in good standing. An administrative fee may apply. Delinquent members must pay all dues and fees before they will be allowed to transfer their memberships.

Section 5 - Annual Dues

- X The Board of Directors, on or about March 1st of each year, shall establish annual dues for the membership for the ensuing year. Invoices will be rendered and payable at that time. Annual dues of members paid after May 1, but before June 1, will be accepted if accompanied by a late fee determined by the Board of Directors and listed on the original invoice. Members whose annual dues are unpaid after June 1, shall be placed in delinquent status. Members joining after the mailing of the yearly bills for annual dues must tender annual dues as part of the application for membership. Members who join the Corporation after the opening day of the pool for that year, shall pay prorated dues in an amount to be determined by the Board of Directors.
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 - A. **Responsibility of the Board of Directors:** The Board of Directors shall establish the amount of annual dues in conjunction with the budget approved at the annual meeting. The budget will be presented to the membership for approval at the annual meeting. The Board of Directors may, but is not required to, mail or email an annual invoice.
 - B. **Responsibility of members:** It is the responsibility of each member to ascertain the amount of the yearly dues and tender said amount prior to May 1. All exceptions must be pre-approved by the board before May 1st deadline.
 - C. **Dues:** The annual dues are payable and, if mailed, they must be postmarked by May 1.
 - D. **Returned checks:** There shall be a returned check fee determined by the Board of Directors and listed on the annual invoice.

Section 6 - Delinquent Members

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 - A. Delinquent members shall not be entitled to any rights of corporate members and cannot sell or surrender their membership until all dues and fines have been paid.
 - B. Delinquent member shall be restored to good standing by paying:
 - 1. Full annual dues for the year of delinquency;
 - 2. An additional late payment penalty fee to be set by the Board of Directors and set forth in the annual invoice.
 - 3. Full annual dues for the year the membership is restored to good standing;
 - 4. All costs incurred by the Board of Directors, including reasonable attorneys' fees.
 - C. **Collection of delinquent dues:** the full amount of the annual dues must be received by, or postmarked prior to, May 1 of each year. Bills not paid by November 1 shall be subject to legal action by or on behalf of the Board of Directors. Any and all collection fees, including but not limited to all attorney's fees and court costs, shall be paid by the member. Judgments arising from lawsuits for collection of unpaid bills may become judgment liens on the member's property in the circuit court of Fairfax County.
 - D. If a member remains delinquent, the Board of Directors may in its discretion cancel the membership of such member for subsequent year.

Section 7 - Inactive Members

A member may apply to the Board of Directors for his membership to be transferred from active to inactive status. The Board of Directors will approve or disapprove applications using the following criteria:

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 - A. The member must apply in writing, stating the reasons for requesting inactive status.
 - B. The member must apply each year regardless of whether inactive status was previously approved.
 - C. Any application received after May 1 may be denied by the board.
 - D. Inactive status will be denied if it will financially burden the Corporation.
 - E. A member will be denied inactive status after three consecutive years of inactive status.
 - F. If the number of applications for inactive status exceeds the budgeted number approved by the membership, the board may deny inactive status. Criteria for a denial will include all of the above (a through e) and:
 - 1. Number of years the membership has been inactive.
 - 2. Financial or personal need.

3. Whether the member is living locally or out-of-town.

G. Inactive status is typically reserved for members who will be out of town for extended periods of time, such as overseas military assignments, and cannot be granted to members only desiring to sell their memberships.

Members who become inactive shall pay an annual inactive membership dues, rather than the active membership dues, in an amount not to exceed fifty percent (50%) of the annual dues for active members. An inactive member and the members of his household are not entitled to use any of the facilities of the Corporation restricted to members, but otherwise retain all rights of corporate members. An inactive status may be retracted by the Board of Directors at any time if they deem that it has become a financial burden to the Corporation. Should the Board of Directors retract a member's inactive status, the member has thirty (30) days from the date of the Board of Directors action retracting the member's inactive status to remit the balance between inactive and active dues. If the full amount due is not received within thirty (30) days, the membership will be considered delinquent.

Section 8 - Liability Of Members

All corporate members shall be liable for property damage caused by the member, members of his/her family unit, relatives, guests, and lessees of the corporate member's property authorized to use the facilities of the Corporation.

Section 9 - Use Of Membership By Lessee Of Corporate Member's House

Upon rental or lease of a corporate member's house such member may authorize, in writing to the Board of Directors, his lessee and family unit the use of the facilities of the Corporation. In such event, the corporate member and his family unit shall be ineligible to use the corporate facilities during such lease period, but shall otherwise retain all rights of corporate members. The corporate member will at all times be solely responsible for annual dues payments and all other payments which are rendered to other corporate members.

Section 10 – Sale or Surrender Of Corporate Membership

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In the event that a corporate member wishes to sell or surrender his membership, the following procedures will apply:

- A. **Sale:** A member in good standing (annual dues paid for the current year) may sell their membership on the open market at any time. A sale may include a direct transfer of membership included with the sale of a member's residence. Members desiring to sell must contact the Membership Manager in writing to obtain necessary membership transfer forms. A membership sale is only valid when the selling member is in good standing and the proper forms have been completed and approved by the Membership Manager.
- B. **Mid-Year Sale:** In the event that a membership has been purchased after May 1, the new member will receive full credit for any annual dues payments made previously by the selling member.
- C. **Surrender:** A member may surrender their membership with no further financial obligation to the Corporation after meeting the following requirements:
 1. Membership must be in good standing, with current year annual dues and any applicable late fees, paid in full.
 2. Member must contact the Membership Manager in writing indicating their desire to surrender membership, between August 30 and November 30 of the final year of their membership. It is the member's responsibility to ensure the Membership Manager receives notice of surrender.
 3. Member must surrender their pool passes and tennis court key (if they were issued one) together with a written notice.
 4. If a key was issued, but the member lost the key, a fee determined by the Board is due with the written notice of surrender.
 5. Member desiring to surrender will not receive any payment for their membership.
 6. Member will receive written response from the Membership Manager confirming the surrender.
 7. Surrendered memberships become the property of the Corporation and may be sold by the Board of Directors.

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Section 11 - Suspension Of Members

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- A. Any corporate member may, for cause and after having been given an opportunity for a hearing, upon not less than ten (10) days written notice (which notice shall specify the charges against him), be suspended for a period of not exceeding one (1) month by a two-thirds (2/3rds) vote of the members of the Board of Directors present at any meeting thereof, and may be suspended for a period not exceeding three (3) months by a two-thirds (2/3rds) vote of the entire membership of the board. Cause for suspension shall, in general, consist of violation of the rules and regulations of the Corporation or of conduct detrimental to the interest of the Corporation.

- B. Any member who is suspended may be reinstated upon appeal and approval of reinstatement by a majority of the membership present at a regular or special meeting. Said suspended member must appeal in writing to the board within seven (7) days after notice of suspension and request a special meeting to be called. The Board of Directors shall then call a special meeting of the membership within fourteen (14) days of the request.
- C. The Board of Directors may delegate to a responsible employee or agent of the Corporation, the power to suspend pool privileges, tennis privileges, and clubhouse privileges for the violation of corporate rules and regulations without hearing, provided such suspension does not exceed seven (7) days. A written report of such suspension, containing reasons thereof, shall be submitted to the president, vice-president, or chairman of the operations committee within twenty-four (24) hours. A copy of such report shall be furnished to the offender or, if the offender is a family member or guest of a member, a copy of the report shall be furnished to the member.

Section 13 - Annual And Special Meetings

- A. Annual and special meetings shall be held in accordance with Parliamentary procedure as established by Roberts Rules of Order except as specified within these by-laws.
- B. The annual meeting of the Corporation shall be held within thirty (30) days of the beginning of the fiscal year of the Corporation. The primary purpose of the annual meeting is the presentation of the annual operating budget and the adoption of the annual budget for the forthcoming operating year. Notice of the annual meeting, including time and place shall be emailed or mailed to each member not less than fourteen (14) days prior to the meeting.
- C. A quorum shall be ten percent (10%) of the members in person or by proxy.
- D. The act of a majority of the members present in person or by proxy at a meeting at which a quorum is present shall be the act of the members unless a greater number is specified by the by-laws. Once a quorum is established, it shall not be destroyed by members leaving the meeting.
- E. Special meetings of the members may be called at the request of twenty percent (20%) of the membership. Notice of the request for a special meeting shall be submitted in writing signed by twenty percent (20%) of the membership to the Board of Directors and shall state the reason for the meeting. Upon receipt of the petition, the Board of Directors shall call a special meeting for that purpose. Said meeting shall be within thirty (30) days after receipt of petition. The Board of Directors shall mail both a copy of the petition and notice of the special meeting to each member at least ten (10) days prior to the special meeting.
- F. The Board of Directors may call a special meeting of the membership. The membership shall be informed of the date, time, and place of the meeting and also the purpose of the meeting by mail or email at least ten (10) days prior to the meeting.

Article III
Board of Directors

Section 1 - Number And Tenure

The number of Directors of the Corporation shall be no less than six (6). Each director shall be a corporate member of the Corporation. Directors shall be elected for two-year terms of office. Terms of office shall be offset by one year so that approx ½ of the director terms shall be available for election in any year.

Section 2 - Nomination And Election Of Directors

- A. Candidates shall be nominated by written nomination to the Board of Directors within thirty (30) days prior to the special meeting held for election purposes, or from the floor at such meeting. The election of nominees shall be determined by plurality vote. In voting, each corporate member may cast one vote for each director's seat to be filled without accumulation.
- B. A vacancy on the Board of Directors shall be filled by the affirmative vote of a majority of the remaining directors. Any director so elected shall fulfill the term of which he/she has been elected.

Section 3 - Duties And Powers Of Directors

- A. The directors shall have the power to conduct, control, and manage the affairs and business of the Corporation; to make rules and regulations not inconsistent with the by-laws of this Corporation and to enforce such rules and regulations; to collect annual dues and assessments for the operation and maintenance of the Corporation's facilities.
- B. The Board of Directors may do any and all things necessary or incidental to carrying out the purposes of the Corporation.
- C. The Board's responsibilities for the overall Operations of the swimming pool, clubhouse, tennis courts, and related facilities, include, but are not limited to the following:
 - 1. The operating rules and regulations and changes thereto
 - 2. Selection of pool management
 - 3. An adequate gate control system
 - 4. Physical security of the pool, bathhouse, tennis courts and related facilities
 - 5. Provision of adequate liability and other insurance coverage
 - 6. Control over furniture, equipment, etc., including replacements and additions
 - 7. Any other matters related to operational aspects of the pool, club house, tennis courts, and related facilities
- B. The Board's responsibilities for Maintenance of the swimming pool, clubhouse, tennis courts, and related facilities, include, but are not limited to the following:
 - 1. Plan for, and supervise, the construction, technical operation, and repair of all facilities of the Corporation.
 - 2. Landscaping and ground maintenance.

Section 4 - Regular Meetings

A regular meeting of the Board of Directors shall be held without other notice than this by-law immediately after, and at the same place as, the election meeting of the membership. The Board of Directors may provide by resolution as to the time and place for the holding of additional regular monthly meetings without other notice than such resolution.

Section 5 - Special Meetings

- A. Special meetings of the Board of Directors may be called by or at the request of the president or any two board directors. The person or persons authorized to call special meetings of the Board of Directors may fix the place for holding any special meeting of the Board of Directors called by them.
- B. Notice of any special meeting shall be given at least ten (10) days, but not more than fifty (50) days previously thereto, by written notice containing an agenda delivered personally, electronically via email, or mailed to each director at his/her home address. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail so addressed with postage thereon prepaid.

Section 6 - Quorum

A quorum for any meeting of the Board of Directors shall be three (3) directors in person or by proxy.

Section 7 - Manner Of Acting

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The act of a majority of the directors in person or by proxy at a meeting at which a quorum is met shall be the act of the Board of Directors. A quorum must be present, in person or by proxy, when the Board of Directors votes, and once established, shall not be broken by directors leaving the meeting.

Section 8 - Removal From Office

A director may be removed from office at a special membership meeting called expressly for that purpose, with or without cause, by a two-thirds (2/3rds) vote of the membership voting or by proxy.

Section 9 - Payment Of Dues

For each month of service on the club's board (less any absences in excess of two meetings), the directors', clubhouse manager's and membership manager's annual dues the following year each shall be reduced by one-twelfth (1/12).

Article IV

Officers

Section 1 - Election

The officers of the Corporation shall be a president, a vice president, a secretary, and a treasurer, each of whom shall be elected by the Board of Directors. Such other officers and assistant officers as may be necessary may be elected or appointed by the Board of Directors. The officers of the Corporation shall be elected annually at the first meeting of the Board of Directors held after each election. Each officer shall hold office until his successor shall have been duly elected and shall have qualified or until his death or until he shall resign or shall have been removed by the Board of Directors.

Section 2 - President

The president shall preside at all meetings of the membership, at all meetings of the Board of Directors, and shall be a member of the Board of Directors. He shall perform such other duties as customarily pertain to the office of the president, or as he may be directed to perform by resolution of the Board of Directors.

Section 3 - Vice President

The vice president shall be a member of the Board of Directors and shall have, and exercise, all the powers, authority, and duties of the president during the absence of the latter, or in the event of his inability to act, and such other duties as he may be duly directed to perform by the president or by the Board of Directors. The vice president shall supervise the filing of all reports required by law, including the annual report of the Corporation to be filed with the state Corporation commission, and the annual returns required to be filed with federal and state authorities.

Section 4 - Treasurer

The treasurer shall be a member of the Board of Directors and shall have custody of all funds, securities, and other tangible or intangible assets of the Corporation. He shall prepare the budget for presentation at the annual meeting of the Corporation. He shall promptly discharge such obligations of the Corporation as may have been duly approved by the Board of Directors. He shall provide and maintain full and complete records of all the assets and liabilities of the Corporation. He shall prepare and submit at each regular meeting of the Board of Directors a financial statement of the condition of the Corporation as of the last day of the preceding month. Prior to the annual membership meeting, he shall cause to be made by an independent auditor, who is not a member of the Board of Directors, a report for the preceding year. He will prepare such tax reports and information as local, state, and federal law require.

Section 5 - Secretary

The secretary shall be a member of the Board of Directors and shall prepare and maintain full minutes of all meetings of the members and of the Board of Directors. He/she shall give proper notice of all meetings. He/she shall be responsible for safekeeping the permanent records and the seal of the Corporation. He/she shall serve as parliamentarian at the meeting of the membership and directors. The position of secretary may be held by the director elected treasurer.

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Section 6 – Director: Social Events

The social events director shall be responsible for coordinating the various social events held for all the members.

Article V

Appointed Managers and Special Committees

Section 1 - Membership Manager

A membership manager shall be obtained by the Board of Directors. The manager's activities will include, but are not necessarily limited to:

- X A. Acting on all applications for membership.
- X B. Acting on all changes in the membership as provided by the by-laws.
- X C. Providing the secretary with up-to-date information concerning all additions or deletions of members, changes or additions to the wait list.
- X D. Maintaining a complete record of membership data, including: name, address, membership number, complete names of all relatives living with that member, any nanny or other special passes issued to said member, ages of all children, children who have passed the swim test, and all current data concerning the members payments of fees, dues, guest fees, assessments, or other approved amounts due from members.
- X E. Preparing and sending invoices to all members, collect and duly record all receipts. All funds will then be turned over to the treasurer and complete records of such transactions will be kept in such a manner that the annual audit can properly establish the precise status of the Corporation. All delinquent accounts will be reported to the Board of Directors at each regular meeting.
- X F. Reporting all serious or repeated infractions of the rules pertaining to membership to the Board of Directors for appropriate action.

The manager shall report to the treasurer. If the Membership Manager is not a Board Member, the Membership Manager may be compensated monthly at a rate determined by the Board of Directors.

X **Section 2 - Clubhouse Manager**

X A Clubhouse Manager shall be obtained by the Board of Directors. The manager's activities will include, but are not necessarily limited to:

- A. Oversight for rental of the Clubhouse to members of the Corporation and Residents of Hunters Creek Subdivision
- B. All scheduling of rental and non-rental activities of the Clubhouse.

Section 3 - Appointments

The president shall be authorized to appoint such other special committees or advisors from the directors and members, as he shall deem necessary or expedient.

Section 4 - Sub-Committees

The chairman of each special committee may appoint advisory sub-committees from among the members of the Corporation.

Section 5 – All appointed Managers and committee members serve at the pleasure of the Board of Directors.

Article VI

Property and Finances

Section 1 - Obligations

X The Corporation is not authorized to contract for any obligation in excess of its unobligated assets. Any single obligation or expenditure of the corporate assets greater than \$10,000 and not addressed in the adopted annual budget requires the prior approval of both a majority of the Board of Directors and a vote of a majority of the membership who are present, in person or by proxy, at a meeting called by the Board of Directors for that purpose, of which meeting notice in writing shall be given to each member, by serving same on him personally or by mailing it to him at his place of residence as it appears on the books of the Corporation at least ten (10) days and no more than fifty (50) days prior to such meeting, which notice shall state the time, place, and purpose of such meeting.

Section 2 - Tangible Property

Tangible property of the Corporation may be transferred only after a two-thirds (2/3rds) vote of the directors shall have approved such transfer. Any transfer of tangible personal property of the Corporation valued in excess of \$2500 must be approved by a majority vote of the membership present, in person or by proxy, at any meeting of the Corporation.

Section 3 - Real Property

Real property of the Corporation may be transferred only after a vote of a majority of the members of the Corporation who are present, in person or by proxy, at any meeting of the Corporation.

Section 4 - Deposit Of Funds

All funds of the Corporation shall be deposited in such qualified federally insured depository or depositories as the Board of Directors may from time to time by written resolution designate, and shall be so deposited in a timely manner.

Section 5 - Disbursement Of Funds

All disbursements of funds of the Corporation must be reported to the board at the monthly meetings.

Section 6 - Investment Of Funds

X The funds of the Corporation, except as otherwise provided by these by-laws, may be invested only in obligations of the United States government or federally insured savings. They may not be loaned to or invested with any officer, director, or member of the Corporation.

Section 7 - Audit Of Accounts

The accounts of the Corporation may be audited annually by an independent auditor, who is not a member of the Board of Directors. Reports of this audit may be presented at the annual meeting.

Section 8 - Annual Budget

- A. An annual budget setting forth anticipated revenues and proposed expenditures for the fiscal year shall be prepared by the Board of Directors not later than the last day of February of each year. The Corporation shall operate on a fiscal year basis beginning March 1.
- B. The annual budget shall be subdivided into the following categories:
 1. Operational
 2. Capital improvement costs
 3. Emergency equipment fund (re: subpara. (c).)
 4. Discretionary fund
- C. Emergency equipment fund
 1. The annual budget shall contain an apportionment, set aside from all other budget items, as an emergency equipment fund (hereafter called EEF). The purpose of the EEF is to develop a reserve that may be drawn upon to replace or repair equipment or property of major import that may be rendered inoperable due to malfunction of the ravages of time.
 2. The EEF apportionment shall be set at one thousand five hundred dollars (\$1500.00) minimum annually. This apportionment may be adjusted by the Board of Directors as time and experience may dictate.
 3. Unobligated funds unused of each seasonal apportionment to the EEF at the conclusion of each season shall be deposited in an interest bearing account with all interest accruing to the EEF.
 4. If the EEF fund exceed twenty-five thousand dollars (\$25,000.00) of unobligated funds at the conclusion of any season, all funds realized beyond that amount may be diverted to other usage at the conclusion of a season, as deemed advisable by the Board of Directors.
 5. The EEF is intended for use in replacing or repairing inoperable or damaged equipment whose primary function includes but is not limited to:
 - i. The movement of water for filtration or chemical treatment
 - ii. The piping or tubing systems and accessories associated with 5(i) above
 - iii. The underwater concrete structure of the pool containing filtered or treated water, exclusive of lane markers, ladders, deck equipment and the like.
 - iv. Equipment serving, conditioning, or in any way related to, and required for, the proper operation of 5(i), 5(ii), or 5(iii) above.
 6. Excluded are all items for normal maintenance such as:
 - i. Building maintenance and repair
 - ii. Tennis court maintenance and repair

- iii. Club house maintenance and repair
- D. The annual budget, as approved by the Board of Directors, shall be mailed to the membership at least ten (10) days and no more fifty (50) days prior to the annual meeting of each year. The budget as approved by the Board of Directors shall be announced to the membership for adoption at the annual meeting.

Section 9 - Special Assessments

Special assessments, if any, must be approved by the membership at any legal meeting of the membership and shall be payable at such time as specified by the Board of Directors. Members who fail to pay special assessments as of the time specified by the Board of Directors may be considered delinquent.

Section 10 - Indebtedness Of Members

Upon cessation of membership for any cause, all indebtedness shall be charged against the membership. Failure to pay indebtedness to the Corporation may be grounds for disapproval of transfer of corporate membership as stated in Article II, Section 10.

Section 11 - Indemnification

- A. Each person who acts as a director or officer of the Corporation shall be indemnified by the Corporation against expenses actually and necessarily incurred by him in conjunction with the defense of any action, suit, or proceeding in which he is made a party by reason of his being or having been a director or officer of the Corporation, except in relation to matters as to which he shall be adjudged in such action, suit, or proceeding to be liable for gross negligence or willful misconduct in the performance of his duties.
- B. The right of indemnification provided herein shall insure to each director and officer referred to in (a), whether or not he is such director or officer at the time such costs or expenses are imposed or incurred, and in the event of his death shall extend to his legal representatives.
- C. Any property of the Corporation damaged as a result of the fault or misconduct (as determined by the Board of Directors) of a member of any class, or his guest, shall be promptly paid for by such member.
- D. The Corporation assumes no responsibility, and members or their guests can have no claim against the Corporation for the property of a member or of any guest, which may be brought into or left in the club house, pool, or on the grounds.

Section 12 - Insurance

The board of director shall obtain insurance of such types and in such amounts as they determine to be proper to cover loss or damage to the physical property of the Corporation, and to protect the Corporation against liability.

Section 13 - Interpretation

Any question as to the meaning or proper interpretation of any of the provisions of these by-laws shall be determined by the Board of Directors.

Section 14 - Borrowing Of Funds

The Corporation is not authorized to borrow to meet any obligation except in the following circumstances:

- A. A maximum of twenty thousand dollars (\$20,000) may be borrowed to replace or repair inoperable or damaged equipment when the emergency equipment fund, as defined in these by-laws, is not sufficient to pay the expense; however, the amount borrowed shall not be greater than the cost of the repairs or replacement of the equipment.

In both cases (a) and (b) above, the membership must approve the borrowing of funds at any legal meeting of the membership.

Section 15 - Compensation

No director or officer of the Corporation shall receive compensation for any service he may render to the Corporation. However, any director or officer may be reimbursed for his actual expenses incurred in the performance of his duties.

Article VII

General Provisions

Section 1 – The actions of the directors and officers of the Corporation shall be exercised in strict conformity with applicable provision of the law and regulations and in conformity with the article of incorporation and by-laws of the Corporation.

Section 2 - Keeping Of Records

Copies of the organization papers of the Corporation, including the articles of incorporation, by-laws, and amendments thereto, any corporate book of resolutions, minutes of meeting, and the membership records shall be maintained in a safe manner by the responsible officer of the board ~~and should be stored in a safety deposit box rented by the Corporation for that purpose when not in use.~~ Results of elections and proceedings of all meetings of the directors and members shall be recorded in the minute books.

Section 3 - Annual Operating Report

At least ten (10) days and no more than fifty (50) days prior to the annual meeting of the membership, the board shall deliver, mail or email an annual operating report, statements of audit of assets and liabilities, notice of elections of the Board of Directors, the proposed annual budget, the agenda of the annual membership meeting, and such other matters as are appropriate for consideration by the membership.

Section 4 - Cancellation Of Members' Privileges To Recreation Facilities

Two-thirds (2/3rds) of the Board of Directors may, for good cause, recommend to the membership that the privileges of any member to use the Corporation's recreational facilities be cancelled. Such member shall be notified in writing or by email by the membership manager regarding the grounds upon which such action is based and the member afforded an opportunity of a hearing before a special meeting of the membership. After such hearing, the membership shall be cancelled if such action is approved by a majority of the corporate members present. For the purpose of fee and equity refund, such a cancellation will be treated as involuntary surrender of that membership and subject to the provisions of Article II, Section 10.

Section 5 - Eligibility

X No member will be allowed to use the Corporation's recreational facilities until the dues and fees are paid in full.

X Section 6 - Guests

Bona fide guests visiting members may be afforded guest privileges in accordance with the Corporation's operating rules and regulations.

Section 7 - Amendments

Amendments to these bylaws may be adopted by two-thirds (2/3rds) vote of the corporate members present in person or by proxy, at a duly held meeting of the membership called for that purpose. The secretary shall notify all members in writing of such amendments within fourteen (14) days after adoption.