

May 22, 2018

**SPOTSWOOD SWIM CLUB, INC.  
BY-LAWS**

**ARTICLE I  
Purposes**

The purposes of this Corporation are:

To construct a swimming pool and necessary buildings to be used in connection therewith;

To maintain and operate a swimming pool for the pleasure and recreation of the members, their families and guests;

To provide instruction and education in the art of swimming;

To conduct a merchandising and food dispensing business in connection with the operation of a swimming pool for the benefit and convenience of the members;

To construct, maintain, and operate other recreational facilities for the use, pleasure, and recreation of the members, their families, and guests;

To purchase, take, lease, or otherwise acquire any lands, buildings, easements, or property, real and personal, which may be requisite for the purpose of or capable of being conveniently used in connection with any of the objects of the Corporation;

To do any and all things necessary and incidental for the accomplishments and aims of the Corporation.

**ARTICLE II  
Corporate Seal**

Section 1. Corporate Seal: The corporate seal shall have inscribed thereon the name of the Corporation, the year of its organization, and the word "seal". The corporate seal shall be kept by the Membership Secretary.

**ARTICLE III  
Principal Office**

Section 1. Principal Office: The principal office of the Corporation shall be located at the address of the registered agent.

Section 2. Books and Records: The books and records of the Corporation shall be kept by the various officers who must use them.

## **ARTICLE IV**

### **Membership**

Section 1. Active Members: An active member shall be any person who lives in the membership area; who has been elected to membership pursuant to Section 3 of this Article; and who shall pay for stock, as defined in Article V, and annual dues in accordance with the provision of these by-laws and the Articles of Incorporation.

Section 2. Pool Use Permit: A pool use permit is not a membership. A pool use permit is a household unit that purchases access to the facility which is offered by the Board of Directors for a limited time period. An annual pool use permit may be granted to active duty military members living in the membership area for the cost of annual dues. This privilege is only available while on active duty and living in the membership area. Additionally, a trial family membership may be made available at rate, and period, agreed to by the board. Other pool use permits will be considered as they arise. The guiding principles of granting Pool Use Permits will be to generate membership interest, establish positive rapport with the community, and generate additional revenue for the benefit of stockholders.

Section 3. Election of Members: Active membership in the Corporation may be obtained only through the recommendation of two bona fide members and the approval of a majority of the Board of Directors.

Section 4. Membership Privileges: Active members may use the swimming pool and other facilities. For those with an active family membership, the spouse, together with the unmarried children residing in their household, may use the swimming pool and facilities without payment of additional dues. Single memberships apply only to the membership holder and do not include privileges for any family members. Use of the facilities by member, non-members, guests, and others shall be determined by the action of the Board of Directors.

Section 5: Termination of Membership: Requests for membership termination will be in writing. Digital requests, with confirmation of receipt, are acceptable. A member may submit a written request to the Corporation for membership termination and stock refund if twelve months have passed from the date of membership activation. The privileges of any active member to use the facilities may upon just cause be terminated by a two-thirds vote by the Board of Directors. Members will be notified in writing within five days of such vote providing the grounds for termination. Following notice, members will have five days to file a reply, in writing, to the Secretary of the Corporation. In the event of a reply, the Board will consider the response and issue a final decision, by minimum two thirds vote, within one week.

Section 6. Membership Area: The area in which persons must live in order to be members of the Corporation shall be determined by the Board of Directors.

Section 7. Maximum number of Members: The maximum number of memberships shall be two hundred and fifty.

Section 8. Notification Procedures: All notices mentioned in these by-laws shall be mailed or delivered to the address of the person entitled thereto as shown on the books of the Corporation, and the mailing of the same, postage prepaid, shall constitute good notice. Members who provide an email address waive their right to U.S. Postal delivery of all notices. It is then the responsibility of the member to update the Corporation of any email changes.

Section 9. Waivers of Notice: Whenever any notice whatsoever is required to be given by law, or under the provisions of the Certificate of Incorporation or by these by-laws, a waiver thereof in writing, signed by the person or persons entitled to said notice, whether before or after the time stated therein, shall be deemed equivalent thereto unless such waiver is expressly prohibited by law.

Section 10. Stock Refunds: Stock refunds are to be paid in the chronological order of requests for termination of membership, as applicants become available to replace the exiting members. However, if an exiting member is able to recommend an applicant accepted for membership, then the exiting member will receive his refund when that applicant becomes an active member as defined by Article 1. The Corporation by vote of the Board of Directors may refund the stock of any member suffering from unforeseen hardships. Upon termination of a membership, as hereinafter provided, the Corporation shall be required to pay to said member the full amount of the stock paid by him, less any unpaid dues.

## **ARTICLE V**

### **Stock and Annual Dues**

Section 1. Stock: Stock for active members of the Corporation shall be \$550.00. Stock shall be paid before membership becomes active.

Section 2. Annual Dues: Annual dues shall be determined by a vote of the membership at an annual or special meeting. The membership year commences on opening day.

Section 3. Delinquent Dues: Membership privileges shall not be available to any member entitled thereto if the full amount of annual dues remain unpaid on opening day unless prior arrangements are made with the Board of Directors. The Treasurer and/or the Membership Secretary will notify the pool manager of all persons whose dues remain unpaid after thirty days from opening day. If the annual dues remain unpaid through one swimming season, the Board of Directors may, after ten days written notice, terminate his membership.

## **ARTICLE VI**

### **Membership Meetings**

Section 1. Annual Meetings: The annual meetings of the active members of the Corporation shall be held each year on the 4<sup>th</sup> Sunday in August at a time and place to be designated by the Board of Directors and published to the website. Members shall be duly notified in writing of said annual meeting not less than ten days prior thereto. At such meetings only the active

members shall be entitled to vote and they shall elect members of the Board of Directors, and transact such other business as may properly come before the meeting.

Section 2. Special Meetings: Special meetings of the active members of the Corporation may be called at any time by vote of the majority of the members of the Board of Directors. A special meeting shall be called by the President upon the request in writing from at least twenty-five active members. Due notice of a special meeting showing the purpose thereof shall be given the members not less than ten days prior thereto.

Section 3. Quorum: At any special or regular meeting of the membership, a quorum shall consist of at least ten percent of the active members. If a quorum is not met, then decisions revert to the Board of Directors and will require a two-thirds majority to pass.

Section 4. Voting: Each active member or spouse may cast one vote. It shall be the duty of the Membership Secretary to prepare at least five days before every election, a complete list of members of the Corporation entitled to vote and such list shall be produced at the time and place of such election and kept there until the election is concluded. The President of the Board shall appoint inspectors and tellers as required.

Section 5. Rules of Procedure: Unless otherwise provided by law, by the Certificate of Incorporation, or by these by-laws, rules of procedure governing meetings of members of the Corporation or of the Board of Directors shall be those of Robert's Rules of Order, as revised from time to time.

## **ARTICLE VII**

### **Directors**

Section 1. Governance: The governing body of the Corporation shall be a Board of Directors consisting of nine active members. The property and operations of the Corporation shall be managed by the Board of Directors.

Section 2. Election and Term of Office: At each annual meeting, Directors shall be elected for a period of three years to replace those Directors whose terms expire at that annual meeting. Newly elected Directors shall commence their term of office and their predecessors shall terminate their term of office as of the close of the annual meeting of the active members at which such election occurs.

Section 3. Vacancies: The termination of membership of a Director in the Corporation shall serve as a resignation from his office as Director. In case of any vacancy in the Board of Directors, the remaining Directors by affirmative vote of the majority thereof, may appoint a successor to hold office for the unexpired portion of the term or until election of his successor.

Section 4. Delinquencies: If a Director fails to attend two (2) consecutive meetings of the Board of Directors, or otherwise fails to perform, that Director may be removed by majority vote of all Directors and the vacancy filled, per Section 3.

**ARTICLE VIII**  
Board of Directors' Meeting

Section 1. Regular Meetings: The first regular meeting of the Board of Directors shall be held immediately after the adjournment of the regular annual meeting of the active members. The President, or in his absence, the Vice President, will call a meeting of the Board of Directors at any time there is business to come before the board, and shall do so within ten days upon receipt of the written request of any three Directors. The time and place of each meeting shall be fixed by the President.

Section 2. Special Meetings: The President may call special meetings of the Board of Directors and shall call a special meeting of the Board of Directors within ten days after the receipt of the written request of any twenty-five active members. Each Director must receive reasonable notice of said special meetings.

Section 3. Quorum and Proxies: A majority of the Directors shall constitute a quorum, but no proxy votes shall be valid.

Section 4. Presiding Officer: Meetings shall be presided over by the President, or in his absence, by the Vice President. In the absence of both the President and the Vice President, the Board of Directors shall elect a presiding officer for that meeting. Meetings of the Board of Directors may be open to the active members, at the discretion of the majority of the Board of Directors present.

**ARTICLE IX**  
Officers

Section 1. Officers: The officers of the Corporation shall be a President, a Vice President, a Treasurer, and a Secretary, all of whom shall be elected by the Board of Directors for a term of one year at the first meeting following the regular annual meeting of the active members and shall hold office until their successors are elected and qualified. With the exception of the Secretary and Treasurer, only Directors shall be eligible to serve as an officer of the Corporation.

Section 2. President: The President shall preside at all meetings of the active members and the Board of Directors. He/She shall perform such other duties as customarily pertain to the office of the President, or as he/she may be directed to perform by resolution of the Board of Directors. The President supervises and directs the Pool Manager.

Section 3. Vice President: The Vice President shall have and exercise all the powers, authority, and duties of the President during the absence of the latter or his inability to act.

Section 4. Treasurer: The Treasurer shall have custody of all funds, securities, fiscal papers and other intangible assets of the Corporation. He shall collect the revenues of the Corporation and pay its bills as authorized by the Board of Directors. He shall provide and maintain full and complete records of all assets and liabilities of the Corporation. He will 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, including the book value of the stock. He shall administer a petty cash fund as authorized by the Board of Directors. The fiscal year of the Corporation shall be from January 1 to the last day of December. He shall prepare and present an annual budget to the Board of Directors. He may utilize a Finance Committee.

Section 5. Secretary: The Secretary shall prepare and maintain full minutes of all meetings of the active members and the Board of Directors. He shall conduct all correspondence of the Corporation. He shall have custody of all valuable paper other than those kept by the Treasurer, and Membership Secretary, and perform such other duties as customarily pertain to his office.

Section 6. Membership Secretary: The Membership Secretary shall prepare and maintain the transfer books of membership certificates of the Corporation and membership records of the club. He shall keep an up-to-date list of persons desiring membership and shall have custody of the seal of the Corporation.

Section 7. Vacancies: When an officer is absent or otherwise unable to perform the duties of his office, the Board of Directors may designate another member of the Board of Directors to act temporarily in his place.

## **ARTICLE X**

### **Committees and Pool Manager**

Section 1. Committees: The following committees may be appointed from time to time by the President from the active members for the purpose of assisting the officers of the Corporation in the performance of their duties. The chairman of these committees shall be approved by the Board of Directors: (a) Membership Committee; (b) Finance Committee; (c) Building and Grounds Committee; and Special Committees.

Section 2. Membership: The Membership Committee composed of not less than three members, shall investigate and report to the Board of Directors regarding the desirability of applicants for membership.

Section 3. Finance: The Finance Committee shall report to the Treasurer and assist him in his duties.

Section 4. Building and Grounds: The Building and Grounds Committee, composed of not less than three members, shall work with the Pool Manager to determine the readiness of the pool and facilities prior to opening day, shall repair and maintain the facilities in good working order during the season, and shall close down the facilities at the end of the season taking necessary precautions to safeguard the equipment and buildings during the off-season months.

Section 5. Special Committees: The President is authorized to appoint such special committees as he shall deem necessary for the welfare of the Corporation.

Section 6. Pool Manager: The Pool Manager shall supervise and make arrangements for the proper operation and management of the pool and other facilities and grounds. He/She shall

report to the President. He/She shall see that the rules of good health and good conduct prescribed by the Board of Directors are enforced. The pool manager, at his/her discretion, may deny use of the facilities or any part thereof to a member or any other person for violation of the prescribed rules or for misconduct on or near the Corporation's premises, or for any condition judged likely to endanger the health, or morals of members of the Corporation or likely to damage its property. He/She shall direct and supervise other employees of the pool.

## **ARTICLE XI**

### **General Counsel**

Section 1. General Counsel: The Corporation is authorized to engage the services of a general counsel. The general counsel must be a member of the Bar of the State of Virginia in good standing. The general counsel shall be appointed by the Board of Directors.

## **ARTICLE XII**

### **Property and Finances**

Section 1. Contracts: The Corporation is not authorized to contract for any obligation in excess of its net worth. Any obligation or pledge of the Corporation assets shall require the prior approval of the majority of the active members present at a duly held meeting of the active members.

Section 2. Sale or Transfer: Personal property of the Corporation, tangible and intangible, may be sold or transferred only after two-thirds of the Directors shall have approved such a transfer, and in the case of real property, after a majority of the active members at a regular meeting or a meeting especially called for said purpose, have also approved such transfer.

Section 3. Deposits: The funds of the Corporation shall be deposited only in a bank or institution whose deposits are insured by the Federal Deposit Insurance Corporation. All funds of the Corporation shall be deposited in such qualified depository or depositories as the Board of Directors may from time to time, by written resolution designate, and shall be so deposited within one week of their receipt, provided, however, that receipts in the aggregate of \$100.00 or less need not be deposited more often than once a week.

Section 4. Disbursements: All disbursements of funds of the Corporation shall be made by checks signed by the Treasurer and President, or in the Treasurer's absence, by the Secretary and countersigned by the President or Vice President; provided, however, that the Board of Directors may by resolution provide for the establishment and replenishment of a petty cash fund for expense items of the Corporation.

Section 5. Bonds: The Board of Directors will secure the faithful performance of the Treasurer by means of an adequate fidelity bond.

Section 6. Investments: The funds of the Corporation, except those on deposit as provided in Section 3 or those invested in recreational facilities and property, may be invested only in obligations of the United States government or with government insured financial institutions. They may not be loaned to or invested with any officer, Director, or active member of the Corporation.

Section 7. Audits: The accounts of the Corporation shall be audited annually by a person or persons designated by the Board of Directors. The report of this audit shall be available to each member and shall also be presented at the annual meeting of the members of the Corporation. The auditor shall not be either an officer or a Director of the Corporation.

### **ARTICLE XIII** Amendment of By-Laws

Section 1. Amendments: These by-laws may be amended or new by-laws may be made by the Board of Directors with approval of the membership.

Section 2. Amendment Procedure: Amendment, repeal, or making of new by-laws shall be made in the following manner: Notice of proposal to amend, repeal, or make new by-laws as recommended by the appointed special committee shall be delivered to each member of the Corporation at least ten days prior to any annual or special meeting of the members at which such proposal shall be considered. A majority vote of the members present at such a meeting shall be required for approval of said amendment, repeal, or new by-laws.