

Kent Gardens Recreation Club By-Laws

(Updated with amendments approved at January 2018 Annual General Meeting)

Article I: Purpose

The Corporation is organized for the following purpose: to develop, operate and maintain a club for swimming; to promote the peaceful, lawful and considerate use of the facilities by members and guests; and for all other lawful purposes consistent with the operation of a recreation club as may be determined by the members from time to time in accordance with the by-laws of the Corporation.

Article II: Membership

Section 1. Definition:

A Corporate Member is the legal subscriber of a membership in the Corporation as registered on the official membership roster. Where two persons subscribe to a membership jointly, either person may cast the vote as a member, but there shall be only one vote cast for each membership unit. A membership may not be subscribed to jointly by more than two persons.

Section 2. Qualification and Selection:

Persons who subscribe and adhere to the purpose and provisions of the Corporation, as set forth in the articles of incorporation, by-laws and duly promulgated rules and regulations, shall be eligible for membership, subject to the approval of the Board of Directors and payment of all applicable fees. Questions of membership eligibility or termination shall be decided by the Board of Directors. The Corporation is limited to 325 Corporate Members. No person shall own more than one membership.

Section 3. Responsibilities:

Members shall be responsible for complying with those provisions of the by-laws and published rules and regulations of the Corporation that pertain to conduct, use of the facilities and payment of fees. Questions of interpretation shall be decided by the Board of Directors or its designated delegates.

Section 4. Rights and Privileges:

(a) Membership units shall be entitled to full use of the facilities subject to the by-laws and applicable rules and regulations. A membership unit consists of one household:

- (i) not more than two adults and their minor children who reside with them;
- (ii) unmarried adult children who, as of January 1 of any membership year, are not older than 25 years of age; normally reside with such member; or are full-time students at a recognized educational institution.

Use of the facilities by all other relatives or persons residing with a member shall be permitted only upon approval by the Board of Directors, payment of applicable fees established in accordance with Article VIII, Section 5, and official registration as resident relatives.

Non-resident childcare providers will be subject to the same guidelines as resident relatives except that, in addition, facilities privileges are contingent upon the currency of employment, and childcare providers must be accompanied at all time by a member, in good standing, of the household.

(b) Members shall be entitled to have guests use the facilities in accordance with the by-laws and rules and upon payment of all applicable fees in accordance with Article VIII, Section 5.

(c) Only members of the Corporation shall be eligible for election to the Board of Directors of the Corporation as provided by the bylaws.

(d) Only members of the Corporation are entitled to vote in the affairs of the Corporation as provided in the by-laws.

(e) A copy of the articles of incorporation, by-laws and applicable rules and regulations shall be furnished to each new member of the Corporation upon acceptance as a member. Thereafter, amendments may be obtained upon request from the Board of Directors, unless otherwise furnished to the membership.

Section 5. Denial of Use and Suspension or Revocation of Membership:

(a) The Board of Directors may deny use of the facilities of the Corporation to any member (including all persons in a membership unit) or guest who violates the by-laws or rules of the Corporation or who acts contrary to the purpose of the Corporation as stated in these by-laws. The Board of Directors may delegate its authority to deny the use of the facilities to members or guests as provided under the following provisions.

(b) Denial of Use: The Board of Directors may remove (or appoint someone to remove) any guest who violates the by-laws or rules of the Corporation or who acts contrary to the purpose of the Corporation as stated in these by-laws.

(c) Suspension of Membership: The Board of Directors may suspend (or appoint someone to suspend) the privileges of a member (including all persons in a membership unit) for any length of time deemed appropriate by the Board. Suspension of membership must be approved by two-thirds of the Board of Directors.

(d) Revocation of Membership: Any member against whom revocation of membership is contemplated shall be notified in writing and given an opportunity to be heard by the Board of Directors within five days after such notification. The Board of Directors may then revoke membership by a two-thirds vote, and that action shall hold unless reversed by appeal. Revocation of membership may be appealed at the next general membership meeting. If two-

thirds of the members at the meeting oppose revocation, the Board's action shall be set aside and the membership privileges restored to the member.

Section 6. Membership Renewal:

(a) Renewal Process: Under procedures established by the Membership Director and approved by the Board of Directors, the Membership Renewal Period will begin no later than sixty days prior to the Opening Day of the season. The Board of Directors may, in their discretion, establish a discounted renewal fee during "Early Bird" renewal period. The Board of Directors will set a date as the Guaranteed Renewal Deadline such that membership renewals for current Corporate Members will be guaranteed prior to that date upon payment of the established fees and completion of the established registration process. Memberships not renewed by the Guaranteed Renewal Deadline or deferred by inactivation as specified in Article II Section 6(b) during the season will be forfeited.

After the Guaranteed Renewal Deadline, the Corporation will begin offering memberships to prospective members from a waitlist maintained by the Membership Director. After this date, the Corporation will accept memberships from both the waiting list and the pool of former members. Former members may renew as long as there is space available at the club; however, their memberships are no longer guaranteed. The Corporation will make all reasonable attempts to contact the member to encourage their membership renewal, but the Corporation cannot guarantee memberships for those members who do not renew their memberships by the deadline. Membership dues are payable in full.

(b) Inactive membership: A member may choose to pay the inactivity fee, as established by the Board of Directors, in order to hold the membership space for one year. During the summer in which the membership status is inactive, the member may not use the facilities or vote; however, the membership is guaranteed for the next season, provided the member renews the membership before the deadline. Requests to remain inactive for consecutive years are subject to board approval, as well as payment of annual fees.

(c) Reinstatement of terminated members: If a former member with a membership was forfeited in accordance with paragraph (a) above or Article VIII, Section 2 and with such membership having been expired for no more than the two previous consecutive years wishes to renew membership, the member will pay a modified, re-initiation fee as established by the Board of Directors. However, all other terms and conditions for new memberships apply.

Section 7. Other Seasonal Facility Usage

(a) Temporary: Under terms and conditions established by the Board of Directors, persons who are considering membership in the Corporation may be granted the temporary use of the facilities upon written application to the Membership Director and payment of applicable fees in accordance with Article VIII, Section 3. The number of prospective member households granted the temporary use of the facilities during the operating season shall not exceed the combined number of inactive and Corporation owned memberships.

(b) Dive: Under terms and conditions established by the Board of Directors, persons who are members of another NVSL pool that does not have a dive team may be granted full use of the facilities upon written application to the Membership Director and payment of applicable fees in accordance with Article VIII, Section 3. The Board of Directors may authorize no more than 25 such Dive Memberships in any given year, which shall be in addition to the limit of 325 Corporate Members.

(c) August: Under terms and conditions established by the Board of Directors, persons may be granted the temporary use of the facilities beginning August 1 until the end of the season upon written application to the Membership Director and payment of applicable fees in accordance with Article VIII, Section 3. The Board of Directors may authorize no more than 50 such August Memberships in any given year, which shall be in addition to the limit of 325 Corporate Members.

(d) Dolphin: Under terms and conditions established by the Board of Directors, Dolphin Members may be granted full use of the facilities upon written application to the Membership Director and payment of applicable fees in accordance with Article VIII, Section 6. An applicant for Dolphin Membership must demonstrate that the applicant:

- (i) Is either a current Member in good standing or a former Member;
- (ii) Is an individual adult referred to in Article II, Section 4 (a) (i); and
- (iii) Held membership in good standing for no fewer than 10 consecutive years.

A Dolphin Member shall be granted the temporary use of the facilities for not longer than one year but will have the right to request a renewal of the Membership, provided these continue to be authorized by these By-Laws. The Board of Directors may authorize no more than 50 such Dolphin Memberships in any given year, which shall be in addition to the limit of 325 Corporate Members.

(e) Limitations: With the exception of the renewal provisions for Dolphin Members as specified in Article II Section 7(d), users provided access to the facilities under this section will have no right to renew membership under Article II Section 6(a), will not be allowed a vote, and will not own any membership in the Corporation. Seasonal Facility Users may re-apply for use of the facilities under the procedures established by the Membership Director and approved by the Board of Directors. The use of the word "Members" or "Membership" with regards to Seasonal Facility Users provided in this Section shall not be construed to provide any additional rights, responsibilities, or privileges that are otherwise provided to Corporate Members in Article II.

(f) Seasonal Facility Users shall be responsible for complying with those provisions of the by-laws and published rules and regulations of the Corporation that pertain to conduct, use of the facilities and payment of fees. Questions of interpretation shall be decided by the Board of Directors or its designated delegates.

Article III Board of Directors

Section 1. Composition:

The Board of Directors should consist of a minimum of nine board members elected from the membership of the Corporation, including four officers (President, Vice President, Secretary, and Treasurer) and at least five other Directors assigned various responsibilities including, but not limited to: swimming activities; diving activities; membership; facility maintenance; and special programs. Total number of Directors may be determined by a majority vote of the Board of Directors and shall total an odd number, left to the discretion and annual review of the elected Board.

Section 2. Responsibilities:

The Board of Directors shall be responsible for the administration and financial management related to operation and maintenance of the corporate facilities. This includes employment of necessary staff, purchase of necessary equipment and supplies, development and enforcement of rules and regulations for use of the corporate facilities, development of budget and accounting measures, issuance of an annual report, and all other activities essential to the operation and sound financial management of the Corporation.

Section 3. Duties:

(a) President: The President shall preside at all meetings of the membership and of the Board of Directors; perform other duties which customarily pertain to the office of President; sign contracts for the Corporation; be an ex-officio member of and advisor to all standing and special committees except the Nominating Committee; and perform any other duties assigned by the Board of Directors.

(b) Vice President: The Vice President shall assist the President and act for the President during his or her absence or incapacity; act as head of the Nominating Committee appointed by the Board; serve as a member of the Finance Committee; and perform any other duties assigned by the Board of Directors. The Vice President shall oversee the pool manager, secure bids for general pool contracts, and perform any other duties assigned by the Board of Directors.

(c) Secretary: The secretary shall record the minutes of all meetings of the membership and of the Board of Directors; ensure the proper safekeeping of the corporate seal and of essential records of the Corporation; prepare and file all records and documents required by the Virginia State Corporation Commission; and make necessary preparation for annual or special meetings of the membership; and perform any other duties assigned by the Board of Directors.

(d) Treasurer: The Treasurer shall have custody of all funds of the Corporation; keep a full and accurate account of receipts and disbursements; make disbursements in accordance with the approved budget as authorized by the general membership; present a financial statement at every meeting of the Corporation and at other times requested by the Board of Directors, with a full report at the annual meeting; work with the Finance Committee in preparing the budget; prepare tax returns required by local, state and Federal agencies; and perform any other duties

assigned by the Board. The Treasurer's books shall be examined annually by an auditor appointed by the Board of Directors but who is not a member of the Board.

(e) Director of Swim Activities: The Director of Swim Activities shall promote an active program of instruction and competition in swimming for members' children; provide liaison between the swimming program and the Board of Directors; prepare and recommend for Board approval the rules and regulations governing use of swim facilities; serve as swim team representative to the Northern Virginia Swim League; assure proper selection of swim team coaching staffs; and perform any other duties assigned by the Board of Directors.

(f) Director of Dive Activities: The Director of Dive Activities shall promote an active program of instruction and competition in diving for members' children; provide liaison between dive program and the Board of Directors; prepare and recommend for Board approval the rules and regulations governing use of dive facilities; serve as dive team representative to the Northern Virginia Swim League; assure proper selection of dive team coaching staffs; and perform any other duties assigned by the Board of Directors.

(g) Director of Membership: The Director of Membership shall promote a fully subscribed roster of active memberships in the Corporation; serve as principal contact for all persons seeking information about membership in the Corporation; receive and recommend Board action on all applications for membership; ensure that appropriate records concerning inquiries and membership applications are maintained; maintain the official roster of membership owners; and perform any other duties assigned by the Board of Directors.

(h) Director of Facility Maintenance: The Director of Facility Maintenance shall promote the upkeep and physical integrity of the Corporation's facilities; inspect the facilities of the Corporation to determine needed repairs, improvements, or additions; obtain necessary information concerning alternative solutions and costs; when appropriate, secure bids from contractors, present alternatives and recommend action to the Board of Directors; ensure that work is completed according to agreement or contract; and perform any other duties assigned by the Board of Directors.

(i) Director of Special Programs: The Director of Special Programs shall promote an active program of social and recreational activities serving the interests of children of various age groups and of adult members; contribute to the preparation of the annual calendar of events for the summer season; arrange special social functions for children and adults, including publicity, purchase of supplies, supervision, and clean-up; assure the provision of equipment for recreation activities such as basketball, Ping-Pong; and perform any other duties assigned by the Board of Directors.

(j) Members-at-Large: The Members-at-Large roles are unspecified positions whose duties are decided upon by the Board of Directors each year according to the needs of the Corporation.

Section 4. Administration:

The Board of Directors shall make any arrangements it deems appropriate to ensure proper record keeping and administration of the duties above, including employment of an administrative assistant to carry out specific tasks as the Board of Directors may delegate or assign and to help ensure the continuity of policies and practices among successive Boards. At its initial meeting following the annual meeting of the membership, the Board of Directors shall establish a list of specific functions and tasks for which each Board member and the administrative assistant will be assigned or delegated responsibility in order to carry out the general duties enumerated in Section 3, above. The list of assigned functions may be revised by the Board of Directors from time to time as circumstances warrant.

Section 5. Conflicts of Interest:

(a) Whenever a Director has a financial or personal interest in any matter coming before the Board of Directors, the board shall ensure that:

(i) The interest of such Director is fully disclosed to the Board of Directors.

(ii) No interested Director may vote or lobby on the matter or be counted in determining the existence of a quorum at the meeting of the Board of Directors at which such matter is voted upon.

(iii) Any transaction in which a Director has a financial or personal interest shall be duly approved by members of the Board of Directors not so interested or connected as being in the best interests of the organization.

(iv) Payments to the interested Director shall be reasonable and shall not exceed fair market value.

(b) The minutes of meetings at which such votes are taken shall record such disclosure, abstention, and rationale for approval.

Section 6: Indemnification

(a) The Corporation shall, to the extent legally permissible, indemnify each person who may serve or who has served at any time as an officer, director, or employee of the Corporation against all expenses and liabilities, including, without limitation, counsel fees, judgments, fines, excise taxes, penalties and settlement payments, reasonably incurred by or imposed upon such person in connection with any threatened, pending or completed action, suit or proceeding in which he or she may become involved by reason of his or her service in such capacity; provided that no indemnification shall be provided for any such person with respect to any matter as to which he or she shall have been finally adjudicated in any proceeding not to have acted in good faith in the reasonable belief that such action was in the best interests of the Corporation; and further provided that any compromise or settlement payment shall be approved by a majority vote of a quorum of Directors who are not at that time parties to the proceeding.

(b) The indemnification provided hereunder shall inure to the benefit of the heirs, executors, and administrators of persons entitled to indemnification hereunder. The right of indemnification under this Article shall be in addition to and not exclusive of all other rights to which any person may be entitled.

(c) No amendment or repeal of the provisions of this Article which adversely affects the right of an indemnified person under this Article shall apply to such person with respect to those acts or omissions which occurred at any time prior to such amendment or repeal, unless such amendment or repeal was voted by or was made with the written consent of such indemnified person.

(d) This Article constitutes a contract between the corporation and the indemnified officers, directors, and employees. No amendment or repeal of the provisions of this Article which adversely affects the right of an indemnified officer, director, or employee under this Article shall apply to such officer, director, or employee with respect to those acts or omissions which occurred at any time prior to such amendment or repeal.

Article IV Standing and Special Committees

Section 1.

There shall be a Finance Committee with responsibility for reviewing estimated requirements, developing financial plans of the Corporation and advising the Board of Directors on all financial matters. The Vice President and Treasurer shall be members of this committee along with any other Directors or members appointed by the Board of Directors.

Section 2.

Additional standing committees may be created at the discretion of the Board of Directors to assist the Directors in carrying out their responsibilities. The composition and terms of responsibility of such committees shall be determined by the Board of Directors from among the Directors and/or members of the Corporation.

Section 3.

Subject to the approval of the Board of Directors, the President may appoint special committees as considered necessary or expedient for the welfare of the Corporation.

Section 4.

The chairperson of each Standing or Special Committee shall be designated by the President and shall report regularly to the Board of Directors.

Article V Meetings

Section 1. Membership Meetings:

(a) The annual meetings of the members shall be held following the close of the operating season each year at a time and place designated by the Board of Directors.

(b) A special meeting of the membership may be called by the President and must be called by the President within 30 days of receipt of a written request of 25 or more members.

(c) Written notice of the date, time, place, and purpose of any annual or special meeting of the membership shall be emailed to each member, at the email address appearing for that member on the official record, not less than 10 or more than 50 days in advance of the proposed meeting. Notice of membership meeting to act on an amendment to the articles of incorporation shall be emailed not less than 25 or more than 50 days before the date of the meeting.

(d) Ten days prior to any annual or special meetings, a list of members eligible to vote shall be drawn up from the roster of eligible Corporate Members. Each membership shall entitle the holder to one vote in the Corporation. Joint owners of a membership may cast only one vote. A member may vote in person or by proxy designated in writing.

(e) One-fourth of the members, represented either in person or by written proxy, shall constitute a quorum for the conduct of business. If a quorum is not present, less than a quorum shall have the power to adjourn the meeting until a time when a quorum is present.

(f) Voting shall be by voice or ballot. Unless otherwise provided in these by-laws, a majority of members voting at a meeting will be required to approve any motion. In voting for Directors, each membership unit may cast one vote for each position to be filled.

(g) Robert's Rules of Order, Revised, shall govern all proceedings of the Corporation, except where provided otherwise in the by-laws.

Section 2. Meetings of the Board of Directors:

(a) A meeting of the Board of Directors shall normally be held each month.

(b) A special meeting of the Board may be called by the President and must be called upon the written request of any four Directors.

(c) The time and place of each meeting shall be fixed by the President.

(d) Appropriate notice of each meeting shall be given as determined by the Board of Directors.

(e) A majority of the current elected Board of Directors will constitute a quorum to conduct business. Unless provided in these by-laws, a majority of the voting Directors will be required to approve any motion.

Article VI Election of Directors and Officers

Section 1. Term of Office:

(a) At least nine Directors shall be elected from the membership of staggered two-year terms. No Director may serve more than two consecutive terms or more than four years consecutively unless nominated by the Nominating Committee and approved by a majority of the remaining members of the Board of Directors.

(b) The Board of Directors shall elect officers from among the Directors for one-year terms at the first Board meeting after the annual meeting and assign responsibilities among the Directors as it considers in the best interests of the Corporation.

Section 2. Vacancies:

(a) A vacancy in a Director's position shall occur either upon acceptance by the President or the Board of Directors of the written resignation of a Director; or upon declaration by a majority of the remaining Board of Directors, if a Director fails to attend three consecutive regular meetings of the Board without good cause; or otherwise fails to perform the duties of the office.

(b) A vacancy shall be filled by a member elected by a majority of the remaining Board of Directors. A new Director shall be elected at the next membership meeting by the members.

Section 3. Nominating Procedures:

A Nominating Committee appointed by the Board of Directors and chaired by the Vice President shall prepare a slate of candidates for election to the Board of Directors. The slate shall be presented in writing to the members at least 10 days in advance of the election. Additional nominations may be made from the floor by members at the time of the election.

Article VII Property and Finances

Section 1.

The Corporation is not authorized to contract for any obligations in excess of its net worth.

Section 2.

Any obligation of the corporate assets requires the prior approval of a majority of the Directors present at a duly held meeting of the Board of Directors. Any obligation of the Corporation's assets in excess of current assets, or which otherwise entails using the fixed assets to ensure a loan, requires the approval of a majority of the membership present in person or by proxy at a duly held meeting.

Section 3.

Real property may be acquired, sold or transferred by the Board of Directors only with the approval of a majority of the membership present in person or by proxy at a duly held meeting. Any major addition to the corporate facilities for purposes other than those normally connected with swimming pool shall not take place until it is approved by the affirmative vote of two-thirds of the voting membership present in person or by written proxy following advance notice to the members that such an addition has been approved by the Board of Directors and will be considered at the next meeting.

Section 4.

The funds of the Corporation shall be deposited in institutions which are insured by Federal agencies or in obligations of the Federal government.

Section 5.

All disbursements of funds of the Corporation shall be made by checks signed by either the Treasurer or President, or by other financial instruments as approved by the Treasurer.

Section 6.

No obligation or expenditure over \$500 may be made by any committee, officer or member of the Board of Directors without prior approval of the Board of Directors.

Section 7.

Funds may not be loaned to any officer, Director, member, or employee of the Corporation.

Section 8.

The fiscal year begins January 1 and ends December 31.

Section 9.

The accounts of the Corporation shall be reviewed annually by persons who are not Directors of the Corporation, and the report of the review shall be made available to the membership upon request.

Section 10 Budgetary Accounts.

There shall be established a Capital Reserve Fund for the purposes of securing Club operations against unforeseen events that would render club facilities inoperable and for membership-approved replacement costs of club facilities. The initial balance of the Capital Reserve Fund shall not be less than \$100,000. Interest earnings on this balance shall be retained in the Fund. As appropriate, annual budgets prepared by the Board of Directors may provide for the deposit of additional money into this Fund; however, expenditures from the Fund may only be made in accordance with Section 11 of this Article.

Section 11. Capital Reserve Fund Expenditures.

No expenditure may be made from the Capital Reserve Fund without the affirmative approval of two-thirds of the membership voting in person or by written proxy following advance notice to the membership that an authorized expenditure from the Capital Reserve Fund has been approved by a majority of the Board of Directors and will be considered at a general membership meeting.

Article VIII Fees

Section 1.

(a) The annual fee for using the facilities of the Corporation by membership units shall be determined at the annual meeting of the membership. The annual fee shall be payable by a date established by the Board of Directors each year.

(b) A member who elects not to use the facilities of the corporation during the forthcoming operating season may pay an inactive fee by the date and amount set by the Board of Directors; such inactive fee shall be in lieu of the above regular annual fee.

(c) An initiation fee payable by new Corporate Members prior to their first season of membership and those fees payable by Seasonal Facilities Users shall be established by the Board of Directors each year.

(d) At its discretion, the Board of Directors may establish a fee to be paid by applicants for Corporate Membership and Seasonal Facility Usage.

Section 2.

Any member who fails to pay the annual fee or inactive fee by the date set by the Board of Directors shall forfeit membership as specified in Article II, Section 6.

Section 3.

Prospective members who have been allowed temporary use of the facilities under provisions of Article II, Section 7(a) shall pay a fee, to be established by the Board of Directors, which is no less than that of the annual fee.

Section 4.

Guests are eligible to use the facilities of the Corporation pursuant to the applicable rules and regulations established by the Board of Directors. The Board may make special provision and establish fees for relatives and guests staying at the home of members for extended periods and for persons, in addition to two adults and their unmarried children, who reside in a member household and wish to be included within the membership unit.

Section 5.

In order to facilitate and promote memberships in the Corporation, the Board of Directors may establish a schedule pro-rating the annual fee to be paid by persons who become members during the course of the operating season.

Section 6.

Only one person may be admitted for each eligible Dolphin member application, and each Dolphin member applicant who seeks admission under provisions of Article II, Section 7(d) shall submit with the application a fee to be established by the Board of Directors. In the event that the application is rejected, the fee will be refunded to the applicant.

Article IX Amendments to By-laws

Section 1.

Proposed amendments to these by-laws may be adopted by a majority of the voting membership present in person or by proxy at a regular or special meeting of the membership, after advance notice to the members of proposed amendments that will be considered at such a meeting. Copies of amendments adopted by the members must be provided each member of record within 60 days after adoption.