

ASHTON-DEMOSS RECREATION CLUB, INC.

BYLAWS

ARTICLE ONE - NAME

This non-profit organization, incorporated under the laws of the State of Maryland, is known as the Ashton-DeMoss Recreation Club, Inc., hereinafter referred to as the "Club". The Club's principal address is:

Ashton-DeMoss Recreation Club, Inc.
1315 Hornell Drive
Silver Spring, Maryland 20905

ARTICLE TWO - PURPOSE

The general purposes for which this Club are formed are to organize and operate a community swimming Club for pleasure, recreation and other non-profitable activities. No part of the net earnings of the Club may inure to the individual benefit of any member.

ARTICLE THREE - MEMBERSHIP

Section 1. Number of Memberships. The membership in the Club is limited to four hundred (400) members.

Section 2. Qualifications for Membership.

- A. A membership may be acquired only by an adult residing within the general vicinity of the Club's facilities.
- B. In order to be considered for membership, a prospective member must file an application with the Membership Committee which shall agree that the membership owner agrees to accept the right privileges, duties and obligations set forth in the Club's Bylaws, Articles of Incorporation and Rules and Regulations.
- C. In the event that there is a waiting list for membership, adult residents of the recorded subdivisions known as "Ednor Acres", "Sam Rice Manor", "Ashmead", "Ashton Pond", "Cliftonbrook", and "Milgrove Gardens", and any adult person residing within the maximum enclosed area formed by the lines drawn connecting the outer boundaries of said subdivisions shall be given priority.
- D. Upon approval of one's application, a prospective member must pay the membership initiation fee established by the Board of Directors.

Section 3. Definition of Membership Unit. No more than one (1) member of any one family residing within the same household shall be eligible for membership. All persons who permanently reside with the member, or who are their dependents, constitute a membership unit and are entitled to all Club privileges, except voting privileges.

Section 4. Types of Membership.

- A. A regular membership is one that has satisfied all requirements of Section 2 of this Article.

- B. Associate membership is available to babysitters of regular members in good standing. Associate members are required to pay an annual fee established by the Board of Directors, but are not required to pay membership initiation fees or special assessments. Only one associate membership is available to each regular member per season. Associate members must be age sixteen (16) or older to be eligible, and shall be entitled to all Club privileges, except voting privileges.
- C. Summer Memberships - The Board of Directors shall have the authority to issue summer memberships at a fee set by the Board of Directors.
- D. Inactive Membership - Regular members living out of state may submit a request to the Club's Board of Directors, in writing, to change their membership to an inactive status. A \$50.00 membership maintenance fee must accompany this request. This membership privilege may not be utilized for more than three consecutive years. The letter of request and membership maintenance fee are due and payable before April 1st. If the letter and fee are not submitted by April 1st, the membership is forfeited and a refund of the membership fee will be made in accordance with Article Three, Section 8. All other members shall be expected to pay full membership fees with full membership privileges.

Section 5. Membership in Good Standing. Membership in good standing shall be defined as membership with no financial or other obligation to the Club outstanding.

Section 6. Use of the Club's Facilities.

- A. The use of the Club's facilities shall be limited to members in good standing and those persons belonging to their membership units, and to paid guests in accordance with such regulations as may be established by the Board of Directors.
- B. Guest privileges shall not be extended to anyone eligible for membership, except for single-visit privileges that may be extended to prospective members by the Board of Directors. Guests must be accompanied by a member in good standing.

Section 7. Suspension and Revocation of Membership.

- A. Membership privileges may be suspended or the membership may be revoked for due cause by a majority vote of the entire membership of the Board of Directors after being granted an opportunity for a hearing before the Board of Directors. Due cause for suspension or revocation shall, in general, consist of violation of these Bylaws or Rules and Regulations governing the use of the Club's facilities, or of conduct detrimental to the best interests of the Club.
- B. Failure to pay full dues and any special assessments on or before April 1 will subject the member to an additional late fee. The amount of the late fee will be designated by the Board. Failure to pay dues or any special

assessments before May 1st will cause the membership to be forfeited and a refund of the membership initiation fee made according to Article Three, Section 8 and this paragraph. In case of revocation, the Club may, at the discretion of the Board of Directors, repay the member's membership initiation fee or any portion thereof. There shall be no other monies refunded in the case of revocation. A member expelled by the Board of Directors may be reinstated by a membership meeting after both the member and representative of the Board of Directors has been given the opportunity to be heard. An expelled member may be reinstated only upon payment of all monies in arrears, returning the member to the status quo prior to the expulsion.

Section 8. Resignation of Membership.

- A. Resignations must be submitted in writing to the Membership Chair before April 1. Notice of resignation from members postmarked after the April 1 due date for payment of annual dues and special assessments established by the Board pursuant to Section 7, Paragraph B. obligates the member for that year's dues and special assessments.
- B. A resigning member's membership initiation fee will be refunded at the time when the number of Club memberships again reaches the highest number of memberships attained prior to the effective date of the member's resignation, but in no event shall such refund be made later than two years from the effective date of such member's resignation. Refunds will be made in the order of the effective dates of such resignations.
- C. Members resigning shall be refunded on a sliding scale of percentage rebate based upon the number of years each member family has participated in Club membership. Each family is guaranteed a 75% refund with a percentage added for each year of Club membership. At the completion of 5 years of Club membership, a member family is guaranteed 100% membership fee rebate. Anytime a member family is transferred beyond a distance of 25 miles-from the Ashton-DeMoss Recreation Club, Inc.'s principal office, he may apply for a 100% refund. All unpaid fees shall be subtracted from the above total and refunded by check to the member under the conditions set forth under Article Three, Section 8 of the Bylaws. The rebate described herein and tabulated below shall become effective on May 30, 1971.

<u>At the End of Year: Percentage of Refund:</u>	
Less than 1 Year	75%
1 Year	80%
2 Years	85%
3 Years	90%
4 Years	95%
5 Years	100%

Section 9. Transfer of Membership. Memberships are not transferable.

ARTICLE FOUR - MEMBERSHIP MEETINGS

Section 1. Regular Meetings. There shall be regular semi-annual meetings of the members in March and October of each year at such time, date and place as the Board of Directors shall designate and properly announce. The election of Directors shall take place at the October meeting.

Section 2. Special meetings of the membership may be called at any time by a majority vote of the Board of Directors. Special meetings may also be called by no fewer than 10% of the total of regular members in good standing and shall be scheduled to be held within thirty (30) days of the receipt by the Board of Directors of such written request.

Section 3. Notice of Meetings. At least fourteen (14) days before the date of any annual or special meeting of the members, the Secretary shall mail written notice thereof to each regular member in good standing as it appears on the Club's records. For special meetings, these notices shall indicate the purpose of the meeting and no other business may be transacted at that meeting.

Section 4. ~ At any regular or special meeting of the members, those members in good standing in attendance shall constitute a quorum.

Section 5. Participation in Proceedings of the Club. All regular members in good standing shall be entitled to vote in the proceedings of the Club.

Section 6. Voting. Each regular membership shall entitle its owner, or one of its owners, in good standing, to one vote in the proceedings of the Club. No proxies shall be allowed.

ARTICLE FIVE - BOARD OF DIRECTORS

Section 1. Management of the Club. The Board of Directors shall manage the affairs of the Club, fix the date and place of meetings, make recommendations to the Club, and shall perform such other duties as are specified in these Bylaws. The Board shall be subject to the orders of the Club, and none of its acts shall conflict with action taken by the Club.

Section 2. Size of the Board of Directors. The Board of Directors shall be comprised of eleven (11) adult regular members in good standing.

Section 3. Election of the Board of Directors.

- A. The Directors shall be elected at the semi-annual October meeting of the members.
- B. The first elected Board of Directors shall consist of five (5) Directors elected for a three (3) year term, five (5) Directors elected for a two (2) year term, and five (5) Directors elected for a one (1) year term. Thereafter, at each annual meeting there shall

be elected to the Board of Directors five (5) members, each for a term of three (3) years.

- C. A Nominating Committee shall be appointed by the President at least 60 days prior to the October meeting. The Committee shall consist of five regular members, in good standing, of the Club.
- D. Nominations shall be made in accordance with the following provisions:
 - 1) Any regular member nominated by another regular member or by the Nominating Committee for the office of Director must concur in such nomination, secure the endorsement of five other regular members, and file such petition with the Secretary of the Club on or before Labor Day;
 - 2) Nominations may not be made except as through the procedures outlined in 1) immediately above; and
 - 3) Nominees not nominated by the Nominating Committee shall be listed on the ballot in alphabetical order below the candidates submitted by the Nominating Committee.

Section 4. Term of Office.

- A. Each Director's term of office shall commence on the day following his election.
- B. Directors may succeed themselves and all Directors shall hold office until a successor is duly qualified, however, no Director may serve more than three (3) consecutive terms in the same office.

Section 5. Vacancies on the Board of Directors. Any vacancy on the Board of Directors shall be filled by appointment of the President subject to the approval of the Board of Directors.

Section 6. Removal of Directors.

- A. A Director of the Club may be removed from office by the affirmative vote of two-thirds of the Board of Directors if he fails to attend three (3) consecutive meetings of the Board of Directors, or otherwise fails to perform his duties.
- B. A deposed Director may request reinstatement at a special meeting called for that purpose, pursuant to Article Four, Section 2, and at which both the deposed Director and the Board of Directors have opportunity to be heard. A two-thirds vote of the members present is necessary for reinstatement.

Section 7. Meetings.

- A. The Board of Directors shall meet monthly except in December. There shall be a regular meeting of the Board of Directors immediately following each annual meeting of the membership. The President may call special meetings of the Board of Directors at any time, and a special meeting shall also

be called at the request of any three (3) Directors. The time and place of each meeting shall be fixed by the President. The Secretary shall give such notice of all meetings as is practicable to each Director.

- B. A majority of the Board of Directors shall constitute a quorum. Section 8. Section 8 - Specific Duties of Board of Directors.
- A. The corporate powers of the Club shall be exercised, its business and affairs directed, and its property controlled by the Board of Directors. The Board of Directors shall be comprised of the following: President; Vice President; Treasurer; Secretary; and the Chairs of the seven Club Standing Committees listed in Article Seven-Committees, Section 1.
- B. The duties of the Directors, except as provided in Section 9 immediately below, shall include but not be limited to such actions as the:
- 1) Transaction of the Club's business, including the construction, maintenance and repair of the Club's facilities;
 - 2) Establishment or regulation of annual dues, special assessments, membership initiation fees, guest fees and fees for any other Club activities and concessions. No special assessment shall become due in less than thirty (30) days from the date levied;
 - 3) Establishment, publication and enforcement of reasonable Rules and Regulations for the use of the Club's facilities;
 - 4) Employment, dismissal, determination of the compensation of, and the prescription of the duties of such employees as the Board deems necessary;
 - 5) Determination of the amount and character of, and approval of, surety bonds required of any persons handling or having custody of the Club's funds;
 - 6) Election and removal from office Directors and Officers as herein provided;
 - 7) Authorization of obligations and expenditures;
 - 8) Authorization of investments for the Club;
 - 9) Selection of the depositories for the Club's funds;
 - 10) Preparation and submission to members an annual financial report prior to the regular March membership meeting.
 - 11) Preparation and submission to members the budget for the following year at the regular October membership meeting;

- 12) Obtaining an annual financial statement of the Club's books and records;
- 13) Transfer of the personal property of the Club;
- 14) Election of Directors to fill vacancies as herein provided; and
- 15) Rental or leasing of Club facilities, provided that such action shall not conflict with the right of Club members to use Club facilities during regular Club hours.

Section 9 - Limitation of Director's Duties. The Board of Directors shall have no authority to:

- A. Sell, mortgage, rent, lease, grant easements other than those necessary to secure utility services, or otherwise dispose of or encumber the real property of the Club without a majority vote of the regular members in good standing of the Club;
- B~ Obligate or spend per year or per project for the expansion of Club facilities an amount equal to or more than ten percent of the annual dues collected in the previous year without a majority vote of members voting at a regular meeting for which a published agenda gives notice of the proposal(s) or at a meeting called specifically for that purpose; or
- C. Perform any act inconsistent with these Bylaws, Articles of Incorporation and/or applicable federal, state or local laws.

Section 10 – Compensation of Directors. In order to encourage members of the Club to serve on the Board of Directors, and thereby promote the general welfare of the Club by investing the substantial time and effort required to perform the specific duties of board members as specified in Article 5, Section 8 - Specific Duties of Board of Directors and Article Six, Section 2 - Duties of Officers all eleven (11) officers and standing committee chairs who are members of the Board of Directors shall be exempt from payment of the Club's annual regular membership dues during their term of office.

ARTICLE SIX - OFFICERS

Section 1. Officers. The officers of the Club shall be a President, Vice President, Treasurer-and Secretary, all of whom shall be elected by the Board of Directors from their own number at the first meeting of the Board of Directors following the regular October meeting of the members. Officers shall hold office for a term of one (1) year and until the election and qualification of their respective successors. No person shall serve in the same office for more than three consecutive terms.

Section 2. Duties of Officers.

- A. The President shall be the chief officer of the Club; shall preside at the meetings of the Board of Directors and at all meetings of the members; act as the contracting officer for the Club with respect to all business authorized by the A Board of Directors-and, together, with the Secretary, sign all official contracts, agreements, authorizations and applications pertaining to the Club's business; serve as Chairman of the Personnel Committee and as such, direct and supervise all employees of the Club, which may be delegated by the President to the Pool Manager; appoint members of Standing Committees in conjunction with respective Committee Chairmen; appoint such other committees and committee chairmen as may be appropriate, subject to the approval of the Board; shall have general supervision of the business and affairs of the Club; shall assist in formulating and promoting the general program of the Club; shall be a member ex-officio of all committees; and shall submit an annual report of the activities of the Club to the membership at its semi-annual meetings.

- B. The Vice President shall: have and exercise all the powers, authority and duties of the President during the absence or disability of the President, and such other duties as are from time to time assigned by the President.
- C. The Treasurer shall: be bonded in such amount as is from time to time fixed by the Board of Directors; shall maintain custody of all funds, securities, valuable papers and other assets of the Club subject to such limitations and control as may be imposed by the Board of Directors; shall sign checks, drafts and other orders for the disbursement of the Club's funds; collect the Club's revenues; provide and maintain full and complete records of all the assets and liabilities of the Club, and provide and maintain full and complete records of all cash receipts and disbursements of the Club; serve as the Vice Chairman of the Budget and Finance Committee and assist in the preparation of the annual budget for submission to and approval by The Board of Directors; prepare and submit to the Board of Directors a financial statement showing the condition of the Club at such times directed by the Board of Directors; prepare such financial reports and tax returns as are required by law; maintain procedures for auditing invoices, vouchers, Club records and payrolls; and shall secure audits of the Club finances at such times as are required by law.
- D. The Secretary shall: serve as the Chairman of the Bylaws Committee; serve as Recording Secretary and prepare and maintain full records of all meetings of the Board of Directors and of the Members of the Club; preserve all books, documents, communications and archives; prepare and report complete returns of all elections; maintain all ballots for at least thirty days; give, or cause to be given, in the manner prescribed in these Bylaws, proper notice of all meetings of the Members and of the Board; serve as Corresponding Secretary and maintain a file of all correspondence; and together with the President, sign all official contracts, agreements, authorizations and applications pertaining to the Club's business, and affix thereto the corporate seal; and shall be a member ex-officio of all committees of the Club.

Section 3. General Duties of Officers. In addition to the specific enumerated duties of the officers as prescribed herein, any officer shall perform such other duties as customarily pertain to his office or as he may be directed to perform by resolutions of the Board of Directors not inconsistent with these Bylaws or existing statutes.

- A. When any officer is absent, refuses to act or is disqualified or otherwise unable to perform the duties of his office, the Board of Directors may designate another member of the Board to act temporarily in his place.
- B. All officers at the expiration of their term of office shall deliver promptly to their successors all books, papers and other property in their possession belonging to the Club.

Section 4. Removal of Officers. Any officer of the Club may be removed from office by the affirmative vote of three-fourths of the members of the Board of Directors present at a regular or special meeting of the board of Directors for that purpose, provided that previous notice that such motion will be made is given prior to such meeting, and provided that the officer is given an opportunity to be heard.

ARTICLE SEVEN - COMMITTEES

Section 1. Standing Committees. The Standing Committees of the Club shall be: Budget and Finance; Building & Grounds Maintenance; Membership and Marketing; Swim Team; Dive Team; Social; and Snack Bar.

Section 2. Special Committees. Special committees may be convened by the President as deemed necessary, subject to the approval of the Board of Directors.

ARTICLE EIGHT - CLUB PROPERTY AND FINANCES

Section 1. Club Funds. Within a reasonable length of time after their receipt, funds of the Club shall be deposited in a federally insured banking or savings and loan institution. The funds may not be lent to or deposited in or invested with any officer, director or member of the Club or with any other person or agency.

Section 2. Disbursements. Upon approval of a budget, the Treasurer may be authorized to make disbursements on account of expenses provided for therein without additional approval by the Board of Directors. All other disbursements of the funds of the Club shall be made only upon authorization of the Board of Directors. The Board of Directors may, however, by resolution provide for the establishment of a petty cash fund for defraying miscellaneous expenses of the Club.

Section 3. Performance Bonds. The Club shall secure the faithful performance of the President, Vice President, Treasurer, Secretary and all Directors handling the funds of the Club by means of an adequate fidelity bond, the premiums of which shall be paid from Club funds.

Section 4. Liability Insurance. The Club shall obtain, or cause to be obtained, reasonable and prudent public liability insurance to protect the Club and its individual members.

Section 5. Indemnification of Officers and Directors. The Club shall indemnify its Directors and officers against all liabilities and damages, including expenses actually and necessarily incurred, whether during or after holding office, which may arise in connection with the conduct of the Club's business; provided, however, that such indemnification shall not be made to the extent that such liabilities, damages, or expenses are caused by gross negligence or willful misconduct of the Director or officer claiming the indemnification.

Section 6. Replacement Fund.- Any monies obtained from dues or assessments paid by regular and special members and designated by the Board for deposit in a Replacement Fund, shall only be used to finance major repairs to, or replacement of, existing facilities and equipment. The Board shall provide, as part of their annual report, a complete accounting of all additions to and withdrawals from this fund. Each year, based on the past year's withdrawal from the fund and anticipated expenditures for replacement in the upcoming budget years, the Board shall set aside a reasonable and prudent amount for major repair or replacement-of Club facilities and equipment.

Section 7. Dues and Special Assessments. There shall be such dues and special assessments as are from time to time set by the Board of Directors.

Section 8. Damage to Club Property. A member shall be responsible for all property damage caused by himself, members of his membership unit, or any guests of his membership unit, and may be assessed by the Board of Directors with the cost of such damage. The member has the right to appeal as provided under the provisions of Article Three, Section 7.B.

ARTICLE NINE - GENERAL

Section 1. Inspection of Records. Upon request made in writing to the Secretary, any regular member of the Club may inspect any and all books of accounts, minutes of meetings, committee reports and other records of the Club at such reasonable time or times as may be agreed upon between the member and the custodian of the requested documents.

Section 2. Complaints and Suggestions. Complaints and suggestions of members shall be made in writing to the Secretary, who shall present them to the appropriate committee or to the Board of Directors for such investigation and action as may be deemed appropriate.

Section 3. Parliamentary Authority. The latest edition of Robert's Rules of Order Newly Revised shall be the parliamentary guide and shall govern the proceedings of the Club, the Board of Directors and the committees when not in conflict with the specific provisions of these Bylaws and any special rules of order the Club may adopt.

Section 4. Notice. Unless otherwise provided in these Bylaws, wherever notice is required to be given by these Bylaws, notice shall be sufficient if given by first class mail, postage prepaid, directed to the latest address appearing on the records of the Secretary, and such notice shall be deemed to have been received on the day following the mailing.

ARTICLE TEN - AMENDMENTS TO THE BYLAWS

Section 1. These Bylaws may be amended by a majority vote of the members present at a regular or special meeting, provided, however, that fifteen (15) days written notice of the proposed change or amendment is given to each member in advance of any such meeting, and that prior to a vote by the membership on any proposed change or

amendment, the Board of Directors is given an opportunity to communicate to the members, its recommendation with regard to the adoption of such change or amendment.

Adopted September 1, 1965
Amended November 20, 1974
Amended November 15, 1979
- Amended May 22, 1980
Revised May 6, 1992 as Amended

Amended April 20, 2005

SECRETARY

