

BYLAWS OF RANCHO SAN MIGUEL SWIM CLUB

Article I

Name and Purpose

- Section 1:** The name of the Club is: RANCHO SAN MIGUEL SWIM CLUB (hereinafter referred to as Club).
- Section 2:** The purpose of this club is to operate and maintain a swimming pool and attendant facilities, and other recreational facilities, so as to serve the needs of its members.

Article II

Corporate Powers and Management

- Section 1:** The corporate powers and management of this Club shall be vested in a board of ten (10) directors, each of whom shall be a member in good standing in this Club.

Article III

- Section 1:** The combined joint and individual memberships of this Club shall not exceed 250. Special limited membership may be sold by the Club, not to exceed in number the amount of terminated memberships as held by the Club at any given time. Only pursuant to action of the Board shall a special limited membership be held by the same family for more than one swim season. Hereinafter, all references to "membership" shall mean regular membership, unless otherwise stated.
- Section 2:** Each membership in the Club shall be a life membership except as otherwise herein provided.
- Section 3:** A membership may be held by one person or it may be held jointly by two persons who reside on the same premises. No person under the age of eighteen (18) years may hold a membership, either jointly or individually. A joint membership

must be held in joint tenancy, with right of survivorship.

Section 4: In the event of a legal separation or dissolution of marriage, the remaining spouse residing at the membership address shall assume the membership and shall inform the Club Board of Directors of such assumption. The remaining residing spouse who retains the membership shall assume all rights, privileges and responsibilities as an individual membership with the Club. The non-member ex-spouse may use the Club as a guest and will retain no membership rights to the use of the facilities. In case of individual disputes, the judgment of the Board is final.

Article IV

APPLICATION FOR MEMBERSHIP, DUES, TERMINATION AND TRANSFERS, RESTRICTIONS, AND RIGHTS AND PRIVILEGES OF MEMBERSHIP

Section 1: Any person desiring membership shall present to the Board of Directors a written application, provided by the Club, signed by the applicant (s). The application must be accepted by the Board of Directors; the acceptance will be duly noted on the application form. If any check submitted with an application is not honored by the drawee, and the full amount thereof is not paid by the member within 15 days after such dishonor, then such member shall be subject to immediate expulsion by the Board of Directors.

If the application is rejected, the fees and dues presented with it shall be returned to the applicant within 10 days of the date of the rejection.

The fees, privileges, and responsibilities for a special limited membership shall be set by the Board of Directors for each pertinent year and shall be prorated based on the time remaining in the swim season.

Section 2: Each membership, whether joint or individual, shall be entitled to no more than one vote. If the joint holders of a membership are present at a meeting, their vote may be excised by either of them, unless objection thereto is made by one of them, in writing, prior to the call to voting, in which event, the vote will not be counted. If only one of the joint holders of a membership is present at a meeting, said person shall have the unqualified right to vote, regardless of prior objection by the

absent joint holder.

Section 3: Upon the death of a member whose membership is not held jointly, his or her membership shall revert to the Club. Upon the death of a member whose membership is held jointly, his or her membership shall automatically vest in the surviving joint tenant, who shall become an individual membership.

Section 4: A membership shall not be subject to attachment, garnishment, or execution, nor shall it be an asset of the debtor in the event of his bankruptcy, voluntarily or involuntarily, or assignment for the benefit of creditors, or other creditorship proceedings. Upon the occurrence of any of the foregoing conditions or upon any involuntary transfer without the written approval of the Board of Directors, the membership shall automatically revert to the Club, and the former member, his heirs, trustees, executor, administrator, assigns, transferees and/or others claiming membership by or through such occurrence or conditions, shall have no right, title or interest thereto or therein.

Section 5: No membership may be sold or transferred unless the board, or a designated member of the Board, accepts the written application of the transferee and the transferee pays all dues and other sums owing to the Club pursuant to the subject membership. Each acceptance made by a member of the Board must be ratified by the Board at the next duly held Board meeting.

Section 6: In case of the termination of the membership of any member as provided for in the By-Laws, all of the interest of such member in and to the property and privileges of the Club shall thereupon revert to the Club, and such termination shall operate as an unconditional assignment or reversion to the corporation of all rights title, privileges and interest of such member in this corporation and in and to his membership, which shall also immediately become the property of the Club.

Section 7: The Board of Directors will fix the annual dues and if necessary, special fees or assessments, and the members agree to pay these dues and assessments, annually, as billed on January 1 and due on March 1. If a member fails to pay his or her dues, and all other charges, said member family shall not be admitted to the pool, and a penalty not to exceed that allowed by law, automatically will be added to the delinquent account.

If such an account remains delinquent on May 1st the Board may, in its discretion, terminate the membership. If such an account remains delinquent on June 30th, the membership will automatically terminate.

Section 8: Upon the termination of a membership as provided in these By-Laws, said member or his or her estate is liable for all dues and other charges owing and unpaid pursuant to the membership as of the date of termination.

Section 9: A membership may be terminated if, in the opinion of the Board of Directors, any person in the membership household has committed any act or course of conduct which endangers or is likely to endanger the welfare, character or best interests of the Club, and/or its members, or has flagrantly violated the rules and regulations of the Club. Such a termination must be approved by two-thirds of the members of the Board of Directors. Such member must be given written notice at least ten (10) days prior to the Board Meeting at which the termination will be voted upon and such member will be given thirty (30) minutes during the meeting to present a defense to the proposed termination.

Section 10: There may be issued, in the discretion of the Board of Directors, to each of the members of this Club, a card or certificate of membership signed by the President and/or Secretary of the club and which shall clearly state this is to be a non-profit corporation.

Section 11: The Board of Directors may prescribe, from time to time, rules and regulations for the operation and use of the swimming pool and other facilities of the corporation and shall notify the membership thereof either by posting on the premises of the Club or by mailing or delivering the same to each of the membership. Members shall, at all times, comply with such rules and regulations.

Section 12: Any excise tax levied by the United States or any other governmental body on the members of this Club shall be paid by each member, in addition to his dues, and this Club shall in no way be liable therefor. The Club shall endeavor to collect said taxes, and shall file excise tax returns, as the taxing authority may require.

Section 13: Notice of any kind required to be given members under any

provision of the By-Laws shall be conclusively deemed to have been given by depositing the same in a sealed envelope, with the required postage fully prepaid, in the United States mail, addressed to the last physical address given by such a member, or by sending the same by electronic delivery (e-mail) to the last electronic mail address given by such member as shown on the records of the Club. All members must immediately notify the Secretary or Board, in writing, of any change of physical address or electronic mail address, and by failure to do so be deemed to have waived any notice provided for by these By-Laws. The method of delivery used for such notice shall be in the sole discretion of the Board of Directors.

Section 14: The spouse, partner, child, stepchild, live-in babysitter or parent of a member who resides in and maintains a permanent address at the member's household has all the privileges of membership, except the right to vote, hold office, or be elected to the Board of Directors, is subject to all the rules and regulations of the Club, and is subject to restriction or suspension for violation thereof.

Section 15: Guests of members may be allowed to enjoy the facilities of the Club, if accompanied by the member, or others authorized by the Board of Directors, subject to limitations on the number of guests, the admission fee, if any, and such other regulations as may be prescribed by the Board of Directors from time to time.

Article V

Organization of the Board of Directors

Section 1: Directors shall be elected at the Annual meeting for a two-year term. Five directors shall be elected in the odd-numbered years and five directors shall be elected in the even-numbered years.

(a) The Board of Directors shall be generally organized in the following manner:

President

Vice President

Maintenance

Membership

Secretary

Treasurer

Social

Swim Team

Rental

Lifeguard Supervisor

Section 2: In the event of any vacancy in the Board of Directors, the remaining directors, whether or not sufficient for a quorum, may appoint directors from members in good standing, to fill the vacancies, and any director so appointed shall hold office during the un-expired term of his predecessor.

Section 3: The Board of Directors shall have full power and authority over the business and affairs of the Club to carry out any and all purposes specified in it's Articles of Incorporation, and as provided by the Non-Profit Corporation law of the State of California, including, but not by way of limitation, the following powers:

- (a) The power to purchase, sell, lease, mortgage or pledge any real or personal property as may be necessary, proper or advisable to carry out any of the purposes of the Club.
- (b) The power to make contracts, borrow money, execute and deliver promissory notes, bonds and any other obligations and evidence of indebtedness, and to give any such obligation or indebtedness, including, but not by way of limitation, mortgages and deeds of truth, and to designate and empower any officer or officers of the Club to execute and deliver any such instruments or to incur any such obligations in the name of and on behalf of the Club.
- (c) The power to set membership dues and make assessments as deemed necessary.
- (d) The power to make and enforce rules and regulations for

the management of the club and its property, and the use, maintenance, and operation of its facilities, and to do any other act or thing not inconsistent with the By-Laws or Articles of Incorporation, which may be reasonable or proper, convenient, incidental to or connected with, the purposes of this Club and the management thereof.

Article VI

Meetings of Members

- Section 1:** The annual meeting of the Membership will be held in October, on a date and time to be selected by the Board of Directors, at the principal place of business of the corporation, or such other place as directed by the Board. Notice of time and place of the annual meeting will be delivered to each member, at his or her last known physical address or electronic mail address, at least thirty (30) days prior to the meeting. Notice of the meeting will be posted on the Club premises at least ten (10) days prior to the meeting.
- Section 2:** At least thirty (30) days prior to each annual meeting, the President may appoint a nominating committee of five (5) members in good standing who will prepare and submit a list of members qualified and willing to fill the vacancies occurring on the Board in that year. This list will be posted on the premises ten (10) days prior to the election. Additional nominations for directors may be made from the floor at the annual meeting by any member in good standing.
- Section 3:** Directors will be elected at each annual meeting of the membership as provided in Article V, Section I, of these By-Laws and their terms of office will begin on the 1st of January following such election.
- Section 4:** The nominee for director receiving a majority of the votes cast for such office will be declared elected. If more than two members are nominated for a directorship and none of them receives a majority of the votes cast, a second ballot will be taken as between the top two contenders. In the event of a tie vote for any directorship, the winner will be determined by lot.
- Section 5:** Special meetings of the membership may be called by the Board of Directors or by the President, and the President shall

call such meetings upon the written request to the President of at least eight (8) percent of the members in good standing. A special membership meeting must be called by the President within twenty (20) days after he shall have received proper request. Said written request shall set forth the purpose of the meeting. On such matters as are referred to in the request shall be considered at said meeting, unless three-fourths (3/4ths) of the members present vote to waive this provision. Notice of the time, place and purpose of said meeting, including a statement that such other business as may come before the meeting may be considered in accordance herewith, shall be given by mail to all members at least six (6) days prior to the meeting.

Section 6: Quorum consists of those members present and in good standing at any membership meeting for the transaction of business. In the absence of a quorum, the meeting shall have no authority except to adjourn from day to day until such time as may be deemed proper by the members present.

Article VII

Meetings of the Board of Directors

Section 1: The Board of Directors shall meet as often as necessary, and no fewer than six times a year, at dates, times and locations determined by the Board. The dates, times and locations of all Board of Directors meetings shall be posted at the Club premises at least ten (10) days prior to the meeting.

Section 2: A special meeting of the Board may be called by the President or Vice-President or by any three (3) directors at any time. Notice of such meeting shall be given by the Secretary by telephone, U.S. mail or e-mail, at least 72 hours prior to the date set for such meeting.

Section 3: A majority of the members of the Board shall constitute a quorum for the purpose of any directors meeting, and if less than a quorum is present, the meeting shall have authority only to adjourn from day to day until such time as the directors shall deem proper.

Section 4: Any director who fails to attend regular meetings of the Board of Directors for three consecutive times, may be removed from the Board of Directors by a three-fourths (3/4ths) vote of the

directors present at a regular meeting or at any special meeting called for that purpose. Upon removal, a vacancy in the Board of Directors shall exist, which the Board will fill by appointment for the un-expired term of the Director so removed. The removed Director shall be obligated to pay to the club any and all discounts received as a result of their participation on the Board.

Article VIII

Committees

Section 1: There will be the following permanent committees: Finance and Rules. The Board of Directors may create further committees as the need arises.

- (a) The Finance Committee is composed of three (3) members. Such committee is will effect the annual examination of the books of the corporation and make recommendations to the Board of Directors.
- (b) The Rules Committee is composed of three (3) members. Such committee will maintain a current set of rules, regulations, and By-Laws and will recommend to the Board of Directors such amendments as are warranted.

Article IX

Officers

Section 1: The officers of the Club include the President, Vice-President, Secretary and Treasurer. All officers must be members in good standing and shall be members of the Board of Directors.

Section 2: Each of said officers shall have the authority and duties customarily associated with his office, together with such other authority and duties as shall be delegated by the Board. Without limiting the generality of the foregoing:

- (a) The President shall preside over all meetings of members and the Board of Directors; shall sign all contracts, checks and other instruments which have been approved by the Board of Directors.
- (b) The Vice-President in the absence of, inability or refusal to act of the President, shall exercise all authority and

perform all duties granted to or enjoined upon the President by law or by these By-Laws.

- (c) The Secretary shall keep a record of all proceedings of the Board of Directors and of the membership, shall serve all notices required by law or by these By-Laws, shall maintain appropriate records of the membership of the Club, shall sign all contracts and other instruments as designated by the Board of Directors.

- (d) The Treasurer shall:

Keep a proper record of all financial transactions of the Club;

Be the custodian of the funds of the Club, depositing such funds in a bank designated by the Board of Directors;

Effect payments of all obligations, which have been approved by the Board of Directors;

Sign all checks drawn on the commercial bank account;

Make withdrawals from savings accounts when necessary;

Make a report of the Club's financial standing at each regular meeting, and submit his report in writing to the Secretary to be entered into the minutes;

Effect proper examination of the books of the Club at least once annually and prior to annual elections in cooperation with the Finance Committee and report each examination;

Keep a list of all property belonging to the Club and be custodian of all tax papers, insurance papers, licenses, permits, etc.;

File all corporate tax data and returns with proper federal, state and local authorities.

Section 3: With the possible exception of the Treasurer, members of the Board of Directors and officers shall be entitled to receive a One Hundred Dollar (\$100) discount of their Annual Dues for the calendar year in which they serve. A member serving in the

capacity of Lifeguard Director and up to a total of two(2) members serving in the capacity of Maintenance Director(s) shall each have their Annual Dues waived for the calendar year in which they serve.

Article X

Records

Section 1: The records of this Club shall consist of its Articles, these By-Laws, complete minutes of all meetings of the members and Board of Directors, a roll of the members, statements completely reflecting the financial records of the Club and such other records as may be designated from time to time by the Board of Directors.

All of the said records shall be open to the inspection of any member of the Club at any reasonable time.

Section 2: An annual report shall be prepared and mailed to each member on or before the first day of April of each year. This report shall include the Statement of Income and Expense for the preceding year and the Balance Sheet for December 31st of the preceding year as well as any other information with respect to the Club's financial condition or operations which the President wishes to report.

Article XI

Notices

Section 1: Any notice required by these By-Laws, if given at the last known physical or e-mail address of the member or director as shown on the records of the Club, shall be conclusively presumed to have been given. Any notice required or allowed by U.S.mail or e-mail, shall be conclusively deemed to have been given at the time of depositing the same in the United States mail, in a sealed envelope, with postage prepaid thereon, or sent by electronic e-mail, addressed to the member or director as above stated. The form of delivery shall be in the sole discretion of the Board of Directors.

Article XII

Business Principles and Practices

The organization shall be cooperative and the following principles shall be observed:

Section 1: Each joint or individual membership in good standing shall be entitled to one (1) vote at the membership meetings hereinabove provided. NO proxy voting shall be permitted.

Section 2: The organization shall be neutral with respect to race, religion and politics.

Section 3: All meetings of this corporation shall be conducted under Robert's Rules of Order, except as otherwise provided herein.

Article XIII

Amendments

Section 1: These By-Laws or any part thereof may be adopted amended or repealed:

- (a) By vote of a two-thirds (2/3rds) of the members present at any regular membership meeting or a duly called a special membership meeting; provided, that the proposed motion therefor be presented in writing setting forth the portion of the By-Laws to be adopted, amended or repealed and the proposed amendment, and notice thereof be given to the membership at least ten (10) days prior to the meeting or a motion to adopt, amend or repeal may be made, seconded and presented in writing at a membership meeting held at least twenty (20) days prior to the meeting at which the motion is to be voted upon with no additional notice to the membership required, OR
- (b) By vote of six (6) members of the Board of Directors at a regular meeting of the Board or by a duly called special meeting of the Board, provided each member of the Board is given written notice of the proposed amendment at least three (3) days prior to the meeting and provided the members are notified of such amendments within ten (10) days, subject to the right of the membership to adopt, amend or repeal the By-Laws as stated in Section 1(a) above.
- (c) Two-thirds (2/3rds) of the general membership must approve any increase in the total number of

memberships above 250.

Article XIV

Dissolution

In the event of dissolution of the Club, the Board of Directors shall divide and distribute all of the assets of the Club equally among the individual and joint memberships in good standing, subject first to meeting all obligations of the Club as may be required by the Non-Profit Corporation law of the State of California.