

Severn River Swim Club By-Laws

SEVERNA RIVER SWIM CLUB, INC.

ARTICLE I Name

The name of the club shall be **SEVERN RIVER SWIM CLUB, INC.**

ARTICLE II Object

The purpose for which the Club is formed is to promote the health and general welfare of the area by the development of community spirit and cooperation in providing an area for recreation, a swimming pool and necessary buildings together with such incidental objects as are appropriate in the conduct of its activities on a non-profit basis, in Anne Arundel County, State of Maryland.

ARTICLE III Government

Section 1.

The Club shall be managed by a Board of Directors not to exceed fifteen in number, but may be of a lesser number as determined by the board, but never less than three.

Section 2.

At each annual meeting of the Bondholders of the Club, the new Board of Directors shall be elected from among the Bondholders for a term of three years or until their successors shall have been chosen.

Section 3.

Any Member of the Board of Directors who shall cease to be a Bondholder shall automatically cease to be a Member of the Board of Directors.

ARTICLE IV Board of Directors

Section 1.

Consistent with these By-Laws the Board of Directors shall:

(a) Manage all club property and transact all club business, except that no capital expenditures subsequent to initial construction shall be made by the Board of Directors or any Committee appointed thereby in excess of \$15,000.00 in any year unless approved by a vote of a majority of the Bondholders present in person or by proxy at the annual meeting or at any special meeting called for that purpose.

(b) Make and amend rules, not inconsistent with these By-Laws, for the regulation of the use of club property. It may appoint and remove such Officers, clerks, agents or employees as it may deem necessary and may fix their duties and compensations.

(c) Elect Members.

(d) Fix, impose and remit penalties for violation of these By-Laws and rules of the Club.

(e) Elect from the Board of Directors a president, a vice-president (Personnel), a vice-president (Operations), and a treasurer, and shall appoint a secretary who need not be a Member of the Board, all of whom shall serve without compensation. The President must have served as a Member of the Board of Directors for at least one year prior to his selection as such.

(f) If necessary, create the offices of assistant secretary and assistant treasurer and appoint one or more persons, who need not be Members of the Club, to such offices.

(g) Fill any vacancy in the Membership of the Board of Directors to serve until the next annual meeting of Active Members.

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Section 2.

The Board of Directors shall designate the bank or banks in which the funds of the Club shall be deposited, and determine the manner in which checks, drafts and other instruments for payments of funds of the Club shall be executed. However, the Board of Directors shall always require that at least two Officers sign all checks, drafts or other instruments for the payment of money drawn in the name of the Club. Board Treasurer or Assistant Treasurer electronic signature to financial institution where Club conducts daily financial transactions will be allowed in lieu of two designated manual signatures per check.

Section 3.

The Board of Directors shall meet at least once a month from March through September and at such other times and intervals as they may deem necessary. A majority of the Members of the Board of Directors shall constitute a quorum for the transaction of business.

Section 4.

The Board of Directors shall cause the books of the Club to be audited regularly, not to exceed three years between audits, by auditors selected by the Directors who shall neither be Directors nor Officers of the Club, and the report of the auditors shall be available to the Bondholders at all times.

Section 5.

Nothing in these By-Laws shall be construed to permit the Board of Directors to borrow or pledge the credit of the Club without the specific approval of the Bondholders at a duly held meeting. Further the capital assets of the Club cannot be disposed of without the approval of 75% of the Membership.

Section 6.

Any Member of the Board of Directors may be removed from office by the vote of seventy-five percent of the Bondholders present in person or represented by proxy at either an annual meeting or a special meeting called in accordance with these By-Laws.

Section 7.

Any Member of the Board of Directors who is absent from two consecutive Board meetings without legitimate excuse may be dropped from the Board of Directors upon a two-thirds vote of the Directors present at a regular Board meeting.

ARTICLE V Officers

Section 1.

The Officers of this Club shall be a President, a Vice-President (Personnel), a Vice-President (Operations), a Secretary, a Treasurer and if deemed necessary by the Board of Directors, an assistant secretary and an assistant treasurer. The President, Vice Presidents, and Treasurer shall be elected annually by the Board of Directors from among its Members and shall hold office until the end of the first meeting of the Board of Directors following the annual meeting of the Club. The Secretary, Assistant Secretary and Assistant Treasurer shall be appointed by the Board of Directors and hold office at its pleasure.

Section 2.

The President shall preside at the meetings of the Club and the Board of Directors. He shall be the Administrative Officer of the Club. He shall have the responsibility for the general management and direction of the activities of the Club. He shall appoint, subject to the confirmation by the Board of Directors, all standing and operating committees, designating the Chairman thereof. He shall be, ex-officio, a Member of all committees, and shall be entitled to vote therein.

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Section 3.

The Vice-President (Personnel), in the absence of the President, shall act in his stead. He shall, under the direction of the President, attend to the business and financial operations of the Club with the chairman of the Finance Committee.

Section 4.

The Vice-President (Operations), in the absence or disability of the President and Vice-President (Personnel), shall act for the President. He shall, under the direction of the President, attend to the operation and maintenance of the physical plant and properties of the Club.

Section 5.

The Secretary shall send out the notices of the meetings of the Club and of the Board of Directors. The Secretary shall keep the minutes and attend to any correspondence pertaining to the position. The Secretary shall perform other duties pertaining when asked by the Board of Directors.

Section 6.

The Treasurer shall attend to keeping the accounts of the Club, collecting its revenues, and paying its bills as approved by the Board of Directors, or other agency authorized by the Board to incur them. He shall deposit funds of the Club received by him, in the name of the Club, in such depository as may be authorized by the Board. He shall perform such other duties pertaining to his office as may be asked of him by the Board. He shall be bonded.

The Treasurer shall prepare a financial statement at the end of the year, to be reviewed by the Board.

Section 7.

Marina Chairman shall act as the Executive Marina Officer during the term of office and shall maintain all operation related to marina use including, but not limited to, slip waiting list, boat/trailer storage management, maintenance and operation. The Marina Chairman may appoint a committee and/or Member Assistant to manage general upkeep or enhancements to the marina as needed.

ARTICLE VI Members

Section 1.

Membership in this Club shall consist of:

- (a) Full Membership, within which there shall be the following classes of Members:
 - (1) Active Member - Husband and/or Wife - Head of Family
 - (2) Associate Member - Unmarried child in the household of an Active Member, over 21 years of age, but less than 30 years of age.
 - (3) Special Member - A dependent and other person in the household of an Active Member who shall be approved by the Board of Directors for a period not to exceed three months at a time.
- (b) Limited Membership, which consists of Husband and/or Wife, with no dependents, one of whom has been a Member of the Club for 10 consecutive years immediately prior to applying for the Limited Member status. Limited Membership shall not exceed 70 units.

Section 2.

The Board of Directors shall vote upon the admission to the waiting list for membership in the Club for each applicant reported by the Membership Committee at their first meeting after such report, and shall accept only those applicants who shall be approved by two-thirds of the Members of the Board present and voting.

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Section 3.

Any Member of any class may, for cause and after having been given an opportunity for a hearing, be suspended for a period of not exceeding three months by a two-thirds vote of the Members of the Board of Directors present at any meeting thereof, or expelled by a three-fourths vote of the entire Membership of the Board. Cause for suspension, or expulsion shall, in general, consist of violation of these By-Laws or of the rules of the Club, or of conduct unbecoming a lady or gentleman.

Section 4.

(a) All classes of Members of the Club shall be accorded the facilities of the Club subject to the rules and regulations which shall be issued and posted with the Club.

(b) The Board of Directors at its discretion and upon a two-thirds vote of the Directors present at a Board meeting may extend the privileges of the Club to any person or persons.

(c) The Board of Directors shall by rule fix the terms and conditions upon which guests of Members may use the facilities of the Club.

(d) Any property of the Club broken or damaged by a Member of any class, or his guest, shall be promptly paid for by such Member. No person shall take any article belonging to the Club.

(e) The Club assumes no responsibility, and Members (of any class) or their guests can have no claim against the Club, for the property of Members of any class, or any guest, which may be brought into or left in the Club buildings, or on the grounds.

(f) The Club assumes no responsibility, and Members (of any class) or their guests can have no claim against the Club, for any accident or injury to any person on their property.

Section 5.

The number of bond holding Memberships of the Club shall be established at 300.

(a) At the discretion of the Board of Directors, this number may be decreased.

(b) Bondholders may exceed 300 only by those Limited Memberships specified in Section 1(b) above.

Section 6.

A Bondholder may request a change in the type of Membership unit he holds by written application to the Board of Directors prior to April 1.

Section 7.

Members moving out-of-state for short term employment re-assignments may apply to freeze their Memberships temporarily to an inactive status until their return. The following shall govern the freezing of Memberships:

(a) The Member shall submit a written request to the Board of Directors to freeze their Membership. The Board of Directors shall review and approve/disapprove these requests on a case by case basis. Approval/disapproval is at the sole discretion of the Board of Directors.

(b) The Membership Chairperson shall provide written notification to the applicant informing them of the Board of Directors decision.

(c) The Member shall surrender their bond and receive reimbursement for the bond for an approved Membership suspension.

(d) Approved Membership freezes shall be valid for a period not to exceed 3 years.

(e) For reinstatement a returning Member shall send a written request to unfreeze their Membership with a reinstatement fee equal to the initiation fee and the bond payment in effect at that time. A copy of the Membership Chairperson's letter granting them a temporary Membership freeze should be included if available.

(f) The reinstated Member shall be admitted upon the next Member resignation.

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ARTICLE VII Dues and Fees

Section 1.

For the purpose of providing a sufficiency of the necessary funds to purchase land and build the facilities of the Club, each of the Members accepted into Membership shall be required to purchase a bond.

- (a) The total amount of this bond is not to exceed \$1,000.00.
- (b) Federal and State taxes on fees and Membership are to be paid by the Members as required.
- (c) The total amount of the Bond is due within 60 days of notification of acceptance by the Membership Committee. This date will be recorded on the Membership application and the Treasurer will be notified. Failure to pay within this time will result in loss of initiation fee and dues thereby terminating Membership. Failure to receive a bill from the Club does not absolve the applicant from this obligation.

Section 2.

The Board of Directors shall establish dues for each class of Membership and may establish such initiation fees as it may consider suitable.

- (a) Dues shall be sufficient to provide for the necessary running expenses of the Club, for the proper maintenance of the physical plant, and for the improvement of its property.
- (b) The annual dues shall not exceed \$1,000.00 per Member or family unit, whichever the case may be. An early payment discount of dues paid by April 1st may apply.
- (c) Limited Membership annual dues shall be set at two thirds (2/3) of the amount charged for Full Membership dues.

Section 3.

Annual dues shall be paid each year in accordance with the following schedule. The post marked date shall be the governing date of record for receipt for all dues, fees, assessments and indebtedness owed to the club.

- (a) By March 1, bills for the annual dues will be mailed to Bondholders at the addresses on record as of the date of the mailing.
- (b) Early Payment Discounted Dues applies to dues payments received by the Club by April 1st.
- (c) Annual dues applies to payments received by the Club after April 1.
- (d) Bondholders who have failed to submit their annual dues will be notified by mail at the address on record that their Membership in the Club will cease, effective May 1st of that year, if the annual dues have not been received by May 1st.
- (e) If a written resignation request is received before May 1st, the Bondholder will not be charged the current year's dues.
- (f) It is the Bondholder's responsibility to submit the annual dues on time. Failure to receive a bill from the Club does not absolve the Bondholder from the obligation to pay the dues, or from the consequences associated with late or non-payment of dues or indebtedness.

Section 4.

Any Bondholder who has failed to pay annual dues or indebtedness to the Club by May 1st of each year shall cease to be a Member of the Club.

- (a) At its discretion, the Board of Directors may vote to reinstate the Membership of any delinquent Bondholder, providing that such delinquent Bondholder meets the following requirements: he must submit a written request to the Board within two week (s) of notification of delinquency which explains why the Membership should be reinstated, he must make repayment of all indebtedness to the Club, and he must pay the reinstatement fee as stated in paragraph (b) below.
- (b) The reinstatement fee shall be equal to the initiation fee in effect at the time the delinquent Bondholder applies for reinstatement to the Club if the Membership termination was due to non-payment of annual dues. The reinstatement fee shall be equal to the application fee in effect at the time the

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delinquent Bondholder applies for reinstatement to the club if the Membership termination was due to non-payment of guest fees or other minimal indebtedness.

(c) Bondholders who had been delinquent, and were reinstated in previous years, shall not be eligible for reinstatement to the Club.

Section 5.

Upon cessation of Membership for any cause, all indebtedness owed to the Club by the Bondholder shall be a lien upon and charged against the bond, and the bond may be taken over by the Club to satisfy such indebtedness.

(a) In the event that the Club is unable to obtain possession of the bond, it may be canceled on the books of the Club, and a new bond issued in place thereof to a newly elected Member who has been approved for Membership by the Board of Directors.

(b) In the case of the enforcement of a lien, as above herein provided, neither the signature of the holder nor the delivery of the bond shall be necessary to affect the transfer to the Club. The Club is hereby authorized to be the attorney of the holder of such bond to make such transfer.

(c) Every bond issued is expressly subject to the provisions of this section.

Section 6.

Members shall be responsible for the payment of all charges or liabilities that may be imposed upon or incurred by Members of their family to whom the privileges of the Club shall have been extended, and for all charges and liabilities imposed upon or incurred by guests introduced by them.

Section 7.

No dues, nor part thereof, shall be refunded in the event that pool operations are required to be suspended.

Section 8.

Bondholders may transfer their bonds, with the permission of the Board of Directors, to Members of the bond holder's family upon payment of a registration fee to be set by the Board of Directors.

(a) The registration fee shall be no less than \$25.00.

(b) Except for payment as herein provided, each bond shall become null and void upon the date that the holder thereof ceases to be a Member for any cause.

(c) The time and manner in which the holder shall be paid the value of his bond, subject to the provisions of Section 5 thereof, shall be determined by the Board of Directors, provided, however, that each bond shall be redeemed in the chronological order in which the Memberships terminate, and as soon as payment is received from an incoming Member.

Section 9.

The Members may at a special or regular meeting provide for an assessment upon all Members by a 2/3 vote of the Bondholders present in person or represented by proxy

Section 10.

In the event of the dissolution of the Club in any manner or for any cause, and in no other event, upon the effective date of dissolution of the Club, bonds in proportion to the amount paid in shall be a lien upon the proceeds of the sale of the property of the Club after the payment of all of its just debts and obligations to the extent of the then value of bonds as fixed by these By-Laws, subject to set-off of all debts, dues, and obligations owed by the holder of bond. After payment of all bonds, outstanding upon the effective date of dissolution of the Club, the surplus remaining, if any, shall be paid and distributed pro rata among the then Membership of the Club.

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ARTICLE VIII Meetings

Section 1.

(a) The Annual meetings of the Club shall be held once per year at a designated time and place, determined by the Board of Directors.

(b) Written notification will be distributed to all Members in advance of the date and time of the annual meeting.

(c) The Annual meeting shall be for the purpose of electing Directors, presenting committee reports, and for the transaction of such other business as may be brought before it.

Section 2.

Special meetings of the Club may be called by the Board of Directors. Also, upon the written request of fifty Bondholders to the Secretary, stating the purpose therein, a special meeting shall be called by the Secretary within thirty (30) days.

Section 3.

(a) Notice of the annual meeting shall be given by mail to the Bondholders at least 30 days prior thereto. The notice of the Annual Meeting shall include the names of candidates nominated by the nominating committee.

(b) Special Meetings of the Club may be held on five days notice by mail to all Bondholders. The notice shall state the purpose for which the special meeting is called and no other business shall be transacted thereat.

(c) Time and place of all meetings shall be designated by the Board of Directors.

Section 4.

Only Bondholders shall be entitled to vote at meetings of the Club. Bondholders may be represented by proxy if not able to attend in person. Voting may be by voice, but ten Bondholders including those represented by proxy shall have the right to demand voting by roll call. Each bond shall be entitled to one vote.

Section 5.

Twenty (20) Bondholders present in person or responding by proxy shall constitute a quorum at all Club meetings.

Section 6.

Whenever in these By-Laws notice to Bondholders is required, the mailing of such notice to the last known address of such Bondholders shall constitute notice.

Section 7.

(a) The Board of Directors shall hold its first meeting following the Annual Meeting of the Members in each year as promptly as practicable.

(b) The Board of Directors may, by resolution, establish from time to time a schedule of its meetings and rules for the conduct thereof.

(c) Special meetings of the Board of Directors may be called by the President and shall be called by the Secretary upon the request of one third of the Board.

(d) Notice of the regular monthly and special Board meetings, shall be mailed to each Member of the Board at least five days before the date of the meeting or shall be given by telephone at least three days before the date of the meetings. If given by telephone the Secretary shall present a list of those Directors so notified by him.

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ARTICLE IX Nominations

Section 1.

At the regular meeting of the Board of Directors immediately prior to the Annual Meeting of Members, there shall be appointed a nominating committee of five (5) Members of the Club. The nominating committee shall select a complete list of candidates.

Section 2.

Further nominations may be made from the floor at the Annual Meeting of Members. Any candidate nominated from the floor shall be present or shall have signified his intention to accept the office for which he is nominated.

ARTICLE X Committees

Section 1.

The Standing Committees shall be established by the Board of Directors and the duties of these committees shall also be established by the Board of Directors.

Section 2.

The Operations Committees shall exercise supervision over the Pool and Grounds; shall attend to the maintenance of the Pool, Buildings, Operating Equipment and Grounds in conjunction with the rules and regulations of the Club.

Section 3.

The House and Activities Committee shall be responsible for the operation and allotment of the Club House and the activities held therein. They shall clear, setup and maintain a schedule of all activities of the Club and concerning the Club; plan, supervise and operate affairs and special events of the Club.

Section 4.

The Publicity Committee shall attend to the publication of affairs of the Club which are of general interest.

Section 5.

The Finance Committee shall prepare the Annual Budget for submission to and approval by the Board of Directors, and shall exercise general supervision over the financial transactions of the Club.

Section 6.

The Rules Committee shall prepare rules of health and good conduct in connection with the operations of the Pool and shall, in conjunction with the Pool and Grounds Committee, and the House and Activities Committee, see that the Rules and Regulations as approved by the Board of Directors are enforced.

ARTICLE XI Miscellaneous

Section 1.

(a) Each person who acts as a Director or Officer of the Club shall be indemnified by the Club against expenses actually and necessarily incurred by him in connection with the defense of any action, suit or proceeding in which he is made a party by reason of his being or having been a Director or Officer of the Club, except in relation to matters as to which he shall be adjudged in such action, suit or proceeding to be liable for gross negligence or willful misconduct, and except any sum paid for the Club in settlement of an action, suit or proceeding based on gross negligence or willful misconduct in the performance of his duties.

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(b) Whether or not he is such Director or Officer at the time such costs or expenses are imposed or incurred, or in the event of his death, such costs or expenses shall extend to his legal representatives.

Section 2.

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

Section 3.

Wherever mention is made herein to age of Members, it shall be the age attained as of January 1st of the current year.

Section 4.

These By-Laws may be amended by a two-thirds (2/3) vote of the Bondholders present in person or present by proxy, at any meeting of the Club provided at least five (5) days notice of such amendment by mail shall be given to each such Bondholder.

ARTICLE XII

Marina

Section 1. Eligibility

(a) The Marina facility, including boat slips, launch ramp, pier, bulkhead, dinghy/kayak racks, and any/all waterfront areas, are for the exclusive use only to Member who maintain a current, active Membership in the club. Use of the Marina facility by anyone other than active Members constitutes trespassing.

(b) As there are only 39 pier and bulkhead slips available, a waiting list is established for Members who desire a wet slip. The Marina Chairman maintains the waiting list. Members are added to the wait list by the date of their submitted request as noted on the marina application. The wait list status is available upon request to the Marina Chairman.

(c) All Members utilizing the Marina must abide by the SRSC Marina Rules and Regulations. A copy of these regulations is posted on the website or available upon request.

Section 2. LIMIT of Liability

(a) Severn River Swim Club reserves the right to remove any vessel either berthed in a slip at the marina, or on Club property on blocks or trailer, which is not in compliance of the Severn River Swim Club Marina Rules and Regulation. Care will be taken by our Officers, employees and agents when moving any vessel. Owner shall indemnify and hold the Club harmless against and from all actions, suits, claims, demands, verdicts, judgments, cost and expenses legal or otherwise and of any kind arising out of this action.

(b) Severn River Swim Club will make every attempt to locate the owner of the removed property and inform the owner the new location of their property.

(c) The owner of the removed property will be responsible for all costs incurred by the Club including, but not limited to, towing and storage fees.

(d) Damage caused by vessel in a manner that contravenes any of the above By-Laws shall be the responsibility of the owner, and any usage of facilities is subject to the condition that SRSC, it's Members, Officers, Board of Directors and agents will assume no liability or responsibility whatsoever for the safety of any vessel, equipment or dinghy in the marina and will not be liable for the consequences of any fire, theft or damage to any vessel, dinghy, equipment or any property in or on any vessel or dinghy, whether or not due to any negligence or omission on the part of the Club or the Board or any Member, Officer or agent of the Club or the Board.