

BYLAWS

ARTICLE I - Name

Section 1. The name of this Corporation shall be the Tilden Woods Recreation Association, Inc. The Association is incorporated under the laws of the State of Maryland.

ARTICLE II - Purpose

Section 1. The purpose of the Corporation shall be to acquire, own, construct, develop, operate, maintain, and manage suitable facilities for the safe and healthful recreation of the Corporation's members, said facilities to include a swimming pool and other appurtenances as the Corporation shall deem desirable and economically feasible.

ARTICLE III - Membership in the Corporation

Section 1. Membership in the Corporation shall be granted to qualified applicants by an affirmative vote of the Board of Directors. No person shall be excluded from membership on the basis of race, religion, national origin, sex, or age.

Section 2. Applicants for membership elected as in Section 2 above, shall upon payment of the membership fee be duly inscribed on the rolls of the Corporation.

Section 3. One certificate of membership shall be issued to each family, and may be issued either in one name or in two names as joint tenants, but only one vote is allotted to each family.

Section 5. Active membership in the Corporation shall be available in the following categories:

- a) **Young Family.** Head of household, spouse, children, wards, and upon approval by the Board of Directors, any other persons who regularly resides with the family.
- b) **Adult Family.** A family in which no person is less than eighteen years of age on or prior to the annually scheduled day for the spring pool opening.
- c) **Single Adult.** A person over the age of twenty-one who is the only person in that household who will use the Corporation's facilities.

Section 6. A family may become inactive, and thereby not required to pay dues for one or more seasons by so notifying the Board before May 1 of that season. The family is, however, still required to pay the annual fixed expense assessment.

Section 7. There shall not be more than 350 active young family memberships. No limit is placed on the number of adult family, single adult or inactive memberships.

Section 8. Annual Permits

- a) Whenever there are fewer than 350 young family memberships, the Board of Directors is empowered to grant annual permits to families who otherwise qualify for membership in the Corporation under the criteria set forth in this Article.

b) A family shall not normally be permitted to receive an annual permit for more than one year if that family owns a home within 3 miles of the pool. However, the Board of Directors, may grant an annual permit to a family owning a home within 3 miles of the pool for a second year if special circumstances are shown

c) Annual permits shall be available in the same categories as set forth in Article III, Section 5 for active membership: namely, young family, adult family and single adult.

d) Instead of the membership initiation fee set forth in Article V, Section 1, there shall be an annual permit fee fixed each year by the Board of Directors. In addition, each annual permit holder shall pay the dues and fixed expense assessment levied for that year on his equivalent membership category, pursuant to Article V, sections 2 and 3 of these By-Laws.

e) In the event an annual permit holder applies for membership in the Corporation, the holder is entitled to credit one-half (1/2) of all previously paid annual permit fees against the initiation fee set forth in Article V, Section 1.

f) Annual permit holders shall not be considered members of the Corporation under Article III hereof. However, annual permit holders shall have the privileges of, and be subject to the rules and regulations applicable to members under Article IV and the relevant sections of Article V, as set forth in Paragraph (d) of this article.

Section 9. Application for membership as defined under Article III, Section 1 shall be accepted only by the Board of Directors. Such application must be accompanied by a non-refundable fee to be established by the Board and such fee is to be considered part of the required fees and dues for membership. Such fee will be refunded only if the applicant, when requested in writing to the Board, moves out of the area, qualifying for membership or if the applicant has not been admitted as a member for a period of at least 24 months and desires a refund. When the membership rolls are full, applicants for membership to the Corporation shall be considered in chronological order.

Section 10. A member in good standing who wishes to resign from the Corporation shall terminate his membership by written notification to the Secretary. The Board of Directors may then sell this membership for the current price of membership to any waiting applicant and, after this sale is consummated, shall refund the membership fee. The amount of refund shall be 100% of the purchase price for Charter members who joined on or before February 9, 1963; and 80% of the initiation fees paid by members who joined between February 9, 1963 and March 1, 1993, and 50% of the initiation fee for members joining after March 1, 1993.

Section 11. The procedure with respect to members, Article IV, Section 2, dropped from the rolls by appropriate action of the Board of Directors, shall be the same as that set forth here, Article III, Section 10, for members that resign except that no request for resignation from the member is necessary.

ARTICLE IV - Membership Privileges

Section 1. Active members of the Corporation shall be entitled to use of the Corporation pool and other facilities without payment of special fees, subject to such rules as the Board of Directors may from time to time adopt.

Section 2. The membership privileges may be denied a member in the event of flagrant violation of the rules mentioned in Section 1 above. Such denial of membership privileges shall be by simple majority action of the full Board of Directors either for a specified period or permanently.

Section 3. The use of the pool and other Corporation facilities by nonmembers shall be permitted provided that they are a guest of an active member, and accompanied by this member and subject to a fee determined by the Board of Directors. Guests temporarily living in the household of an active member may use the pool and facilities after a written request from the member, approved by the Board, and payment of a fee, all as set forth by the Board

of Directors.

ARTICLE V - Initiation Fees, Dues and Assessments

Section 1. Each family who joined the Corporation on or before February 9, 1963, paid an initiation fee of \$300, and is considered a charter member. From February 10, 1963, the initiation fee was \$350 for each family; \$400 after February 19, 1964; \$450 after March 1, 1970; \$550 after April 1, 1975; and \$650 after January 1, 1980. Thereafter the Board of Directors may, at its discretion, change the initiation fee in response to the fiscal and management requirements of the Association.

Section 2. Each year, dues and a fixed expense assessment are set by the Board of Directors prior to the official opening of the pool. Young family members pay both the assessment and the dues; adult family members pay the assessment and one-half (1/2) the dues; single adult members pay the assessment and one-fourth (1/4) the dues, and inactive members pay only the assessment. If only one person over twenty-one resides in a Young Family Household, both the dues and the assessment shall be reduced 15% from the regular Young Family level.

Section 3. A special assessment for any purpose shall only be levied by a majority vote of the membership present at the annual meeting or at a special meeting called for that purpose, but any such proposed action shall be stated in the notice of any special meeting.

Section 4. A family whose annual dues have not been paid by May 1, or who is more than ninety days in arrears in paying a deficit or special assessment, may after fifteen days notice of each arrears by mail, by action of the Board of Directors be suspended from the rolls, provided that upon written request of the Board, the family may elect to become inactive for that season.

ARTICLE VI - Principal Office and Resident Agent

Section 1. The principal office of the Corporation shall be located at the site of the swimming pool.

Section 2. The resident agent of the Corporation shall be a resident of the state of Maryland designated by the Board of Directors for that purpose.

ARTICLE VII - Meeting of Members

Section 1. The annual meeting of the members of the Corporation shall be held during the latter part of February of each year at a time and place designated by the Board of Directors. Members shall be notified of this meeting not less than seven days prior thereto. At such meetings the members shall elect directors to the Board of Directors and transact any other business as may properly come before it.

Section 2. A special meeting of the members shall be called by the President under the following circumstances:

- a) At his discretion; b) Upon the request of a majority of the Board of Directors; or
- c) Upon the request in writing of more than 20% of the members of the Corporation.

Section 3. A quorum shall consist of representatives and/or proxy votes from at least 10% of the active member families. If no quorum is present, then adjournment shall be taken to a date not fewer than seven nor more than fourteen days thereafter, and the members present at any such later meeting shall constitute a quorum regardless of the number of members present. The same notice shall be given for the later meeting as is prescribed in these By-Laws for the original meeting.

Section 4. Parliamentary Rule for the business transacted at all meetings of the Corporation and the Board of Directors shall be pursuant to the Rules of Order set forth in Roberts' Rules of Order.

ARTICLE VIII - Board of Directors

Section 1. The Board of Directors shall consist of eight (8) members, all of whom shall be members of the Corporation at the time of their nomination and election.

Section 2. The Board of Directors shall be elected for two-year terms; four (4) will be elected each odd year and four (4) each even year. Nominations for the Board of Directors shall be presented by a nominating committee appointed by the President. Nominations may also be made from the floor by the members at the annual meeting providing the nominee is present and concurs. A list of nominees shall be distributed to each family at least ten (10) days prior to elections. Nominations may also be made by the members providing said nominations are received by the Secretary at least twenty (20) days prior to the annual meeting of the Corporation.

Section 3. Vacancies. In case of any vacancy in the Board of Directors, the remaining Directors shall elect by majority vote a successor to hold office until the next annual meeting.

Section 4. The Board of Directors may, by a unanimous vote of those members who are not President, remove from his executive office, the President for valid cause. The validity of the cause may be subject to review of the members of the Corporation if requested at a special or annual meeting.

Section 5. Meetings of the Directors shall be held at the discretion of the President or the majority of the Board.

Section 6. Place of Meeting. The Directors shall hold their meetings at such place as may be designated by the President of the Board.

Section 7. Quorum. A simple majority of the Board of Directors shall constitute a quorum for transaction of business. The President or Vice-President shall be present.

Section 8. Duties of the Board of Directors. In the Board of Directors shall be vested the authority for the general direction and control of the affairs of the Corporation. In addition to the duties customarily performed by Boards of Directors, the Board of Directors shall:

- a) Fix the amount and character of, and approve surety bonds required of any persons handling or having custody of funds;
- b) Fill vacancies on the Board of Directors as provided herein;
- c) Employ, fix the compensation, and prescribe the duties of such persons as may, in the discretion of the Board, be necessary;
- d) Establish and approve rules and regulations for the safe and convenient use of the Corporation's facilities, and inform all members of such rules and resolutions;
- e) Authorize and supervise investments of the Corporation;
- f) Designate the depository or depositories for funds;
- g) Call annual and special meetings of the members of the Corporation, as herein provided, and establish the time and place of such meetings;
- h) Constitute and appoint committees, and define the duties and powers of the same;
- i) Cause the books of the Corporation to be audited or reviewed annually by

Certified Public Accountant(s) selected by the Board, such audits or reviews to be performed by persons who shall neither be Directors nor Officers of the Corporation;

j) Be responsible for causing a written report of the aforementioned audit or review to be mailed to each member, in advance of the annual meeting of the Corporation;

k) Appoint a general counsel, as necessary, who shall advise on matters of legal import concerning the Corporation.

l) Rule on all questions of By-Laws for interpretation;

Section 9. In addition to the powers provided herein, the Board of Directors shall have such other powers, not inconsistent with these By-Laws or existing statutes, as are necessary for the efficient operation and management of the Corporation.

Section 10. Compensation of Directors. The Directors shall receive no remuneration for their services as directors and shall not otherwise be gainfully employed by the Corporation except that the Board may award a free membership to one or more Directors in accordance with the procedures described in Article XV, Section 13."

ARTICLE IX - Officers

Section 1. Selection. Each year, at the first meeting of the Board of Directors following the annual meeting of the members of the Corporation, the Board shall elect officers for the ensuing year. The officers shall be as follows: President, Vice-President, Secretary and Treasurer. No person may hold more than one of these offices at a time. Officers must be members and directors of the Corporation at the time of their election. Officers shall serve without compensation. Any officer or member of the Board of Directors may succeed himself.

Section 2. Powers and Duties of the President. The President shall preside at all meetings of the members of the Corporation. He shall have the power to sign certificates of membership, to sign and execute contracts and negotiable instruments of conveyance in the name of the Corporation together with the Secretary or the Treasurer, and to appoint and discharge agents and employees, subject to the approval of the Board of Directors. He shall have general and active management of the business of the Corporation, and shall perform all the duties usually incident to the office of president. The President shall execute the mandates of the Board of Directors.

Section 3. Powers and Duties of the Vice President. The Vice-President shall have such powers and perform such duties as may be delegated to him by the President. In the absence or disability of the President, he shall perform the duties and exercise the powers of the President.

Section 4. Powers and Duties of the Secretary. The Secretary shall keep the minutes of all meetings of the Board of Directors, of the meetings of the Corporation, and of any other meetings to which the Secretary is designated by the President of the Board of Directors to attend, in books provided for that purpose; he shall attend to the giving and servicing of all notices; he shall keep charge of the books of certificates of membership, and such other books and papers as the Board of Directors may direct, and he shall perform in general all the duties incident to the office of secretary, subject to the control of the Board of Directors. He shall submit such reports to the Board as may be requested by them. He shall have custody of the corporate seal and shall affix the seal to all instruments executed by the Corporation.

Section 5. Powers and Duties of the Treasurer. The Treasurer shall have custody of all funds and securities of the Corporation which may come into his hands and shall deposit the same to the credit of the Corporation in such bank or banks as the Board of Directors may designate. Whenever required by the Board of Directors, he shall render a statement of his cash account; he shall cause to be entered regularly in the books of the Corporation, to be kept for that purpose, a full and accurate account of the Corporation. He shall perform all acts incident to the position of treasurer, subject to the control of the Board of Directors.

Section 6. Persons who handle the monies of the Corporation shall be bonded in such amount as the Board of Directors may require and the Corporation shall pay the necessary premium for such bond.

ARTICLE X - General Counsel

Section 1. The Board may retain a general counsel, as necessary.

Section 2. The General Counsel must be a member in good standing of the bar of any State or the District of Columbia and must be a bona fide resident of Montgomery County, Maryland.

ARTICLE XI - Committees

Section 1. The Board of Directors may provide for such committees as it deems necessary, and define their powers and duties.

Section 2. The President shall appoint a Board member as an ex-officio member of each committee.

ARTICLE XII - Notices, Waivers and Voting

Section 1. Notices To Be Mailed. All notices mentioned in these By-Laws shall be mailed to the address of the person entitled thereto shown on the books of the Corporation, and the mailing of the same, postage prepaid, shall constitute good notice.

Section 2. Voting. At meetings of the members of the Corporation, each active family holding a certificate of membership, duly registered in the books of the Corporation at least fifteen (15) days prior to any such meeting, may cast one vote. It shall be the duty of the Secretary to prepare and make, at least five (5) days before every election, a complete list of members of the Corporation entitled to vote and such lists shall be open for inspection by any member and shall be produced at the time and place of such election and kept there until the election is concluded. The President shall appoint inspectors and tellers as required.

ARTICLE XIII - Absentee Ballot

Section 1. An absentee ballot or vote shall be permitted only by mail in the specific instances where prior official notification of the specific issue to be voted on has been given at least one (1) week before the annual or special meeting.

ARTICLE XIV - Amendment of By-Laws

Section 1. At the annual meeting or a special meeting called for that purpose, these By-Laws may be amended by two-thirds (2/3) majority of the total voting membership; or, at the discretion of the Board of Directors, a vote may be solicited by mail ballot. When mail ballot is used, an affirmative vote by two-thirds (2/3) majority of the voting membership responding shall constitute acceptance of the proposed amendment(s).

ARTICLE XV - Miscellaneous

Section 1. Execution of Corporate Papers. All written obligations of the Corporation shall be executed by the President or the Vice President and Treasurer or Secretary and shall be solemnized by affixing the Corporation seal. Obligations in writing of the Corporation shall not be binding unless they have the required signatures and the Corporate seal.

Section 2. Authority to Execute Papers. No obligation on the part of the Corporation shall be entered into without the approval of the Board of Directors except as to matters involving less than One Hundred Dollars (\$100).

Section 3. Corporate Books and Records. Corporate books and records shall be open to inspection by members at such times as may be reasonably fixed by the President and such inspection shall take place at the customary place of keeping of said books and records.

Section 4. Corporate Seal. The Corporate seal shall have inscribed thereon the name of the Corporation, the year of its organization, and the words "Corporate Seal" and "Maryland". The Corporate Seal shall be kept by the Secretary.

Section 5. Annual Report. The Board of Directors shall cause to be prepared and transmitted to each member of the Corporation, at least ten (10) days in advance of the annual meeting of the Corporation, a statement of financial condition of the Corporation covering the previous fiscal year, and a consolidated balance sheet showing the assets and liabilities of the Corporation.

Section 6. Dividends and Refunds. There shall be no dividends to members of the Corporation. There shall be no refunds to members except as may specifically be provided in these By-Laws.

Section 7. Lost Certificates. Any person claiming a certificate of membership to be lost or destroyed shall make an affidavit or affirmation of that fact, whereupon, after the expiration of thirty (30) days from the filing of such affidavit or affirmation with the Secretary of the Corporation, a new certificate shall be issued to the same tenor and shall bear on its face language to the effect that the same is a substitute issue in place of lost or destroyed certificate.

Section 8. Checks of the Corporation. Checks and endorsements of checks or notes shall bear the signature of any two officers of the Corporation.

Section 9. Singular includes Plural, etc. Whenever in these By-Laws reference is made to the singular or the masculine gender, such reference shall apply to the plural and the female gender with equal force whenever the context requires the same.

Section 10. Acquisition or Sale of Land. The Corporation shall not acquire or dispose of any real property except in accordance with such approval as may be granted by a majority of the members voting on such proposition at a regular or special meeting of the members; except as to the real property contracted for by the President for the pool site.

Section 11. Each person who acts as a Director or Officer of the Corporation shall be indemnified by the Corporation 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, except in relation to matters as to which he shall be adjudged in such action, suit or proceeding to be liable for gross negligence, fraud or willful misconduct in the performance of his duties.

Section 12. Any question as to the meaning or proper interpretation of any provision of these By-Laws shall be determined by a majority vote of the Board.

Section 13. Upon a finding by the Board of Directors that a person has performed and/or agreed to perform services for the pool which would have cost, if acquired on a fee-for-service basis, substantially more than the membership dues and assessment, the Board of Directors may waive all or a portion of the membership dues and assessment for that person's family. If the family pays or has paid the initiation fee described in Article V, Section 1, the family will be a full member of the pool. If the family has not paid the initiation fee, the family will not be considered a member of the pool, but will be entitled to all the privileges of (other than voting), and subject to all the rules and regulations applicable to members. However, the Board of Directors may not so waive the dues and assessment for more than four families under this Section in any year.