

BELAIR BATH & TENNIS
Prince George's County, Maryland
(a Maryland Corporation)

BY LAWS

Article I -- NAME

The name of the corporation shall be BELAIR BATH AND TENNIS CLUB, INC., hereinafter variously referred to as "Club" or "Corporation".

Article II -- PURPOSE

This is a not for profit, non stock membership corporation and the purpose for which it is formed and the business and objects to be carried on and promoted by it are as follows:

To construct, organize, equip, promote, maintain and operate a club primarily for the purpose of providing swimming and tennis facilities, light refreshments and social events for its members; together with such objects as are appropriate in the conduct of its above mentioned activities in Bowie, Prince George's County Maryland.

To make and perform any contracts and to do any acts and things and exercise any powers suitable, convenient, proper or incidental for the accomplishment of any objects enumerated herein.

The Corporation shall not engage in the sale of alcoholic liquors, malt beverages or other intoxicants.

The Corporation shall be authorized to exercise all of the powers, rights and privileges granted to non stock Corporations by the General Laws of the State of Maryland now or hereafter in force, for the accomplishment of the objects enumerated herein, and to the extent the said powers, rights and privileges have not been delineated herein.

Article III -- BOARD OF DIRECTORS

Section 1 - Management of the Corporation.

The management of the affairs of the Corporation is hereby vested in a Board of Directors, hereinafter sometimes referred to as the Board, elected as hereinafter provided. All members of the Board of Directors shall be regular members of the BELAIR BATH AND TENNIS CLUB, INC.

Section 2 - Composition.

The Board of Directors shall consist of nine (9) adult members of the Corporation. Two or more members of a family unit of a regular member cannot be on the Board of Directors at the same time. Spouses may not serve on the Board of Directors at the same time. The Board of Directors shall be selected in accordance with the provisions of these By laws. The immediate past President of the Corporation shall be an ex officio member of the Board of Directors; however, he shall not be permitted to vote, but shall be permitted to participate at all meetings of the Board of Directors in any and all other ways. The members of the Board of Directors shall receive no compensation.

Section 3 - Term of Office.

Each member of the Board of Directors shall serve for a term of three (3) years or until his successor shall be elected and qualified. The terms of the members of the Board of Directors shall be arranged so that the terms of only three (3) Directors shall expire each year. Directors may not serve more than six consecutive years.

Section 4 - Nominations.

(a) Nominations for the Office of Director will be made in the notice of annual meeting indicating by name those individuals who have petitioned and been certified as eligible by the Board to run.

(b) Nominations for the Board of Directors may be made by petition signed by at least ten (10) regular members of the Club entitled to vote and mailed to the Secretary not less than thirty (30) days before the annual meeting. Said petition shall be accompanied by a written acknowledgment signed by the nominee who is the subject of the said petition indicating his willingness to run for nomination.

(c) All Notices of Annual Meetings shall list nominees for the Office of Director. Such notices shall indicate those nominees who are incumbents. Such notices shall be mailed by the Secretary to all regular members at least twenty (20) days before the Annual Meeting.

Section 5 - Election.

(a) The members of the Board of Directors shall be elected at the Annual Meeting of the regular members of the Club. One third (1/3) of the members of the Board of Directors shall be elected each year by majority vote of the regular members of the Club present and voting.

Section 6 - Vacancies.

Vacancies in the Board of Directors shall be filled by a vote of a majority of the remaining members of the Board of Directors and each person so elected shall serve until the next Annual Meeting whereupon the unexpired term of the vacating Director shall be filled in accordance with the provisions of Section 5 of the Article providing for the election of Directors. At an election the three persons receiving the highest votes will receive three year terms. Other vacancies shall be filled in order of the persons receiving the highest number of votes.

Section 7 - Duties.

(a) Authority, Responsibility and Duties.

The said Board shall exercise all powers of the Corporation and is authorized to perform all lawful acts not in contravention of these By laws or which are not by these By laws conferred upon the officers of members. It shall be the Board's duty and responsibility to carry out the objective and purposes of the Club.

(b) Indebtedness.

1. The Board of Directors may borrow money for a term of not more than five (5) years for the operation and maintenance of existing Club facilities secured by mortgage or other encumbrances upon the Club property, this amount shall not exceed one hundred (100%) percent of the aggregate annual assessment for the year in which the money is borrowed.

2. The board of Directors shall not incur any indebtedness for major additions to or expansion of club property or facilities unless authorized by a majority of the regular members present and entitled to vote at a special Meeting of the members called for that purpose.

(c) Audit.

The Board of Directors shall require an audit of the accounts of the club for each calendar year. The audit shall be made by an Auditing Committee or a certified public accountant appointed by the President with the approval of the Board. The report of the audit shall be made available for review at the clubhouse within a reasonable time after receipt thereof by the Board.

(d) Insurance.

The Board of Directors shall secure and maintain at all times for the protection of the Club such public liability, property damage and any and all other forms of insurance as it may deem necessary.

(e) Books and Records.

The Board of Directors shall ensure that correct and complete books and records of the Corporation are kept and preserved in a place of safekeeping. Such books and records of the Corporation shall include, but are not limited to, the appropriate accounting records of the Corporation; the minutes, signed by the President and the Secretary or by those acting in their places, of all meetings of the Board and of the regular members, called in accordance with these By laws, and returns of elections of the members for the Board of Directors; a record of the names and addresses of the regular members entitled to vote; a membership waiting list; and copies of the Articles of Incorporation, By laws and amendments thereto.

(f) Maintenance Fund.

The Board of Directors shall establish, and augment annually, a deferred maintenance fund. The annual contributions to this fund shall be in amounts considered sufficient by the Board of Directors to permit timely and ordinary maintenance and replacement of the physical equipment and other facilities of the Corporation.

(g) Annual Report.

The President of the Board of Directors shall prepare and submit at the Annual Meeting a report showing the state of membership and finances and setting forth the transactions and summarizing member activities of the preceding year.

(h) Rules and Regulations.

The Board of Directors may prescribe from time to time such rules and regulations as it deems necessary for the management of the affairs of this Corporation and those rules and regulations, if not in conflict with the Articles of Incorporation and these By laws, shall govern in the conduct of the affairs of the Corporation.

(i) Club Operation.

The Board of Directors shall each year retain a qualified Club Manager or management firm, for the purpose of operating the Club. All personnel employed by the said Club Manager or management firm for the purpose of work in connection with the operation of the Club or the Club activities shall be subject to the approval of the Board of Directors.

(j) The Board of Directors shall each year retain a qualified bookkeeper for the purpose of completing the duties listed under Article IV - OFFICERS, Section 8 - Treasurer (b) and any other duties delegated by the Board of Directors.

(k) In addition to the above specifically enumerated grants of authority, the Board of Directors shall do or cause to be done all other things necessary for the maintenance and operation of the Club.

Section 8 - Meetings.

(a) A majority of the elected members of the Board of Directors shall constitute a quorum at a Board of Directors meeting. The acts of a majority of the Directors present at a meeting at which a quorum is present shall be the acts of the Board of Directors.

(b) The Board of Directors shall hold regular meetings annually and at such times as it may deem necessary. When so requested in writing by four (4) Directors, the President shall convene a special meeting of the Board of Directors.

(c) Notice.

At least five (5) days' notice of all meetings of the Board of Directors shall be given to each Director.

Section 9

Members of the Board of Directors shall cast their votes in person. No Director may vote by proxy at any meeting.

Section 10 - Removal of Board of Director Members.

A director of the Corporation shall be removed for cause by vote of seven (7) members of the Board; provided however, that no director shall be removed for cause until and unless the director in question has been sent a notice by certified mail at least ten (10) days prior to a hearing to be held before the full Board of Directors. The accused director shall be permitted to make any statement in his/her own behalf or present any evidence in his/her behalf which he/she may desire.

Article IV -- OFFICERS

Section 1

All officers of the Corporation shall be members of the Board of Directors.

Section 2 - Election.

Within a reasonable time after the Annual Meeting, the Board shall meet at the call of the outgoing President and elect by majority vote of the entire Board of Directors the following officers: President, Vice President, Secretary and Treasurer. The outgoing President shall act as temporary Chairman of the meeting until the new officers are elected. A Director may not be elected President unless he has served one full year as a member of the Board of Directors of the Corporation. The President, with the approval of the Board of Directors, may appoint such assistant officers as the needs of the Corporation may require.

Section 3 - Term.

The Directors who are elected to the offices of President, Vice President, Secretary and Treasurer shall assume the duties of their offices on November 1 and shall continue to hold those offices until October 31 of the following year, or until their successors are elected or until removed for cause.

Section 4 - Removal.

An officer of the Corporation shall be removed for cause by vote of seven (7) members of the Board; provided however, that no officer shall be removed for cause until and unless the officer in question has received ten (10) days notice in writing to attend a hearing before the full Board of Directors. The accused

officer shall be permitted to make any statement in his own behalf or present any evidence in his behalf which he may desire.

Section 5 - President.

The President shall:

- (a) Preside at all meetings of the regular members and at all meetings of the Board of Directors;
- (b) Appoint, subject to confirmation of the Board of Directors, all committees as soon as possible after the first board meeting of each year, and shall designate the Chairman of each committee. He shall be an ex-officio member of all committees.
- (c) Sign, with the Secretary, all contracts and papers relating to the affairs of the Corporation and the minutes of all meetings of the Board of Directors and of the regular members; and
- (d) Be the chief administrative and executive officer of the Corporation. In this capacity he shall perform all acts properly belonging to this office not herein specifically enumerated including, but not limited to, effective supervision of all activities of the Corporation and its employees.

Section 6 - Vice President.

The Vice President shall have all the powers, authority and duties of the President during his absence or inability to act. He shall also act as an Assistant to the President and shall perform such other functions as he may be directed by the President or the Board.

Section 7 - Secretary.

The Secretary shall either personally or by delegation:

- (a) Make and keep the minutes of all meetings of the Board of Directors and meetings of the regular members;
- (b) Keep all Corporation records except membership and financial records;
- (c) Conduct all official correspondence under the supervision of the President;
- (d) Send out notices of all meetings of the members;
- (e) Be custodian of the seal of the Corporation;
- (f) Sign, with the President, all contracts and papers relating to the affairs of the corporation and the minutes of all meetings of the Board of Directors and of the regular members; and
- (g) Perform all other duties incident to the office of Secretary, subject to control of the Board of Directors, and submit such reports as may be required by them.

Section 8 - Treasurer.

The Treasurer shall either personally or by delegation by the Board of Directors:

- (a) Perform such acts as are incident to the position of Treasurer, subject to the control of the Board;

(b) Shall review and report on the listed duties of a hired bookkeeper. Such duties are as listed below:

(i) Make and keep all accounting and financial records and records of all financial transactions of the Corporation;

(ii) Be responsible for the receipt of all monies due the Corporation and deposit the same in depositories approved by the Board;

(iii) Make all disbursements subject to the provisions of these By laws and such rules and regulations as may be promulgated by the Board;

(iv) Keep a Corporation membership book or other record showing the names and addresses of the members together with a complete record of payment in full on account thereof. In this connection, he shall also be responsible for billing and collecting the annual assessment from all members and recording same on the Corporation records;

(v) Prepare and file the annual information return required to be filed with the Internal Revenue Service as well as any other returns or filings required by other taxing authorities;

(vi) Render bills and statements for the charges incurred by all members.

Section 9 - Bonds.

The Board of Directors shall ensure that the President, Vice President, Secretary and Treasurer are at all times bonded in an amount not less than \$50,000 or in such larger amounts as are considered adequate by the Board to secure the funds of the Corporation.

Article V

All Directors and agents of the Corporation as between themselves and the Corporation shall respectively have such authority and perform such duties in the management of the property and the affairs of the Corporation as may be provided in the By laws and as may be determined by resolutions of the Board of Directors, only.

Article VI

Section 1 - Committees Generally.

(a) Standing Committees.

The Standing Committees of the Corporation shall be as follows: Finance, Membership, and Pool and Grounds.

(b) Special Committees.

There shall be such other committees as the President, with the approval of the Board of Directors shall deem necessary. Members of such additional committees shall be appointed by the President with the approval of the Board of Directors from the membership; provided, however, that the Chairman of all such committees shall be a member of the Board of Directors.

Section 2 - The Finance Committee.

(a) The Finance Committee shall consist of a Chairman and at least two (2) members of the Board of Directors. The chairman of the finance Committee shall be the Treasurer of the Corporation.

(b) The Finance Committee shall prepare financial studies on such projects as may be assigned to it by the Board of Directors and shall conduct all financial planning for the Corporation. All acts of the financial Committee must be approved by the Board of Directors before they may be implemented.

(c) The Finance Committee shall submit to the Board of Directors not later than January 1, of each year a proposed budget containing an estimate of anticipated income and expected expenditures of the corporation for the coming year.

(d) The Finance Committee shall have such other authority, responsibility and duties as may from time to time be assigned or delegated to it by the Board of Directors.

Section 3 - The Membership Committee.

(a) The Membership Committee shall consist of a chairman, who shall be a member of the Board of Directors, at least three (3) other members of the Board of Directors and may have at least one (1) regular member of the pool membership. The Treasurer of the Corporation shall be an ex-officio member of the Membership Committee.

(b) The Membership Committee shall be responsible for the investigation of all prospective members. The Membership Committee shall also maintain a waiting list of prospective members. The Membership Committee shall give priority to applications for new members who are residents of the City of Bowie and to those owners of homes within the City of Bowie who are temporarily non-residents there of or others at the discretion of the Board of Directors.

(c) The Membership Committee shall maintain a membership record, including names and addresses and other such data concerning admission to, maintenance and termination of membership as they may deem appropriate or as may be required by the Board of Directors.

(d) The Membership Committee shall have such authority, responsibility and duties as may from time to time be assigned or delegated to it by the Board of Directors.

Section 4 - Pools and Grounds Committee.

(a) The Pools and Grounds Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and at least three (3) other members of the Board of Directors.

(b) The Pools and Grounds committee shall be responsible for general upkeep and maintenance of all the Club's physical facilities, including the grounds and landscaping.

(c) The Pools and Grounds Committee shall have such other authority, responsibility and duties as may from time to time be assigned or delegated to it by the Board of Directors.

Article VII -- MEMBERSHIP

Section 1 - Classes of Membership.

There shall be two classes of members known as "regular members" and "annual members". There shall be a maximum of 750 members. Annual members may be admitted for any year only to the extent that there are then fewer than 750 regular members. In no event may the combined total of regular and annual members exceed 750.

Section 2 - Use of Club Facilities.

The "family unit" of each "regular" or "annual" member shall be entitled to use all Club facilities subject to the rules and regulations promulgated by the Board of Directors in connection with such use. In no case may any member, either "regular" or "annual" or any member of his "family unit", use the Club facilities if he is not in good standing or has not paid his annual assessment.

Section 3 - Members.

(a) Regular Member.

"Regular Member" means "family unit" which has been duly admitted to membership in the Club, is in good standing and has duly paid its annual assessment for the current year. Regular members shall each have one vote at meetings of the regular members. In no event will the "family unit" have more than one vote at a meeting of the regular members.

(b) Annual Member.

"Annual Member" means a family unit, other than a "regular member" which has been duly accepted for membership for a stated year, only, is in good standing and has paid the amount specified by the Board of Directors as being the assessment for that year for annual members. Such assessment shall not be refundable in whole or in part. Annual memberships shall be non-transferable. Annual members shall not be entitled to vote at the meetings of the members, nor shall they be entitled to be elected to the Board of Directors.

(c) Family Unit.

"Family Unit" means a regular or annual member and his or her spouse, children or other relative or dependents who permanently and continually reside in the member's household.

Section 4 - Transfer of Membership.

A regular membership may be transferred only as follows:

A regular member desiring to terminate his membership rights shall notify the Club of that fact in writing and request the Club to purchase such rights for the amount which at that time has been specified by the Board of Directors as being the membership fee. When a regular member sells his home, the purchaser thereof shall have the first option to purchase the membership of the seller from the Corporation, subject to the approval of the Board of Directors. Otherwise, if there is an approved prospective member on the waiting list the Club will direct him to send his membership fee to the Club. Upon receipt of the same and after the approval of his application for membership by the Board of Directors, the Club will give such sum to the retiring member subject to the provisions of these By laws and perform any other necessary acts to effect the transfer or membership. In the case of all transfers, there shall be assessed upon the terminating member a transfer fee.

(a) If a regular member wishes to sell his membership to an immediate member of his family (i.e. child or grandchild), the member may do so subject to the approval of the Board of Directors in consonance with the existing conditions of transfer within Article 7, entitled MEMBERSHIP.

Section 5 - Annual Assessment.

The Board of Directors shall determine the amount of annual assessment for the two (2) classes of membership. The annual assessment shall be payable by a date to be fixed each year by the Board of Directors which date shall in no event be less than thirty (30) days prior to the opening of the pool.

Section 6 - Nonpayment of Annual Assessment.

A condition to continued membership in the Club is prompt payment of the annual assessment levied by the Board. In the event a member fails to timely pay his annual assessment, his membership in the Club shall be subject to termination pursuant to the provisions of Section 7 of this Article.

Section 7 - Suspension or Expulsion from Membership.

(a) Suspension.

The Board of Directors shall have the authority, after notice and hearing as provided for in subsection (b) of this section, to suspend any person for a period of up to one (1) year for good cause shown. The Club Manager shall have the power and authority to suspend any person for a period of up to, but no more than, seven days, without prior consent, approval or notice to the Board of Directors, for conduct by that person in the use of any of the Club's facilities which is contrary to the rules and regulations promulgated by the Board for the government of the Club and its members. The President or Vice President shall be notified immediately of such action.

(b) Expulsion.

The Club shall have the power by act of its Board of Directors to expel from membership any member who fails to comply with reasonable and lawful requirements of the By laws, rules and regulations duly made by the Board for the governing of the Club and its members without liability for an accounting; provided, however, that action directed toward expulsion from membership shall not be taken until ten (10) days written notice has been given the offending member to attend a hearing before the Board of Directors. In the case of an expulsion from the membership, the membership fee of the expelled member shall be refunded. In the event of expulsion because of a failure by the member to pay his annual assessment, the membership fee of that member less a proportionate amount of said annual assessment shall be refunded to the member.

Article VIII -- MEETINGS OF THE REGULAR MEMBERS

Section 1 - Annual Meeting.

(a) An Annual Meeting of regular members shall be held during the month of October each year on a day and at a time or place designated by the Board of Directors, but shall be in the Bowie, Maryland area. At such meeting the regular members shall elect Directors and transact such other business as may properly come before it.

(b) Failure to hold the Annual Meeting at the designated time shall not work a forfeiture of dissolution of the Corporation but if the Annual Meeting shall not be called within two (2) months after the designated time any regular member may call such a meeting.

(c) Written notice of a least twenty (20) days of every Annual Meeting of the regular members shall be given to each regular member of record entitled to vote at the meeting.

Section 2 - Special Meetings.

The Board may call a Special Meeting of the regular members and they shall receive written notice of such Special Meeting not less than five (5) days prior thereto. Such written notice shall state the purpose of the Special Meeting and no other business shall be transacted at such meeting.

Section 3 - Other Meetings.

Meetings of the regular members shall be called only in conformance with these By laws and business transacted at meetings not conforming to the requirements hereof shall have no force and effect and shall not be binding upon the Corporation; provided, however, the Board of Directors shall be bound to call a Special Meeting of the regular members if a petition signed by a majority of the regular members is presented to said board. If said request is denied, a Special Meeting may be called by committee appointed by the signatories to the petition, any business conducted by a committee as such Special Meeting shall have the full force and effect and be binding upon the Corporation providing all other provisions of these By laws are complied with including the "notice" and "purpose" requirements of Article VIII, Section 2 hereof.

Section 4 - Challenged Voter.

If, at any meeting, the right of any person to vote is challenged, the presiding officer shall require the books or records of the Corporation to be produced as evidence of the right of the person challenged to vote. All persons who appear on such books or records to be regular members entitled to vote may vote.

Section 5 - Proxy.

Regular members of record entitled to vote must cast their vote in person. No member may vote by proxy at any meeting.

Section 6 - Quorum.

Fifty (50) regular members shall constitute a quorum at regular members' meetings.

Article IX -- NEPOTISM

In no case shall a relative or dependent of an officer of the Corporation, a member of the Board of Directors or of the Club Manager be permitted to be employed, directly or indirectly, by the Corporation in a position in that person is paid in any manner, directly or indirectly, for his or her services without the consent of the Board of Directors.

Article X -- AMENDMENTS

Amendments to these By laws or any portion hereto may be made at an Annual Meeting or at any meeting of the regular members called pursuant to these By laws by a two thirds (2/3) vote of the regular members present, provided that the proposed amendment or amendments shall be previously approved by the Board of Directors or by twenty-five (25) regular members in writing and that notice of the proposed amendment with a copy of the amendment shall have been mailed to each regular member at least five (5) days before such meeting but not otherwise.

Article XI - MISCELLANEOUS

Section 1 - Dissolution.

In the event of dissolution or liquidation of the Corporation, after the payment of all debts and the liquidation of all liabilities there shall be a pro rate distribution of the assets of the Corporation to the regular members, subject to the set off of all debts and obligations owed by any such regular member to the Corporation.

AMENDED

OCTOBER 1988

OCTOBER 2000

JUNE 14, 2006

OCTOBER 25, 2006

OCTOBER 20, 2009