

POTOMAC SQUASH CLUB, INC.

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BY-LAWS
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[As amended effective December 12, 1983.]

ARTICLE I

Name and Office

Section 1. The name and title of the Club shall be POTOMAC SQUASH CLUB, INC.

Section 2. The principal office of the Club shall be at 12300 Seven Locks Road, Potomac, Maryland 20854.

ARTICLE II

Objects and Purposes

Section 1. The objects and purposes of the Club are to provide recreational and social activities for its members by establishing and maintaining within Montgomery County, Maryland, athletic club facilities consisting of squash courts, steam room and related facilities for their use and the use of their guests and to establish and maintain such other recreational and social facilities as may be deemed appropriate by the Board of Directors and for such other objects and purposes as may be set forth in the Articles of Incorporation.

ARTICLE III

Memberships

Section 1. The Membership of the Club shall consist of individuals over twenty-one (21) years of age who are approved by the Board of Directors on recommendation by the Membership Committee.

Section 2. Members are not subject to assessment or any liability incurred by the Club.

Section 3. All memberships are subject to such initiation fee as may be determined by the Board of Directors and such initiation fee shall not be refundable under any circumstances.

Section 4. There shall be the following classes of memberships:

- A. Active members shall consist of those individuals who were accepted for membership by the Board of Directors, have paid their initiation fee, and are current in their dues payments. The term "members" as used herein shall refer to active members.
- B. Inactive membership status may be granted by the Board of Directors for any semi-annual dues period or periods during which a member will be unable to use the Club's facilities. An inactive member will surrender his locker and key card.
- C. Honorary membership status may be granted by the Board of Directors to any former member who has made a significant contribution to the Club.
- D. The board of Directors may at any time and from time to time create such other classes of membership as may be deemed desirable, designating conditions of eligibility, numbers, fees and other regulations and limitations for the class of membership so created.

ARTICLE IV

Membership Privileges

Section 1. All members shall be entitled to the use of all Club facilities and shall be entitled to all other rights and privileges granted them under the Articles of Incorporation, these By-laws and such Rules and Regulations as may be promulgated by the Board of Directors.

Section 2. Each member shall be entitled to vote for the Board of Directors at the Annual Membership Meeting in the manner set forth in Article V.

Section 3. In the event any member shall desire to discontinue his membership in the Club, he shall file his resignation with the board of Directors who shall approve the same only when the outstanding obligations to the Club have been met, including all outstanding dues, charges, and other fees.

ARTICLE V

Membership Meetings

Section 1. There shall be an annual meeting of members at 1:00 p.m. on the third Saturday in March of each year at the Club. At the annual meeting of members each member shall be entitled to vote (non-cumulatively) for three members of the

Board of Directors, each to hold office for one year, until the first annual meeting after the guarantee of Kettler Brothers, Inc., on the Riggs National Bank loan to the corporation in the original amount of \$55,000 is released or otherwise terminated. At that time each member shall be entitled to vote (non-cumulatively) for all members of the Board of Directors, each to hold office for one year.

Section 2. The president, vice president, and secretary shall constitute a nominating committee which, at each annual meeting of members, shall present to the membership a slate of members who are nominated by the committee for election to the Board of Directors.

Section 3. Special meetings of members shall be called by the president upon 5 days written notice. The meetings shall be held at the Club.

Section 4. A quorum at any meeting of members consists of five (5) percent or more of the members.

ARTICLE VI

Guests

Section 1. Members may have guests at the Club at such times and with such frequency as may be determined by the Board of Directors. Guests shall be extended the privileges of using Club facilities upon payment by the guest's host of such fee as the Board of Directors may establish. Guests shall be registered upon entering the Club premises and shall either be accompanied by a member or have in their possession appropriate evidence of their entitlement to guest privileges.

Section 2. At any time that the Club facilities are overtaxed the Board of Directors may suspend guest privileges for a temporary period.

Section 3. All guests must conform to all laws and rules and regulations of the Club.

ARTICLE VII

Dues

Section 1. Dues of members shall be in such amount and payable with such frequency as may be determined by the Board of Directors.

Section 2. Dues of inactive and honorary members shall be in such amount and payable with such frequency as may be determined by the Board of Directors.

Section 3. The Board of Directors may, in its absolute discretion, increase or decrease, waive or suspend the dues of any class of members and guest fees in such way and in such manner and for such period of time as the Board of Directors may deem appropriate.

ARTICLE VIII

Board of Directors.

Section 1. The property and affairs of the Club shall be managed and controlled by a Board of seven Directors. Clarence F. Kettler, Thomas P. McCormick, Jr., Jack Cooper, and Richard L. Latimer, the Initial Directors, shall remain as directors until the Kettler Brothers, Inc. guarantee of the Club's mortgage loan from the Riggs National Bank is released or terminated. The Initial Directors shall appoint one of themselves or another member to serve on the Executive Committee, as defined below. The remaining directors shall be elected at the annual meeting of the members.

Section 2. The Board of Directors may at any time, by majority vote, increase or decrease this number of members who shall serve on the Board.

Section 3. The Board of Directors in managing and controlling the property and affairs of the Club may exercise all powers of the Club and these powers shall include but not be limited to the promulgation and enforcement of rules establishing initiation fees, annual dues for active, inactive, and honorary members, guest fees and other charges, rules establishing operating procedures, house rules, and appointment of employees.

Section 4. Notwithstanding the provisions of Section 3, the powers of the Board of Directors relating to the general management of the Club shall be vested in an Executive Committee which shall consist of the duly appointed officers of the Potomac Squash Club and any one of the Initial Directors or a member appointed by them. The Executive Committee shall have no authority to increase the present mortgage indebtedness, to sell or lease property of the Club, either real or personal, to alter the terms of the ground lease, or to make capital expenditures in excess of \$2,000.00. The Executive Committee shall automatically expire upon the release or termination of the Riggs National Bank loan and the powers of the Executive Committee shall become vested in the Board of Directors.

Section 5. Meetings of the Board of Directors, annual, regular and special, may be held within or without the State of Maryland.

- A. The annual meeting of the Board of Directors shall be held immediately following the annual meeting of members.
- B. Regular meetings of the Board of Directors may be held upon 5 days notice at such time and at such place as shall from time to time be determined by the Board.
- C. Special meetings of the Board of Directors shall be called by the president or secretary on the written request of two Directors. Written notice of special meetings of the Board of Directors shall be given to each Director at least two days before the date of the meeting.

Section 6. A majority of the Directors shall constitute a quorum for the transaction of business and the act of the majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

Section 7. The Board of Directors shall appoint such committees of Directors as it may deem appropriate. The president shall be an ex officio member of all committees.

Section 8. The Board of Directors shall have the full power to deny the use of the Club facilities to any non-member.

Section 9. The Board of Directors, in its sole discretion, may reprimand, suspend or expel any member of the Club for a violation of the Articles of Incorporation, By-laws or Rules and Regulations of the Club or for any other conduct deemed by the Board of Directors to be detrimental to the welfare, interest or character of the Club.

ARTICLE IX

Officers

Section 1. The Board of Directors shall elect a Director to be president, and shall elect one or more vice-presidents, a secretary and a treasurer who shall serve as the officers of the Club. Any two or more offices may be held by the same person, except the offices of president, vice-president and secretary.

Section 2. The Board of Directors may elect or appoint such other officers, assistant officers and a Club manager and such

other managers, assistant managers and agents as it shall deem necessary who shall hold their offices for such terms and shall have authority and perform such duties as shall be determined from time to time by the Board.

Section 3. The salaries of any paid employees of the Club shall be fixed by the Board of Directors.

Section 4. The officers of the Club shall hold office until their successors are chosen and qualified. Any officers, managers or agents elected or appointed by the Board of Directors may be removed by the Board whenever in its judgment the best interests of the Club will be served thereby. Any vacancy occurring in any office or other position of the Club by death, resignation, removal or otherwise shall be filled by the Board of Directors.

The President

Section 5. The president shall be a Director and the chief executive officer of the Club, shall preside at all meetings of the Board of Directors, shall have general and active management of the business of the Club, and shall see that all orders and resolutions of the Board of Directors are carried into effect.

Section 6. He shall execute bonds, mortgages, leases, and all other contracts of the Club, except where the signing and execution thereof shall be expressly delegated by the Board of Directors to some other officer, manager or agent of the Club.

Section 7. The president shall assume the following responsibilities:

- A. Conduct all official correspondence of the Club relating to operation and/or legal responsibilities of the organization. This includes official correspondence with governmental organizations or institutions, community group and/or associations, notification of acceptance to new members and dismissal of delinquent members, etc. Copies of all correspondence shall be filed with the secretary of the Club for permanent record and with the treasurer and membership chairman for action in regards to new and dismissed members.
- B. Appoint all committee chairmen. He may seek the cooperation of other members of the Board of Directors and/or members of the Club.
- C. Solicit timely and efficient performance of all committee chairmen including activities, reports, and budgets.

- D. Set the time, place, and agenda for the directors meeting, executive committee meetings and the annual membership meeting (March). Notify the secretary of the date, place and participants' names.
- E. Upon completion of his term of office, brief the incoming president, transfer active files and records to the incoming president and file with the secretary of the Club any materials, records and/or other information that should become a part of the permanent files or records of the organization.

The Vice-President

Section 8. The vice-president shall assume the following operational responsibilities:

- A. Supervise the professional preparation of all necessary state, federal and local tax returns (e.g. IRS Form 990). Assume the responsibility for obtaining and filing the forms in a timely manner. Filing of the forms will require the close cooperation and coordination with the treasurer of the Club.
- B. Notify the president and file copy of all such reporting with one president and secretary of the Club.
- C. Assume the leadership responsibility for the long-range planning function of the Club. This will include planning of such activities as acquisition of property, major improvements and/or additions, assessing the interests of the membership of the Club, expansion and improvement, and assume other leadership responsibilities pertaining to long-range activities and/or improvements that may from time to time be suggested by the Board of Directors or the membership of the Club.
- D. File annually with the Board of Directors up-to-date reports in the area of long-range plans and specifically with the secretary of the Club to become a part of the permanent records of the organization.

The Secretary

Section 10. The secretary shall attend all meetings of the Board of Directors and record all the proceedings of the meetings of the Board in a book to be kept for that purpose. He shall give, or cause to be given, notice of all meetings of the Board of Directors and shall perform such other duties as may be prescribed by the Board of Directors or president, under whose supervision he shall be.

Section 11. The secretary shall assume the following operational responsibilities:

- A. Maintain a permanent file of all the Club's records, documents, agreements, correspondence of a permanent nature, reports, (especially Newsletters, minutes of meetings, and amendments to by-laws), and such other information and/or materials that are necessary to fulfill the legal requirements of the corporation, to enhance the effective and efficient operation of the Club and set forth in the By-laws or for such other purposes as the Board of Directors may direct.
- B. Arrange for an appropriate permanent file on the Club premises and file all materials in said file on a timely basis, except those that are retained in the secretary's personal care for operational purposes during his term of office except those that are arranged to be filed in the Club's safety deposit box as arranged by the treasurer.
- C. In connection with all such documents, information and/or materials filed in the Club's safety deposit box, the secretary shall maintain an up-to-date log of such materials in the Club's permanent file.
- D. The secretary shall upon completion of his term of office, review the permanent file, discard any outdated materials, brief the incoming secretary of his duties and responsibilities, and transfer all files, materials, information, etc., to the incoming secretary.

The Treasurer

Section 12. The treasurer shall be charged with the collection and custody of the Club funds and securities and shall keep full and accurate accounts of receipts and disbursements in books belonging to the Club and shall deposit all monies and other valuable effects in the name and to the credit of the Club in such depositories as may be designated by the Board of Directors.

Section 13. He shall disburse the funds of the Club as may be ordered by the Board of Directors or the Executive Committee, taking proper vouchers for such disbursements, and shall render to the president and the Board of Directors, at its regular meetings, or when the Board of Directors so requires, an account of all his transactions as treasurer and of the financial condition of the Club.

Section 14. The treasurer shall assume the following operational responsibilities:

- A. Maintain an up-to-date list of all members in good standing.
- B. Bill and collect on a timely basis all dues and fees.
- C. Notify the president of all members (including names, addresses, and telephone numbers) delinquent in payment of dues and/or other fees or charges.
- D. Collect all initiation fees from new members after they are notified by the president.
- E. Provide by the first Board meeting following the Annual Meeting, a list of current members including name, address and telephone numbers to the secretary and chairman of the Newsletter Committee and keep them up-to-date as changes may occur during the year.
- F. Cooperate with any audit as requested by the Board of Directors and provide the Board with annual financial statements.
- G. Arrange for a safety deposit box for the safekeeping of Club documents and other materials assigned for such safekeeping by the Board of Directors. Cooperate with the secretary of the Club in the maintenance of an up-to-date log of materials in the safety deposit box.
- H. Report immediately to the president unauthorized expenses and disbursements without vouchers.
- I. Upon completion of term of office, brief the incoming treasurer; transfer all active files, records, and/or other materials to the incoming treasurer; and give all records of a permanent nature to the secretary for filing as a part of the permanent records of the corporation.

ARTICLE X

General Provisions

Section 1. All checks or demands for money and notes of the Club shall be signed by such officer or officers or such other person or persons as the Board of Directors may from time to time designate.

Section 2. The fiscal year of the Club shall end on March 31st of each year.

Section 3. The corporate seal shall have inscribed thereon the full name of the Club, the year of its organization and the words "Corporate Seal, Maryland." The seal may be used by causing it or a facsimile thereof to be impressed or affixed or reproduced or otherwise.

Section 4. Whenever notice of a meeting of the Board of Directors, a Committee of the Board of Directors, the Executive Committee, or any of the standing committees is required, each person who is entitled to notice waives notice if he signs a waiver of the notice before or after the meeting or is present at the meeting.

Section 5. Any action required or permitted to be taken at a meeting of the Board of Directors, a Committee of the Board of Directors, the Executive Committee, or any standing committee may be taken without a meeting if a unanimous written consent which sets forth the action is signed by each member of the Board or committee and is filed with the minutes of the proceedings of the Board or committee.

ARTICLE XI

STANDING COMMITTEES

Newsletter Committee

Section 1. The president shall appoint a chairman of the Newsletter Committee immediately following the annual meeting of the Board of Directors. The Chairman of the Newsletter Committee may ask other members of the Club to serve on the Newsletter Committee.

The chairman shall:

- A. Publish at least three times per year (fall, winter, spring) a newsletter for all members covering schedules, important actions of the Executive Committee, social events, statements from officers and chairman, and any other news items. An annual budget should be determined in early September.
- B. Obtain an up-to-date list of the members of the Club including names, addresses, and telephone numbers, from the treasurer of the Club.

policy of the Executive Committee. A semi-annual budget must be approved for routine expenditures such as toiletries, cleaning materials, and drinks for the vending machines, etc. Budgets are due in September and March.

- P. The chairman shall report to the Board of Directors as requested and/or as arrangements are made with the president in the preparation of the agenda for Board Meetings.

Membership Committee

Section 3. The president shall appoint a chairman of the Membership Committee immediately following the annual meeting of the Board of Directors. The chairman of the Membership Committee may ask other members of the Club to serve on the Membership Committee.

The chairman shall:

- A. Maintain file of active prospective applicants for Club membership.
- B. Check all applications received for adequate information and ensure that all provisions for consideration by the Board are met on the application. (Member sponsor--personal data--etc.) If incomplete, return to sponsor for correction.
- C. Communicate with sponsors about their responsibility to applicants for attending social activities to meet members of Board and of the Club and/or introduce prospects to Board members prior to consideration for membership.
- D. Transfer approved applications when voted for membership to the permanent file.
- E. Provide the president with the newly elected members' names and addresses for notification (copy to the treasurer).
- F. Provide prospective members and/or members of the Club application forms and information about membership upon request.
- G. Transfer pending files and information to succeeding Chairman when appointed by the president.

- I. Help each new member obtain a locker, hand book, roster, locker key, and key card.

Recognizing the variety of considerations that enter into the Board's decisions to accept new members, the chairman of the Membership Committee should abstain from giving information to prospective members about the order in which they will be considered, or specific dates when they will be considered for membership, unless authorized by the Board. The chairman can, however, provide general information to prospects and sponsors about numbers of prospects on file, forecasts of annual vacancies, and current waiting periods.

Squash Committee

Section 4. The chairman of the Squash Committee shall be appointed by the president immediately following the annual meeting of the Board of Directors. The chairman may ask other members of the Club to serve on the Squash Committee.

The chairman shall:

- A. Propose a schedule of squash play activities for the current year of play to the first Board meeting following the annual membership meeting. Proposed schedule of activities shall include related proposed budget commitments.
- B. Upon approval by the Board, assume the responsibility for promoting within the Club membership, scheduled activities on a timely basis. The chairman will utilize the newsletter for purposes of promotion and information to the membership.
- C. Arrange, organize, and conduct all approved tournaments, inter-club matches and team play in selected squash league.
- D. Maintain an appropriate record of play in the Club and post on a timely basis the standing of the various members of the Club in accordance with the record of play. The standing will be posted on the Club's "Ladder."
- E. Obtain and appropriately prepare, including activity names and dates, all trophies and other forms of recognition approved in connection with the schedule of activities.
- F. Transmit on a timely basis, all appropriately executed vouchers for payment to the treasurer of the Club in accordance with the Committee's approved budget.

Social Activities Committee

Section 5. A chairman of Social Activities shall be appointed by the president immediately following the annual meeting of the Board of Directors. The chairman of Social Activities may ask other members to serve on the Social Activities Committee.

The chairman shall:

- A. Propose a calendar of social activities of the Club to the first Board meeting following the annual membership meeting.
- B. Submit a proposed budget for each activity.
- C. Notify membership and promote each approved activity in cooperation with the president and the chairman of the Newsletter in a timely manner.
- D. Plan, organize, and direct the conduct of each activity and approve and transmit all invoices and/or other appropriately executed request for funds in accordance with approved budget to the treasurer.
- E. Report to the Board of Directors as requested.
- F. Brief the incoming chairman of Social Activities, transfer all active files or other useful materials to the new chairman, and file all information of a permanent nature with the secretary for permanent files.

ARTICLE XIII

Amendments

Section 1. These By-Laws may be altered, amended or repealed at any regular meeting of the Board of Directors or at any special meeting of the Board of Directors, if notice of such proposed action be contained in the notice of such special meeting.