

NORTH CHEVY CHASE SWIMMING POOL ASSOCIATION, INC. CORPORATE BYLAWS

As Amended and Restated October 26, 2005

8817-8825 Brierly Road, Chevy Chase, MD 20815

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ARTICLE I - NAME

The name of this corporation shall be the North Chevy Chase Swimming Pool Association, Inc.

ARTICLE II - PURPOSE

This Swimming Pool Association is a Non-Profit Corporation under the Laws of the State of Maryland for the purpose of constructing and operating three swimming pools, tennis courts and other related facilities, such as bath houses, gates, etc., at 8817-8825 Brierly Road in Montgomery County, Maryland for the use of and benefit of the members and their guests.

ARTICLE III - BOARD OF DIRECTORS

1. The number and terms of office are as follows: The business and property of the Corporation shall be managed and controlled by a Board of fifteen (15) Directors who shall be elected by a majority vote of the members present at the annual meeting. Directors shall serve for a term of three years with the term of office expiring for one-third of the Directors each year, provided that no member shall serve more than seven (7)

- years consecutively. All members of the Board must be active members of the Corporation.
2. Vacancies in the membership of the Board of Directors, other than those referred to in paragraph 1 above, shall be filled by the remaining Directors, who shall elect a successor to hold office until the next annual meeting when a successor shall be elected by the membership to serve the unexpired portion of the term if any.
 3. Absence of Director - A majority vote of the Board of Directors may remove a Director who is absent from three (3) consecutive regular meetings of the Board without valid cause; provided that the Board notify him, in writing, at least five (5) days prior to a regular Board meeting, of such contemplated action by the Board.
 4. Regular and Special Meetings of the Board may be called at any time by the Chairman of the Board provided that he first obtain the consent of not less than four (4) Directors.
 5. Quorum - a majority of the 15 members of the Board of Directors shall constitute the quorum which is necessary for the transaction of business.
 6. In the absence of both Chairman and Vice-Chairman, a Director previously designated by the Chairman may serve as Acting Chairman. If no Acting Chairman has been designated, the Directors attending the meeting from which both Chairman and Vice-Chairman are absent shall elect a temporary Chairman.
 7. Formal Action of the Directors required or permitted to be taken at any meeting of the Board of Directors may be taken without a meeting if written consent to such action is signed by all Directors and is filed with the minutes of the next meeting of the Board of Directors.
 8. Compensation of Directors - The Directors shall receive no remuneration for their services as Directors and shall not otherwise be gainfully employed by the Corporation.

ARTICLE IV - DUTIES AND LIMITATIONS OF THE BOARD OF DIRECTORS

1. Duties - Consistent with these By-Laws and such additional policies as the membership may by resolution adopt, the Board of Directors shall:
 - o Transact all business necessary to the proper and efficient management of the Corporation, including, but not limiting it to appointing and removing such clerks, agents, servants, or employees as it may deem necessary and fixing their duties and compensations.
 - o Elect at the first Board meeting following the annual meeting, from among the Board itself, a President, Vice-President, Secretary, Treasurer, and Assistant Treasurer, who shall serve as the officers of both the Corporation and of the Board of Directors; i.e., the President shall serve as Chairman of the Board, etc.
 - o Fix the terms and conditions upon which guests or members may use the facilities of the Corporation.
 - o Perform such other duties as are assigned to it in these By-Laws or by resolution of the members.
2. Limitations - Nothing in these By-Laws shall be construed to permit the Board of Directors to borrow or pledge the credit of the Corporation over and above its liquid assets without the specific approval of the membership at a duly held meeting of the members of the Corporation.

ARTICLE V - OFFICERS

1. Selection - At the first meeting of the Board following the Annual Meeting, the Board of Directors shall elect officers of the Corporation for the ensuing year in accordance with Article IV, Section I.e. of these By-Laws. These officers shall serve for one year and no person may hold more than one office at a time nor serve more than two consecutive years in any one office. All officers shall be elected from among the Directors, and must be members of the North Chevy Chase Swimming Pool Association at the time of their election. Officers shall serve without compensation.

2. Powers and Duties of the President - The President shall preside at all meetings of the members of the Corporation. He shall have power with the Secretary to sign and execute all contracts and instruments of conveyance in the name of the Corporation 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 the President. The President shall execute the mandates of the Board of Directors.
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.
4. Powers and Duties of the Secretary - The Secretary shall keep the minutes of all meetings of the Board of Directors, of the members of the Corporation and any other meetings to which the Secretary is designated by the President to attend. . In the absence or unavailability of the Secretary, the President shall designate an alternate Director to keep the minutes of any such meetings.
5. Duties of the Administrative Manager – At the direction of the Board of Directors, the Administrative Manager shall attend to the giving and serving of all notices; have charge of the books of membership, and such other books and papers as the Board of Directors may direct; perform, subject to the control of the Board of Directors; and submit to the Board such reports as may be requested by the Board.
6. 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; when necessary or proper he shall endorse on behalf of the Corporation for collection all negotiable instruments 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, full and accurate accounts of the Corporation and perform all acts incident to the position of Treasurer, subject to the control of the Board of Directors.
7. Powers and Duties of the Assistant Treasurer - The Assistant Treasurer shall have such powers and perform such duties as the Treasurer, but shall act only in the absence or instructions from the Treasurer.
8. The Treasurer, Assistant Treasurer and Administrative Manager shall be bonded in such amount as the Board of Directors may require and the Corporation shall pay the necessary premium for such bonds.

ARTICLE VI - GENERAL COUNSEL AND RESIDENT AGENT

1. Authorization - The corporation shall at all times have a General Counsel who must be a member of the bar of the State of Maryland in good standing and must be a bona fide resident of Montgomery County, Maryland.
2. Appointment - The General Counsel of the Corporation shall be appointed by the Board of Directors at their first meeting following the Annual meeting of the members of the corporation and shall serve for one year. He shall advise the Board on matters of legal import concerning the Corporation.
3. Resident Agent - The Administrative Manager shall act as the Resident Agent of the Corporation.

ARTICLE VII - PRINCIPAL OFFICE - BOOKS AND RECORDS

1. The Principal Office of the Corporation shall be located at the address of the Administrative Manager.
2. Corporate Books and Records of the Corporation shall be kept in the hands of the Secretary, Treasurer, the General Counsel, or Accountant or such other persons as may

be designated by the Board of Directors. The Administrative Manager shall be the custodian of copies of all such records.

ARTICLE VIII - COMMITTEES

1. The Board of Directors may provide for such committees as it deems necessary and define their powers and duties.
2. The President and Vice President shall be members, ex-officio, of all committees.

ARTICLE IX - NUMBER AND QUALIFICATIONS OF MEMBERS

1. Membership - The total active membership of the North Chevy Chase Swimming Pool Association shall not exceed 350 families. Application for membership must be made on forms provided by the Corporation.
2. Types of Membership in the Corporation - Membership in the Corporation shall consist of family units. The family unit shall consist of the head of the household and those members of the family permanently residing in the household.
3. Membership Area Members - Applications for membership in the corporation may be received from bona fide residents of the area as set forth hereinafter. This area is reflected on the attached map:
 - The south boundary of the area shall be a line running through the center of East-West Highway between Connecticut Avenue and Rock Creek Park.
 - The east boundary of the area shall be a line running through Rock Creek Park from the intersection of East-West Highway and Jones Mill Road north, following the west boundary of Rock Creek Park to the intersection of Jones Mill Road and LeVelle Drive, thence east to the west boundary of Walter Reed Forest Glen Annex, thence east and north along the west boundary of Walter Reed Forest Glen Annex, east along the northern edge of the right of way for the Capital Beltway (Interstate 495) to the Forest Glen Bridge (Linden Lane) crossing the Capital Beltway (Interstate 495), thence in a due northerly direction to the Baltimore and Ohio Railroad (B&O RR) right of way, thence northwest along such B&O RR right of way to the boundary for the incorporated limits of the Town of Kensington.
 - The north boundary shall run from the above-described point at which the B&O RR right of way meets the boundary line for the Town of Kensington, in a southwesterly direction along such Town boundary to a point behind the properties on the northern side of Littledale Road, thence west along the rear of the properties on the north side of Littledale Road, thence across Kensington Parkway and along the center of Everett Street to Connecticut Avenue, thence south along the center of Connecticut Avenue to Saul Road, thence west along the center of Saul Road to Cedar Lane.
 - The west boundary of the area shall be from the intersection of Saul Road and Cedar Lane, south along the center of Cedar Lane to Beach Drive to the intersection of Connecticut Avenue; thence south along the center of Connecticut Avenue to the north boundary of the Fulton R. Gordon tract to the center of Jones Bridge Road, thereby including the properties on Renvyle, Woodlawn, Parsons, and Spring Valley Roads, and Montrose Drive in the said Fulton R. Gordon tract; thence along the center of Jones Bridge Road to a point opposite the present eastern boundary of Columbia Country Club; thence along the present eastern boundary of Columbia Country Club to the Baltimore and Ohio Railroad right of way; thence along said right of way to the center of Connecticut Avenue and finally, along the center of Connecticut Avenue to the center of East-West Highway.
4. Residents of Property, owned or rented, which is located within one block of the pool site shall have their applications for membership considered before those of other applicants. Applications of such residents shall be considered in order of date of receipt of application. This area is reflected on the attached map.

5. Non-Area Members - Applications for membership in the Corporation may be received from residents of other areas provided that members not resident in the area described in Section 2 above do not exceed thirty-three and one third (33-1/3) percent of the total membership.
6. Membership Waiting List - A membership waiting list, in order of date of receipt of applications, shall be maintained at all times by the Administrative Manager and this list shall be available for inspection by any member of the Corporation upon request. It shall be the duty of the Administrative Manager to:
 - date stamp the application;
 - determine whether the application falls in or out of boundaries; and
 - offer membership on a first come, first served basis in accordance to the priority of the members as listed above.
7. Enrollment of New Members - Applicants for membership, upon acceptance of an offered membership and payment of the initiation fee, shall be duly inscribed on the rolls of the Corporation.
8. At Times When the Membership Rolls are Full, applications for membership shall be limited to the membership areas set forth in Article IX, Section 3, and such applications shall be considered in order of date of receipt of application. Such listing shall constitute a waiting list provided that neither this section nor any other provision of these by-laws shall serve to preclude the Board of Directors, in the exercise of its discretion, from accepting and approving an application for membership submitted by an employee of the corporation or of its management company irrespective of the location of the residence of that employee and his or her family.
9. Applicants on the Waiting List must indicate in writing, accompanied by the necessary fees, their acceptance of offered membership (temporary or full) within 10 days of such offer or such offer is to be submitted to the next person on the waiting list. The applicant not accepting the offer will not be eligible for any type of membership in the season immediately following the non-acceptance of membership. However, the applicant may reapply for the following season at the conclusion of the barred season, provided that this second application will be treated as a new application in all respects, including requiring a new application fee and with the effective date of the new application. If a second offer of membership to an applicant is not accepted, the applicant is ineligible for further application to the pool.
10. Persons Applying for Membership must accompany such application with a deposit, the size of which shall be determined by the Board of Directors. This sum is to be considered part of the required initiation fee and it is not returnable if the applicant refuses membership when it is offered unless the Board, for good cause, elects to make an exception. The deposit will be refunded, however, if the applicant is not accepted for membership.
11. The Privilege of Temporary Membership set forth in Article XI, Section 2, shall be available in sequence to applicants on the waiting list set forth in Section 9 above in order of longest time on the waiting list. A member shall have the right to transfer his membership to a renter of his home for the duration of his stay out of the area. The owner is responsible for the payment of the annual dues during the renter's use of the homeowner's membership. The renter may separately apply for his/her own membership.

ARTICLE X - INITIATION FEE, DUES AND LIABILITY OF MEMBERS

1. The Initiation Fee shall be fixed or changed by a two-thirds vote of the members of the Board of Directors and such fee shall apply to each family unit approved by the Board for membership.
2. Annual Dues shall be paid by each family unit as a Member of the Corporation in such an amount as set or changed by a two-thirds vote of the Board of Directors.

3. The Fiscal Year of the Corporation shall begin on the first day of November of each year. A notice covering the amount of Annual Dues for the current fiscal year will be mailed by February 1 of each year. Dues will be payable by February 28, and members in arrears after that date will be subject to a penalty set by the Board of Directors. Further, members in arrears after March 15 will be subject to an additional penalty set by the Board of Directors.
4. In Addition. Any Active Members whose annual dues have not been paid by March 25th may, by action of the Board of Directors, be dropped from the rolls after ten days notice by mail of such arrears.
5. Members of the Corporation and the Board of Directors shall not be personally liable for any of the debts or claims against the Corporation.

ARTICLE XI - INACTIVE AND TEMPORARY MEMBERS

1. A Member Family that cannot use the facilities of the Corporation during the swimming season may, become inactive for up to 2 years in a row (on a full year basis). After that point, their membership fee shall become 2.5 times the annual capital assessment fee to remain inactive. To warrant consideration by the Board of Directors for the status of inactive member, the non-use of the Pool Facilities must extend at a minimum either from: (1) the beginning of the designated season to July 15 of the designated season of operation; or (2) July 16 to the end of the designated season.
2. Temporary Memberships, equal in number to those on inactive status, may at the discretion of the Board of Directors, be extended in the order of their presence on the list to applicants on the waiting list applying for regular membership. Such temporary membership shall, upon payment of the current year's dues, entitle the temporary member to the same rights, privileges and obligations - other than voting - as regular members; and such temporary member shall succeed to the next vacancy in the regular membership of the Corporation upon payment of proper fees.
3. Limited Use Guest Privileges - The Board of Directors may establish limited use guest privileges the last half of July and August.

ARTICLE XII - RESIGNATION OF MEMBERSHIP

1. A member family in good standing that wishes to resign from the Corporation shall inform the Administrative Manager in writing of this decision. The Board of Directors shall authorize payments to resigning members at no less than eighty percent of the current initiation fee less any indebtedness to the Corporation. The Board may authorize the member family to dispose of its membership within the limits of Article IX above and subject to the approval of the Board of Directors.
2. If dues for a swimming season which has not begun have been paid by a member family that wishes to resign, such dues shall be completely returned. A resignation effective after the beginning of the swimming season, but before July 1 of that season, shall entitle the member family so resigning to return of one-half of that season's dues. No return of dues for the current season shall be made for any resignation effective after July 1.

ARTICLE XIII - MEMBERSHIP PRIVILEGES. SUSPENSION

1. Member families shall be entitled to use the North Chevy Chase Swimming Pool Association's pool and other facilities without payment of special fees, subject to such rules as the Board of Directors may from time to time adopt.
2. Members and Guests of the North Chevy Chase Swimming Pool Association may be, individually or by family membership, suspended from pool privileges at the discretion of the Club Manager, for a period not to exceed one week, upon infraction of any rules of safety established by lifeguards or infraction of other rules governing the enjoyment of

- pool privileges. Such action by the manager shall be subject to the rules established by the Board of Directors from time to time.
3. If Rule Infractions Continue, despite suspension, the Board of Directors at a regular meeting or special meeting, may by a majority vote, end the membership of such individual or family units, returning their membership fees as prescribed in Article XII.
 4. The Use of the Pool and Other Corporation Facilities by members and guests shall be subject to such rules as the Board of Directors may from time to time adopt. These rules will be posted in a prominent place at the pool site.

ARTICLE XIV - MEETINGS OF MEMBERS

1. The Annual Meeting of the Members of the Corporation shall be held during the fourth week of October each year, at a time and place designated by the Board of Directors. Members shall be notified of this meeting in writing not less than ten days prior thereto. At such meeting the members shall nominate and elect Directors to the Board of Directors and shall transact such other business as may properly come before it.
2. A Special Meeting of the Members of the Corporation may be called at any time by the President, provided he first obtain consent in writing of not less than fifteen (15) members. A Special meeting shall be called by the President upon request of not less than ten (10) of the members of the Board of Directors. Due notice of a Special Meeting shall be given to the members in writing, not less than ten (10) days prior thereto. A Special Meeting shall be called by the President upon receipt of a written request of not less than thirty five (35) voting members of the North Chevy Chase Swimming Pool Association. The purpose of said meeting shall be stated in the notice and no other business shall be entertained or transacted at the meeting.
3. A Quorum shall consist of not less than ten (10) percent of the family units constituting voting membership, and a quorum is necessary for the transaction of business at an annual or special meeting of the members.
4. A Special Assessment Meeting may be called by the Board to act upon a proposed special assessment. Notice of such proposed assessment, the purpose for which it is to be used, its duration, classes of members subject to the assessment, the process for voting on such assessment and the manner in which such assessment is to be paid, shall be mailed to all members together with a notice of the time and place it is to be acted upon which shall not be less than 30 days after the mailing of the notice. A quorum at such a meeting shall be 100 members entitled to vote. No such assessment shall become effective unless it shall be approved by the vote of not less than two-thirds of the members present and voting at such a meeting, in person or by written proxy received by the Board of Directors before or at the time of the meeting. If there is not a quorum achieved at the meeting, a mailed paper ballot may be utilized to achieve the above stated quorum and voting threshold.
5. Parliamentary Rule - The business transacted at all meetings of the Corporation and the Board of Directors shall be pursuant to Roberts Rules of Order, except when such rules may be contrary to law. Charter, or the By-Laws.

ARTICLE XV - NOTICES AND VOTING

1. 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 same, postage prepaid, shall constitute good notice.
2. Voting - At meetings of the members of the Corporation, each family unit may cast one vote. It shall be the duty of the Administrative Manager 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 list 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 XVI - AMENDMENT OF BY-LAWS

1. Amendment of By-Laws by Members Only - These By-Laws may be amended or new By-Laws made by action of the membership of the Corporation only. By-Laws may similarly be repealed.
2. Amendment Procedure - Amendment, repeal, or making of new By-Laws shall be accomplished in the following manner: (a) A draft of the proposed change or changes must be submitted to the Secretary of the Corporation at least 30 days prior to any annual or special meeting, (b) Notice of the proposed change with a copy of the proposed change shall be provided to each member family of the Corporation at least 10 days prior to any meeting at which such proposed change is to be considered, (c) Action by the members of the Corporation on the proposed change shall require a two-thirds majority vote of those present at the meeting.

ARTICLE XVII - MISCELLANEOUS

1. Execution of Corporate Papers - All written contracts or other documents obligating the Corporation shall be executed by the President or the Vice-President and the Secretary. No contracts or documents in writing of the Corporation failing to have the required signatures or the Corporate Seal shall be binding on the Corporation.
2. Authority to Execute Papers - No obligation on the part of the Corporation shall be incurred without prior approval of the Board of Directors except as to obligations involving less than one hundred dollars (\$100.00).
3. The Corporation 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 Administrative Manager.
4. 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 members 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. This statement shall be audited by an auditor or accountant, appointed by the Board of Directors.
5. Dividends and Refunds - No dividends shall be declared or given to members of the Corporation. No refunds shall be given to members except as shall be provided in these By-Laws.
6. Checks of the North Chevy Chase Swimming Pool Association - The Treasurer or Assistant Treasurer of the Corporation may sign checks of the Corporation in amounts set by the Board. Checks for amounts greater than the limit set by the Board shall bear the signatures of the President and the Treasurer, except that the signature of the Vice-President may be substituted for that of the President when acting in his place, and the signature of the Assistant-Treasurer may be substituted for that of the Treasurer when acting in his place.
7. Singular Includes Plural, etc. - Whenever in these By-Laws reference is made to the singular and the masculine gender, such reference shall apply with equal meaning to the plural and the feminine gender respectively, whenever the context requires the same.
8. Acquisition or Sale of Land - The Corporation shall not acquire or dispose of any real property except when authorized to do so by a two-thirds vote of the members at a regular or special meeting of the members in person or by written proxy received by the Board of Directors before or at the time of the meeting. A quorum at such a meeting shall be 100 members entitled to vote. If there is not a quorum achieved at the meeting, a mailed paper ballot may be utilized to achieve the above stated quorum and voting threshold.
9. Indemnification of Directors and Officers - 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 or willful misconduct in the performance of his duties, or acting beyond the scope of his authority.
10. Interpretation of By-Laws - 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 of Directors.
 11. Extension of Privileges to Organizations - The Board of Directors may extend the use of the facilities of the Corporation to certain organizations, groups or persons such as for example. Scouts, Red Cross training classes, school athletic events and related activities - provided that the regular schedule of the Corporation is not changed more than once a week or eight times a season for such activities. The Board shall require a written waiver from the members and participants of any such group indemnifying the Corporation, its Officers and Agents against any claim for injury or damage to such persons or their property, except to the extent the Corporation is covered by insurance.
 12. Alcoholic Beverages - The Corporation shall be permitted to make alcoholic beverages available on Corporation grounds to adult members at social events organized and/or sponsored by the Corporation.
 13. Liability to Pool Users - Members or their guests shall have no claim against the Corporation, for either personal injury or property loss, except to the extent the Corporation is covered by insurance.
 14. Refunds When Pool Operations are Suspended - In the event that pool operations are required to be suspended for any period, no dues, or part thereof, shall be refunded unless otherwise determined by the Board of Directors.
 15. Checks Paid to the Corporation - Any check paid to the Corporation that is returned for lack of sufficient funds or otherwise is not negotiable is subject to a \$10.00 returned check fee. A second returned check is subject to a \$20.00 second returned check fee. If a second check is returned to the Corporation in one calendar year, all payments to the Corporation for a period of 13 months following the return of the second check must be made by certified check, money order or cashier's check. No other form of payment will be accepted. Any payments received by the Corporation will be applied first to reduce outstanding returned and second returned check fees before any other obligation is deemed satisfied.