

AMENDED BYLAWS OF THE SOMERSET RECREATION  
CLUB

ARTICLE I: Name and Offices

Section 1. Name. The “Somerset Recreation Club” is a nonprofit Corporation formed under the laws of the State of Washington in 1963 (herein “Club” or “Corporation”).

Section 2. Offices. The principal office of the Corporation shall be located at its principal place of business or such other place as the Board of Directors (herein “Board”) may designate. The Corporation may have such other offices, either within or without the State of Washington, as the Board may designate or as the business of the Corporation may require from time to time.

ARTICLE II: Purpose

Section 1. The purpose of the Club is set forth in its Amended Articles of Incorporation.

ARTICLE III: Membership

Section 1. Qualifications. The Board may extend the privileges of the Club to any person upon such terms as they see fit, provided the Board shall not discriminate on the basis of race, color, national origin, ethnicity, age, or sexual orientation. Residence in the neighborhood of the organization’s facilities is not required for membership. A membership may be held by one person or by a family. A family unit consists of related family members living under the same roof. Besides the adult paying the membership, the term “family unit” shall mean the spouse, children living at home, relatives permanently residing in the home and with Board approval others such as a nanny.

Section 2. Types of Memberships. The membership shall have Regular Members, Silver Members, and such other membership types as determined by the Board of Directors. The Regular Members and Silver Members shall have voting rights and the Board of Directors shall determine whether other membership types have voting rights.

2.1 Regular Members. The regular membership of the Corporation shall consist of family units whose dues and other charges are paid in full. The regular membership shall entitle all members of the family unit to the privileges of the Club. The Board of Directors may limit the number of regular memberships. The Board shall maintain the list of active members. Regular members are voting members. For notice and voting purposes, regular members shall be those whose current dues have been paid as of the date established by the Board of Directors each year as the first date for the acceptance of applications for yearly membership. By way of example, if the Board of Directors establishes April 1 as the first date for the acceptance of applications for yearly membership, the regular members prior to April 1 shall be those who paid their dues in the prior year, and the regular members after April 1 shall be those who pay their dues for the upcoming year following April 1.

2.2 Silver Members. Silver members are those member households who have reached twenty-five (25) consecutive years of Active Membership. Annual dues shall be at a reduced rate set by the Board of Directors. Silver Members are voting members and, for notice and voting purposes, shall be those whose current dues have been paid as of the date established by the Board of Directors each year as the first date for the acceptance of applications for yearly membership.

2.3 Other Types of Memberships. The Board of Directors has authority to create other types of memberships. The Board shall determine the rights, privileges, and obligations of these other

types and shall determine whether these other membership types shall have voting rights.

2.4 Voting. Each member entitled to vote with respect to the subject matter of an issue submitted to the members shall be entitled to one vote upon each such issue.

Section 3. Guests. Guests may be allowed to enjoy the facilities of the organization if accompanied by a member, or otherwise authorized by the Board of Directors, subject to limitations on the number of guests, the admission fee, if any, and such other regulations as may be periodically prescribed by the Board of Directors.

Section 4. Rights and Obligations. The Board of Directors shall determine the rights, privileges, and obligations of membership, and these rights and obligations can vary according to type. Membership may not be transferred by any means. The Board may adopt rules, regulations, and Club policies, and may fix and prescribe the general qualifications and conditions for membership, including policies for the imposition of discipline. The members with voting rights at a meeting of members may act to approve or disapprove these rights and obligations.

Section 5. Termination of Membership. Actions by a person in the member household that are detrimental to the best interests of the Club shall be grounds for termination of membership. Removal shall require the affirmative vote of 2/3rds of the Directors who shall be the sole judge of what actions are grounds for termination. Removal is permanent except a removed member may petition the Board of Directors to allow renewed membership which petition shall be allowed in the sole discretion of the Board.

Section 6. Membership Fees. The fee for membership shall be determined by the Board of Directors and may be changed as necessary to meet the organization's financial obligations. Members shall pay dues to the organization as may be fixed by the Board of Directors. Any member delinquent in the payment of their dues or other indebtedness to the organization shall be denied the privileges of the organization. Membership dues for regular members, silver members, and other members of the Corporation shall be established by the Board of Directors payable in advance to the treasurer of the Corporation. The Board shall further have the right to consider and offer to disadvantaged members of the public, reduced membership fees consistent with the charitable purpose of the Club.

#### ARTICLE IV: Meetings of Members

Section 1. Annual Meetings. The annual meeting of the members for election of directors to succeed those whose terms expire, and for the transaction of such other business as may properly come before the meeting, shall be held each year in November at a place, date, and hour to be established by the Board of directors and provided to the voting members by notice.

Section 2. Special Meetings. Special meetings of the membership for any purpose or purposes may be called at any time by the president or by the Board of Directors, at such time and place as the president or the Board of Directors may prescribe. Special meetings of the members may also be called by members having at least 5% of the votes entitled to be cast at such a meeting. Upon request by such members, it shall be the duty of the secretary to call such a special meeting of the membership at such time and place as the secretary may fix, not less than ten (10) nor more than fifty (50) days after the receipt of said request. If the secretary shall neglect or refuse to issue such call within twenty (20) days of such receipt, the members making the request may issue the call, specifying the time and place of the meeting.

Section 3. Notice of Meetings. Notice, in the form of a record, in a tangible medium, or in an electronic transmission, to the member's contact information last appearing on the Club books, stating the

date, place and hour of the annual meeting, and, in case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered to each member entitled to vote at such meeting not less than ten (10) nor more than fifty (50) days before the date of the meeting, at the direction of the president or the secretary, or the members calling the meeting.

Section 4. Proxies. Proxy voting shall be allowed. Proxies shall be in the form of a record signed by the adult paying the dues or his or her spouse. A proxy may be on a form established by the Board or in some other form but must be verifiable.

Section 5. Quorum and Voting. Members holding one-tenth (1/10th) of the votes entitled to be cast at any meeting, represented in person or by proxy, shall constitute a quorum. The vote of a majority of the votes entitled to be cast by the members present at a meeting at which a quorum is present, shall be necessary for the adoption of any matter voted upon by the members. For voting purposes, each member household shall only have one vote, and if the persons in the household cannot agree on the person to vote, then no vote of that membership shall be counted. Any issues regarding proxies or person authorized to vote shall be decided by the Board.

#### ARTICLE V: Board of Directors

Section 1. Powers and Qualifications. The affairs of the Club shall be managed by the Board of Directors, who shall be elected from the voting membership of the Club. The Board of Directors is the same as the Board of Trustees. The Board members shall serve without compensation, except that Board members may be reimbursed for usual and ordinary expenses.

Section 2. Number and Term. The number of directors of the Corporation shall be at least 9 but no more than 12. All directors elected to the Board pursuant to Section 3 of this Article V shall be elected to serve a term of two (2) years. Each director shall hold office until his or her successor shall have been elected and qualified. Directors may be reelected to serve an additional term or terms. If no longer serving a term as Director, the immediate past president may serve on the Board of Directors in a non-voting ex-officio capacity.

Section 3. Nomination and Election. The Board shall be responsible for nominating persons for election as Board members either directly or by delegation to a committee of directors or a committee of directors and members. The list of nominees shall be provided to the members with the notice of annual meeting or at least ten (10) days prior to the annual meeting in the same manner as the annual meeting notice. Any other voting member of the Club may be nominated by petition signed by ten (10) members delivered to the Secretary at least two days prior to the annual meeting. The directors shall each be elected by a majority of the votes cast by members having voting rights at the annual membership meeting. The President or the Board may determine the election procedures.

Section 4. Removal and Vacancies. A director may only be removed, with or without cause, by two-thirds of the votes cast by members having voting rights represented in person or by proxy at a meeting of members at which a quorum is present. The Board of Directors shall have power to fill by appointment any vacancy occurring in the board until the next annual meeting by a majority of the directors attending a special meeting for that purpose, whether or not a quorum is present. The director appointed or elected, as the case may be, to fill a vacancy shall be elected or appointed for the unexpired term of his or her predecessor in office.

Section 5. Duties of a Director. A director shall perform the duties of a director, including the duties as a member of any committee of the Board upon which the director may serve, in good faith, in a manner such director reasonably believes to be in the best interests of the Corporation, and with such

care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances. In performing the duties of a director, a director shall be entitled to rely on information, opinions, reports, or statements, including financial statements and other financial data, in each case prepared or presented by: (a) one or more officers or employees of the Corporation whom the director believes to be reliable and competent in the matter presented; (b) counsel, public accountants, or other persons as to matters which the director believes to be within such person's professional or expert competence; or (c) a committee of the board upon which the director does not serve if the director reasonably believes the committee merits confidence.

Section 6. Executive Committee and Other Formal Committees. The Board of Directors, by resolution adopted by a majority of the directors in office, may designate and appoint an executive committee or other formal committees. Such a committee shall consist of two or more directors and shall have and exercise such authority of the Board of Directors in the management of the Club as may be specified in said resolution. The resolution shall not authorize, and any such committee shall not exercise, any powers reserved to the Board of Directors by state law. The Board of Directors, or with Board approval the President, may also appoint advisory committees of directors and/or members that will advise the Board of Directors and officers, but not exercise any formal Board powers, and such committees shall serve at the pleasure of the Board or President, respectively.

#### ARTICLE VI: Meetings of the Board of Directors

Section 1. Regular Meetings. The Board of Directors shall hold at least four meetings each calendar year at a place, date and hour designated by the President.

Section 2. Special Meetings. Special meetings of the Board of Directors may be held at any place and time, whenever called by the president, secretary, or any one director.

Section 3. Notice of Meetings. Notice of the time and place of the Board meetings and any special meeting of the Board of Directors shall be given by the secretary, president, or by the person or persons calling the meeting, by mail, telegram, facsimile, electronic mail or by personal communication over the telephone or otherwise, at least fourteen (14) days (for regular meetings) and three (3) days (for special meetings) prior to the date on which the meeting is to be held. Attendance of a director at any meeting shall constitute a waiver of notice of such meeting, except as provided by law. Whenever any notice is required to be given to any director of the Corporation by the Articles of Incorporation or Bylaws, or by the laws of the State of Washington, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be equivalent to the giving of such notice.

Section 4. Quorum and Acting by Consent. A majority of the Board of Directors shall constitute a quorum for the transaction of business. The act of the majority of directors present at a meeting at which a quorum is present shall be the act of the Board of Directors. At any meeting of the Board of Directors at which a quorum is present, any business may be transacted, and the board may exercise all of its powers. A director who is present at such a meeting shall be presumed to have assented to the action taken at that meeting unless the director's dissent or abstention is entered in the minutes of the meeting or the director files his or her written dissent or abstention to such action with either the person acting as secretary of the meeting before the adjournment of the meeting or by registered mail to the secretary of the Corporation immediately after the adjournment of the meeting. Any corporate action required or permitted by the Articles of Incorporation or Bylaws, or by the laws of the State of Washington, to be taken at a meeting of the Board of Directors (or its committees) of the Corporation, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the members or directors entitled to vote with respect to the subject matter thereof. Such

consent shall have the same force and effect as a unanimous vote, and may be described as such.

Section 5. Meetings Held by Telephone or Similar Communications Equipment. With consent of the other board members in attendance, members of the Board of Directors or its committees may participate in a meeting of the board or such committees by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other at the same time and participation by such means shall constitute presence in person at a meeting.

## ARTICLE VII: Officers

Section 1. Officers Enumerated. All officers must be directors of the Corporation. The officers of the Corporation shall be a president, one or more vice presidents, a secretary, a treasurer, and such other officers and assistant officers as may be deemed necessary by the Board of Directors, each of whom shall be annually elected by the Board of Directors, and shall serve until their successors are duly elected and qualified. Any two or more offices may be held by the same person, except the offices of president and secretary. In addition to the powers and duties specified below, the officers shall have such powers and perform such duties as the Board of Directors may prescribe. The officers shall serve without compensation, except that officers may be reimbursed for usual and ordinary expenses.

Section 2. The President. The president shall exercise the usual executive powers pertaining to the office of president, and shall implement all decisions of the Board of Directors. He or she shall preside at meetings of the membership, at meetings of the Board of Directors and committees exercising any authority of the board.

Section 3. The Vice President. In the absence or disability of the president, the vice president shall act as president.

Section 4. The Secretary. It shall be the duty of the secretary to keep records of the proceedings of the Board of Directors and of the membership, to administer the membership register, to sign all certificates of membership when not signed by the president and when requested by the president to do so, to sign and execute with the president all deeds, bonds, contracts, and other obligations or instruments, in the name of the Corporation, to keep the corporate seal, and to affix the same to certificates of membership and other proper documents.

Section 5. The Treasurer. The treasurer shall have the care and custody of and be responsible for all funds and investments of the Corporation and shall cause to be kept regular books of account. The treasurer shall cause to be deposited all funds and other valuable effects in the name of the Corporation in such depositories as may be designated by the Board of Directors, and in general, shall perform all of the duties incident to the office of treasurer.

Section 6. Other Officers. The Board may elect one or more other officers to head certain activities at the Club, such as swim, tennis, water polo, membership, and social. In addition, two nonvoting Board Members (with Roles to be defined annually), can be added to the Board for one year term.

Section 7. Vacancies and Removal. Vacancies in any office arising from any cause may be filled by the Board of Directors at any regular or special meeting. Any officer elected or appointed may be removed by the Board of Directors whenever in its judgment the best interests of the Corporation will be served thereby.

ARTICLE VIII: Administrative and Financial Provisions

Section 1. Loans by the Club and Prohibited Loans. No loans shall be contracted on behalf of the Corporation and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the Board. Such authority may be general or confined to specific instances. No loans shall be made by the Corporation to any officer or to any director.

Section 2. Corporate Seal. The Board of Directors may provide for a corporate seal which shall have inscribed thereon the name of the Corporation, the year and state of incorporation and the words "corporate seal."

Section 3. Books and Records. The Corporation shall keep at its registered office, its principal office in this state, or at its secretary's office if in this state, the following: current Articles of Incorporation and bylaws; a record of members, including names, addresses and classes of membership, if any; correct and adequate records of accounts and finances; a record of officers' and directors' names and addresses; minutes of the proceedings of the members, if any, and the board, and any minutes which may be maintained by committees of the board. Records may be written or electronic if capable of being converted to writing. The records shall be open at any reasonable time to inspection by any member of more than three (3) months' standing or a representative of more than five percent (5%) of the membership. Costs of inspecting or copying shall be borne by such member except for copies of articles or bylaws. Any such member must have a purpose for inspection reasonably related to membership interests. Use or sale of members' lists by such member if obtained by inspection is prohibited.

Section 4. Checks and Deposits. All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Corporation shall be signed by such officer or officers, or agent or agents, of the Corporation and in such manner as is from time to time determined by resolution of the Board. All funds of the Corporation not otherwise employed shall be deposited from time to time to the credit of the Corporation in such banks, trust companies or other depositories as the Board may select.

Section 5. Amendment of Bylaws. These Bylaws may be altered, amended or repealed by the affirmative vote of a majority of the voting members at any annual or special meeting.

Section 6. Rules of Procedure. The rules of procedure at meetings of the membership and of the Board of Directors of the Corporation shall be the rules contained in Roberts' Rules of Order on Parliamentary Procedure, newly revised, so far as applicable and when not inconsistent with these Bylaws, the Articles of Incorporation or with any resolution of the Board of Directors.

Section 7. Accounting Year. The accounting year of the corporation shall be the twelve months ending October 31 of each year.

CERTIFICATION

Rick Gratzler, President of Somerset Recreation Club, Inc. and Sue Sander, Secretary of Somerset Recreation Club, Inc., hereby certifies that the foregoing Bylaws were duly adopted by a majority of the voting members at the annual meeting after proper notice and attendance by a quorum of members on <Date TBD>.

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Rick Gratzler, President

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Sue Sander, Secretary