

**By-Laws**  
**Sun-N-Fun, Inc.**  
(Revised March 2008)

**Article 1: Membership**

- 1-1 There shall be but one class of memberships and the membership of the corporation shall be limited to such number as may from time to time be set by the Board of Directors, not to exceed 200.
- 1-2 A membership may be issued to a corporation or business name in which event the following rules shall apply:
- A. The chief executive officer (for a corporation) or the owner or a partner (for a non-corporate business entity) shall make the application and by letter attached thereto designate the family who shall be extended membership privileges.
  - B. The head of the family so designated shall also file an application for membership indicating thereon the name of the business entity holding the membership and that he is applying for the use privilege of the membership.
  - C. Both applications required in A and B above, are subject to the provisions of Sections 1-3, 1-4, 1-5 and 1-6 as though the use privilege were a membership.
  - D. Only one family unit may use the membership privileges and that family shall be the one designated by the business entity as outlined in A and which has filed the application set out in B.
  - E. The business entity may terminate the use privilege at any time and designate a new family user by letter as described in A above which new family user must then comply with B above.
- 1-3 A membership shall be granted upon written application, in such form as may be designated by the Membership Committee, which application shall be filed with the Membership Committee and approved by three-fourths of the members of the said Committee.
- 1-4 A membership may be cancelled by a vote of fifty percent (50%) of the members of the Membership Committee for violation of these by-laws, for non-payment of dues or violation of the rules and regulations of the standing committees.
- 1-5 A membership may be cancelled by a vote of three-fourths (3/4<sup>th</sup>) of the Members of the Membership Committee without cause.
- 1-6 A member may at any time after one year from the date of incorporation voluntarily surrender his membership for cancellation.
- 1-7 Upon cancellation of a membership pursuant to the provisions of Section 1-4, 1-5 and 1-6 above, the initial membership fee provided for in Section 6-1 below, and actually paid by the particular member affected (or actually paid by the original member in the case of the canceling of a transferred membership), plus all special capital assessments actually paid, shall be refunded to the terminated member after first deducting there from all dues and accounts owing from the terminated member to the corporation and upon delivery to the Treasurer of the membership certification, which refund shall be paid when the funds are available in the capital account of the corporation or when the cancelled certificate is resold to a new member.

- 1-8 A membership shall be assignable by a member to a non-member for such consideration as may be agreed upon privately between themselves, provided however, that the non-member shall first apply for membership and receive approval as set out in Section 1-3 above; that the non-member pay to the corporation a service fee of \$25.00; that all dues, assessments and accounts due the corporation from the member shall be fully paid and current; and provided lastly, that the old membership certificate is surrendered for re-assignment to the new member.
- 1-9 Use of all corporate facilities shall be available to all members of the immediate family (spouse and children) who reside in the same residence with the holder of membership certificate and such immediate family members shall be considered members of the corporation in so far as holding office in the corporation and its committees is concerned and may exercise the voting privilege of the membership certificate without proxy.
- 1-10 A membership certificate may be held by more than one person in the following manner (provided, however, all such persons shall be family members living in the same household):
- A. "Member No. 1 and Member No. 2, husband and wife" (creating a tenancy in the entirety with right of survivorship).
  - B. "Member No. 1 or Member No. 2, as joint tenants and not as tenants in common, with right of survivorship." (For non-spouses only).
- If a membership is held by husband and wife as set out in "A" above, the membership passes to the survivor. In the vent of divorce, the membership shall be cancelled forthwith unless such membership shall be assigned by one of the two holders to the other. Both husband and wife must execute an assignment of the membership to a third party. If a membership is held by two family members (not husband and wife) such membership passes to the survivor and both holders must sign an assignment thereof.

## **Article 2: Meeting and Voting**

- 2-1 There shall be 2 regular meetings of members held in October and March of each calendar year. A written notice to each member either via email or by US postal will be mailed; depending upon each member's direction upon application to the pool - regarding correspondence from the pool. Each shareholder will be given no less than ten days notice before the date of the meeting, called by the President.
- 2-2 Officers for the following year will be elected during the October meeting.
- 2-3 The President or any four members of the Board of Directors may call a special meeting of the members in the same manner as the regular annual meeting is called, provided however, the purpose of the meeting shall be stated in the notice.
- ~~2-4~~ There shall be a regular monthly meeting of the new Board of Directors between March and October.
- 2-5 There shall be such other regular or special meetings of the Board of Directors as may be called by the President or any two members of the board of Directors.
- 2-6 Cumulative voting shall be permitted for the office of Director only.
- 2-7 Voting privilege shall be extended provided that all dues, assessments and accounts due from the member are fully paid.

- 2-8 Paid members shall be given the option of voting on decisions, when applicable, if unable to physically make the shareholder meeting by voting absentee. All absentee ballots should be received prior to the time of the announced Shareholder Meeting in accordance with article 2-1. Any ballots received to PO Box after actual meeting date will be considered void and not counted.

### **Article 3: Board of Directors**

- 3-1 The Board of Directors shall consist of twelve (12) members.
- 3-2 Vacancies occurring on the Board of Directors shall be filled by appointment by the remaining members of the Board of Directors; such replacements shall serve only until the next regular annual meeting of members, when the vacancy shall be filled by vote of the members.
- 3-3 The management of the corporation shall be conducted by the Board of Directors, except those matters reserved to the members herein and those assigned to a specific office.
- 3-4 The Board of Directors shall appoint the members of the following standing committees:
- Membership Committee: One (1) Chairperson and eleven ( 4) members
  - Finance Committee: One (1) Chairperson and four (4) members (Board of Directors)
  - Pool Committee: One (1) Chairperson and four (4) members.
  - Concession Committee: One (1) Chairperson and Four (4) members
  - Grounds Committee: One Chairperson (1) and two (2) members.

### **Article 4: Officers**

- 4-1 At the first regular annual meeting of the Board of Directors, the Directors shall elect the following officers from among the members of the Board of Directors:
- President
  - Vice-President
  - Secretary
  - Treasurer
- Each of whom shall serve for one (1) year. In subsequent years, the said officers shall be elected at the regular annual meeting of members.
- 4-2 The President shall be the main executive officer of the Corporation; he shall preside at the meetings of members; he shall appoint the Chairpersons of the standing committees listed in Section 3-4, above, from among the members of the Board of Directors; he shall be an ex official, non-voting member of all committees; and he shall supervise the activities of the other officers.
- 4-3 The Vice-President shall be an assistant to the President and shall perform the duties of the President in the absence or disability of the President.

- 4-4 The Secretary shall keep minute of all meetings of the Board of Directors and the members; he shall maintain a full, accurate and current list of members with addresses, set of by-laws and sets of rules and regulation of all standing committees; he shall produce the correspondence of the corporation and the notices that may be required; he shall prepare and maintain and upon order of the Board of Directors, issue membership certificates.
- 4-5 The Treasurer shall safely keep all monies of the corporation; he/she shall pay out monies upon order of the Board of Directors only; he/she shall receive all monies due the corporation; he/she shall maintain an accurate set of books of account showing cash on hand, monies received and monies paid out and such other books, records and reports as shall be required by the Board of Directors; he/she shall maintain a ledger sheet on each member wherein shall be recorded all debit and credit items and reflecting at all times the status of accounts between the corporation and each member; he/she shall prepare in January each year a statement of accounts of the proceeding fiscal year showing balance on hand in the various accounts at the start of the year, the items of income and the items of out-go and the balance on hand at the close of the year in each account; he shall have such annual report audited by the Finance Committee and the report, together with the Audit Report, shall be published at the regular annual meeting of members; and he/she shall present a bond with good and sufficient sureties, indemnifying the corporation against loss, in a penal sum designated from time to time by the Board of Directors, but not less than the gross amount in his/her possession at any one time.

## **Article 5: Committees**

- 5-1 The Chairpersons of the standing committees shall serve at the pleasure of the President.
- 5-2 The members of the standing committee shall serve at the pleasure of the Board of Directors.
- 5-3 The standing committees are hereby authorized to adopt rules and regulations not inconsistent with these by-laws concerning matters within the committees' jurisdictions; provided however, that before any such rule or regulation shall be effective, it shall be approved by the Board of Directors.
- 5-4 The membership committee shall solicit memberships; it shall prepare and have available forms of application for memberships; it shall receive, and reject the same; the membership committee shall receive complaints against members for violation of the by-laws, for violation of the rules and regulations of the standing committees and for non-payment of dues; assessments or accounts, shall consider same after giving the affected member an opportunity to be heard, and shall have the power to cancel a membership pursuant to the authority of Sections 1-4 and 1-5.
- 5-5 The Finance Committee shall supervise the activities of the Treasurer; it shall audit the books of accounts and affairs of the Treasurer periodically, but not less than once each year during January of each year prior to the regular annual meeting of members; it shall suggest to the Board of Directors the amount of the initial membership fee, the amount of dues and the amount of assessments; it shall adopt a

budget annually in January prior to the regular annual meeting of members to govern the finances of the corporation; it shall suggest ways and means of raising money for the activities of the corporation.

- 5-6 The Pool Committee shall govern the operation of the swimming and wading pools and the shower and dressing room facilities, supervise all employees thereof, and shall establish strict rules for guests invitation privileges.
- 5-7 The Concessions Committee shall supervise and govern the operation of all concession and food and drink stands or activities of the corporation.
- 5-8 The Grounds Committee shall supervise and govern the grounds of the corporation outside of the pool and concession area and provide for its care and use.

## **Article 6: Finances**

- 6-1 There shall be charged the sum approved by the Board as an initial membership fee which shall be fully paid before the issuance of a membership certificate and before membership privileges may be extended.
- 6-2 Annual dues shall be charged each member in such sum which together with the balance carried over from preceding years in the operating fund shall fully pay all operating expenses as required by the budget. In establishing the operating expense due consideration shall be given to the establishment of depreciation reserves in conformity with proper accounting practices and to the establishment of a reserve for bad debts.
- 6-3 There may be charged each member, in addition to the initial membership fee provided for in Section 601, above, and in addition to dues provided for in Section 6-2, above, special assessments for capital improvements as follows:
  - a. The Finance Committee must approve the special capital assessment.
  - b. Majority of the members in good standing must approve the assessment.
  - c. The Board of Directors must order the assessment upon determining that the paragraphs a and b, above, have been satisfied.
  - d. Notice of the assessment shall be given each member by depositing such notice in regular United States Mail and the assessment shall become delinquent thirty (30) days after mailing.
- 6-4 A budget shall be adopted by the members at the regular annual meeting of members.
- 6-5 It is the express policy of the corporation, **to the extent possible**, that all operating expenses and reserve shall be borne by dues and all capital outlay (except pure replacement) shall be borne by initial membership fees and assessments.
- 6-6 Officers that are exempt from yearly dues – (President, Treasurer, Secretary, Pool Chairperson and Concession Chairperson). This provision also allows the hiring or retaining for pay of any member as an employee of the corporation for services not expected from members.
- 6-7 The fiscal year shall be from January 1 to December 31, inclusive.