

BYLAWS  
OF  
ENO VALLEY SWIM & RACQUET CLUB, INC.

ARTICLE I

OFFICES

1. Principal Office. The principal office of Eno Valley Swim & Racquet Club, Inc. (the "Corporation" or the "Club") shall be at 635 Rippling Stream Road, Durham, North Carolina 27704.
2. Registered Office. The registered office of the Corporation required by law to be maintained in the State of North Carolina may be, but need not be, identical with the principal office in the State of North Carolina. The address of the registered office may be changed from time to time by the Board of Directors.

ARTICLE II

DIRECTORS

1. Board of Directors. The management of the Corporation shall be vested in a Board of Directors consisting of no less than ten (10) and no more than fifteen (15) Directors who, upon election, shall serve terms of three (3) years each or until their successors are elected and qualified. No more than one member from the same marital unit or household unit shall be eligible to serve on the Board of Directors at any one-time period.
2. General Powers. The Board of Directors shall have the power to make and amend regulations and rules pertaining to the operation of the Club and shall have responsibility for the entire management of the affairs of the Corporation except as otherwise provided herein. Without limiting the generality of the foregoing, the Board of Directors shall have authority to fix fees, dues and charges for members and to revise the same from time to time.
3. Nomination and Election. The nominations and elections of the Directors shall be held at the meeting of the Board of Directors on the first Thursday in October of each year. The votes shall be cast secretly in writing. Each Director eligible to vote shall vote for five (5) of the nominees and the five nominees receiving the highest number of votes shall be declared elected to the Board of Directors for a term of three (3) years.

4. Vacancies. The Board of Directors, acting by a majority vote of a quorum of the Board, shall have the power to fill any vacancy on the Board for the unexpired term of the Director being replaced.

5. Removal. Any Director who shall be absent from three (3) consecutive meetings of the Board, without excuse satisfactory to the Board, may be removed from the Board and the vacancy so created shall be immediately filled as provided above in Section 4 of this Article.

### ARTICLE III

#### MEETINGS OF DIRECTORS

1. Regular Meetings. The Directors shall hold a meeting of the Board of Directors at least once during each calendar quarter at such time and place as they may determine. Notice of the time and place of such meetings shall be made by the Secretary to each Director at least three (3) days prior to such meeting.

2. Special Meetings. Special meetings of the Directors may be called at any time by the President at the written request of any member of the Board. Notice of the time, place, and business to be transacted at any special meeting shall be made by mail by the Secretary to each Director of the Corporation at least three (3) days prior to such meetings or by telephone or electronic mail at least twenty-four (24) hours prior to such meetings.

3. Waiver of Notice. Attendance of a Director at any meeting shall constitute a waiver of notice of such meeting except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

4. Quorum of Directors. A majority of the Directors then holding office shall constitute a quorum at any meeting of the Board of Directors. All matters coming before the Board of Directors shall be decided by a majority vote of all the members of the Board present and voting; provided, however, that no vote can be taken unless a quorum is present for that vote; provided also that a higher percentage may be required by law or by other provisions of the Bylaws of the Corporation. In case of a tie vote, a motion shall be deemed lost.

5. Action Without Meeting. Action taken by a majority of the Directors then holding office without a meeting is nevertheless action of the Board of Directors if written consent to the action in question is signed by all the Directors entitled to vote and filed with the minutes of the proceedings of the Board, whether done before or after the action so taken. Written consent shall include consents by Directors in electronic form and delivered by electronic mail.

6. Open Meetings. All meetings of the Board of directors with the exception of closed portions thereof (as announced at the meeting from time to time by the President) shall be open to all dues-paid members of the Club.

## ARTICLE IV

### OFFICERS

1. Officers. The officers of the Corporation shall be a President, one or more Vice-Presidents (as the Board of Directors may deem necessary), a Recording Secretary, a Treasurer and such assistant officers as the Board of Directors may deem necessary.

2. Waiver of Officers' Dues. The annual dues of certain Officers of the Corporation shall be waived during the term of that Officer. These Officers are the President, Vice-President, Recording Secretary and Treasurer. Other Officers may qualify if their duties so justify and upon approval by the Board. With all positions with dues waived, another membership shall be extended, so that dues paying members will total 400.

3. Elections and Terms. The officers of the Corporation shall be elected annually by the Board of Directors at the next meeting thereof following the annual election of Directors. Each Officer shall be elected from and shall be a Director of the Board of Directors, except in the case of the Treasurer, who need not be a Director. The Board of Directors may remove any officer from office or declare any office vacant and elect a successor to fill the unexpired term.

4. Duties of President. The President shall preside at all meetings of the Directors; shall enforce all rules and regulations of the Corporation; and shall control and manage the business, affairs, properties, and facilities of the Corporation under the general supervision of the Board of Directors. The President, with the Secretary, shall execute on behalf of the Corporation all contracts, deeds, mortgages, deeds of trust, notes, bonds, and other instruments as authorized and directed by the Board of Directors. The President shall make available to the dues-paying members of the Club information about the affairs, activities and condition of the Corporation for the preceding year. The President shall perform such other duties as the Board of Directors may direct from time to time. The President shall be bonded in the amount set from time to time by the Board with a Corporate Surety licensed to do bonding business in the State of North Carolina, and the premium for said bond shall be paid by the Corporation.

5. Duties of Vice-President. The First Vice-President shall perform the duties of the President in the absence or disability of the President. The Vice-President or Vice-Presidents shall perform such duties as the Board of Directors may direct from time to time.

6. Duties of Recording Secretary. The Secretary shall record and safely keep the minutes of all meetings of the Board of Directors, shall give notice of meetings as provided by

these Bylaws, shall have custody of all books, records, papers, and Seal of the Corporation (except such as shall be in the charge of the Treasurer), shall execute with the President on behalf of the Corporation such written documents and instruments as may be authorized and directed by the Board of Directors, and perform such other duties as may be assigned by the Board of Directors.

7. Duties of Treasurer. The Treasurer shall receive and disburse all funds of the Corporation, shall keep accurate and detailed records of receipts and disbursements and an accurate account with each member. The Treasurer shall deposit all funds coming into the Corporation in a depository designated by the Board of Directors. The Treasurer shall regularly report on the financials of the Corporation as may be requested by the Directors and shall assume responsibility for the preparation and filing of annual tax returns. The Treasurer shall be bonded in the amount set from time to time by the Board with a Corporate Surety license to do bonding business in the State of North Carolina, and the premium for said bond shall be paid by the Corporation.

8. Bonds. The Board of Directors may require any officers, agents, and employees of the Corporation to give bond to the Corporation, with sufficient sureties, conditioned on the faithful performance of the duties of their respective offices or positions, and to comply with other conditions as may from time to time be required by the Board of Directors, provided that the premium for said bond or sureties thereon shall be paid by the Corporation.

## ARTICLE V

### COMMITTEES

1. Committees. The President may elect or appoint one or more committees as deemed necessary and proper to carry out the business and functions of the Corporation and may delegate to any such committee or committees any or all of their powers except to those matters prohibited by N.C.G.S. 55A-8-25. Any committee to which the powers of the Directors are delegated shall consist solely of Directors and shall conduct its affairs in the same manner as is provided in these bylaws for the Directors. A committee's findings, reports and its recommendations shall be reported to and subject to the approval and action of the Board of Directors.

## ARTICLE VI

### CONTRACTS, LOANS, CHECKS AND DEPOSITS

1. Contracts. The Board of Directors may authorize any officer or officers, agent or agents, to enter any contract or execute and deliver any instruments on behalf of the Corporation, and such authority may be general or confined to specific instances.

2. Corporate Loans. No loans shall be contracted on behalf of the Corporation and no evidence of indebtedness shall be issued in its name unless authorized by the Board of Directors. Such authority may be general or confined to specific instances.

3. Prohibited Loans. No loans shall be made by the Corporation to its directors, officers, or members.

4. Checks and Drafts. All checks, drafts or other orders for the payment of money issued in the name of this Corporation shall be signed by such officer or officers, agent or agents of the Corporation and in such manner as shall from time to time be determined by the Board of Directors.

5. Deposits. All funds of the Corporation not otherwise employed shall be deposited from time to time to the credit of the Corporation in such depositories as the Board of Directors shall direct.

## ARTICLE VII

### MEMBERSHIP

1. Members. A member shall be any person eighteen (18) years of age or older and his/her legal spouse or domestic partner who have made written application to the Corporation for membership and whose application has been approved or accepted by an affirmative vote of two-thirds (2/3) of a quorum of the Board of Directors. The Board of Directors shall not consider any application which is not accompanied by proper deposit or payment as set by the Board of Directors.

2. Dependents of Members. Dependents of a member shall be entitled to the use of all the facilities of the Corporation to which such member is entitled, subject to the Bylaws, rules, and regulations of the Corporation duly adopted by the Board of Directors. Dependents shall be defined as a member's unmarried children residing with the member who have not reached their twenty-first (21st) birthday or who have reached their twenty-first (21st) birthday and are students and/or financially dependent upon the member. Other persons who are financially dependent upon the member and who currently reside in the member's household may also be considered as dependents, as set forth in this section, after approval by a two-thirds (2/3) vote of a quorum of the Board of Directors. Should there be any controversy as to the definition of dependent as set forth in this Section, the Board of Directors shall resolve the controversy and its decision shall be final.

3. Total Membership. The total number of members of the Club shall be maintained at four hundred (400) current dues-paying members. In order to ensure maximum use of this capacity, the Board of Directors may, in the months of April and May of each year,

accept additional memberships over the four hundred (400) in anticipation of historical levels of resignations, leaves of absence and expulsions.

4. Transfer of Membership. No membership shall be transferable except as set forth in Section 6 below.

5. Resignation of Membership. If a member should elect to resign his membership, and only after receipt of this written resignation, the Board of Directors shall refund the member's annual dues in accordance with the provisions of Article VIII, Section 4 of these Bylaws.

6. Divorce Among Members. During a divorce, a club membership shall remain active until such time that the two parties involved in the divorce settlement reach a mutual agreement as to whom the membership will transfer and shall belong and notify the Board of Directors in writing of such agreement.

## ARTICLE VIII

### FEES AND DUES

1. Membership Fees. From the inception of the Corporation until September 1, 1981, a member paid a refundable membership fee. Since September 1, 1981, members pay nonrefundable initiation fees described in Section 2 below.

2. Initiation Fees. Members shall pay a nonrefundable initiation fee, the amount and manner of payment of which will from time to time be determined and approved by the Board of Directors by a vote of no less than two-thirds (2/3) of the total number of Board members.

3. Annual Dues. Each member of the Club shall pay to the Treasurer annual dues by April 1st of each year in an amount which is set from time to time by the Board of Directors. If any member has not paid his annual dues by May 1st, the Board of Directors may move that member to the appropriate inactive category unless exception is made by a vote of two thirds (2/3) of a quorum of the Board of Directors based on circumstances presented by the member to the Board. Such exception must include a specific payment plan to be agreed to by the Board and said member.

4. Leave of Absence. Any member who desires a leave of absence shall make written application to the Board of Directors stating his reasons why he is petitioning for a leave of absence. The Board of Directors shall approve leaves of absence by a vote of two-thirds (2/3) of a quorum. A leave of absence granted by the Board of Directors shall suspend the member's membership and all privileges and duties thereto, including the use of the facilities and payment of dues and fees, for a period of one year. A leave of absence can be renewed and

extended for a maximum of one additional year upon further application by the member and approval by the Board of Directors by a vote of two-thirds (2/3) of a quorum. Reinstatement to active membership for any member on leave of absence shall be automatic upon receipt by the Board of a written request and payment in full from such member, providing a membership is available in accordance with Article VII, Section 3. In the event that membership is full, the member requesting reinstatement will be placed at the top of the current waiting list.

5. Reinstatement of Members. No member who has resigned or been expelled and who has not paid annual dues for two (2) consecutive years by the payment due dates shall be reinstated to his prior membership. The member may apply to rejoin by submitting a new membership application and obtaining necessary Board approval. If the membership is full, he shall be placed at the bottom of the waiting list. Said member cannot be reinstated without first paying that year's annual dues and paying the applicable initiation fee. If a member has been expelled or has resigned and said member applies for reinstatement within two (2) years of his expulsion or resignation he may reapply for membership, and pay all applicable late fees and initiation fees due for that year, and be approved by the Board. Upon completing those steps, the member shall either be put at the bottom of the waiting list if the membership is already full or, if membership is open, be reinstated upon paying the annual dues for that fiscal year. The term "initiation fees due for that year" means that if the member has not previously paid in full the initiation fee in effect at the time he joined, then the member, as a condition to being approved by the Board, shall pay the amount that was due and unpaid for the year he was expelled. If, after paying that amount, the member would owe any additional part of the initiation fee, that shall be due the year following reinstatement.

## ARTICLE IX

### EXPULSION

1. Expulsion of Members. In the event of an infraction of any Bylaw, duly adopted rule or regulation, or violation of any Board adopted policy of the Corporation, or any conduct on the part of a member or dependent of a member which may tend to endanger the good order, welfare, or character of Eno Valley Swim & Racquet Club, Inc., such member may be expelled by a two-thirds (2/3) vote of a quorum of the Board of Directors, provided that ten (10) days' notice in writing shall have been given the offending member, and each member of the Board, of the meeting at which such expulsion shall be considered. Any member so charged with infraction or misconduct shall have the opportunity to defend himself, either in person or by representative, at the meeting of the Board when the charges against him shall be considered. Any member so expelled shall be refunded the membership fee in accordance with the provisions of Article VIII, Section 4 of the Bylaws.

2. Expulsion of Directors. For misconduct or neglect of duty, any Director of the Board of Directors may be expelled from office by a majority vote of the Directors present with a quorum at a special meeting called for that purpose.

## ARTICLE X

### GENERAL PROVISIONS

1. Seal. The corporate seal of the Corporation shall consist of two concentric circles between which is the name of the Corporation and in the center of which is inscribed SEAL, and such seal, as impressed on the margin hereof, is hereby adopted as the corporate seal of the Corporation.
2. Fiscal Year. The fiscal year of the Corporation shall commence on January 1 of each year and end on December 31.
3. Waiver of Notice. Whenever any notice is required to be given to any member, director or other person under the provisions of the North Carolina Non-Profit Corporation Act or under the provisions of the Charter or Bylaws of this Corporation, a waiver thereof in writing signed by the person or persons entitled to such notice and filed with the Secretary, whether before or after the time stated therein, shall be equivalent to the giving of such notice.
4. Amendments and Adoptions. These Bylaws or any portion thereof may be amended, altered, or repealed or new Bylaws may be adopted by the affirmative vote of two-thirds (2/3) of all Directors constituting the Board of Directors of this Corporation.

## ARTICLE XI

### DISTRIBUTION OF INCOME AND DISSOLUTION PROVISIONS

1. Distribution of Income. The net income of the Corporation will in no way inure to the benefit of any of its Officers, Directors, or members or any other private individual but shall be used solely for the operation, maintenance and improvements of the facilities owned and operated by the Corporation.
2. Distribution of Assets Upon Dissolution. Should the Corporation be dissolved at any time, the assets of said Corporation in the process of dissolution shall be applied and distributed under a plan of distribution as set out in N.C.G.S. 55A-14.



## ARTICLE XII

### ANTI-DISCRIMINATION & ANTI-HARRASSEMENT POLICY

1. Equal membership opportunity. It is the policy of the Corporation to ensure equal membership opportunity without discrimination or harassment on the basis of race, color, religion, sex, sexual orientation, gender identity or expression, age, disability, marital status, citizenship, national origin, genetic information, or any other characteristic protected by law. The Corporation prohibits any such discrimination or harassment.

2. Equal employment opportunity. It is the policy of the Corporation to ensure equal employment opportunity without discrimination or harassment on the basis of race, color, religion, sex, sexual orientation, gender identity or expression, age, disability, marital status, citizenship, national origin, genetic information, or any other characteristic protected by law. The Corporation prohibits any such discrimination or harassment.