

BY-LAWS OF THE CHESTERBROOK SWIMMING AND TENNIS CLUB, INCORPORATED

Revised October, 2008

ARTICLE I

Name

The name of the corporation shall be the Chesterbrook Swimming and Tennis Club, Incorporated, hereinafter referred to as the "Club."

ARTICLE II

Purposes

The purposes for which the Club has been formed are as follows: to organize, develop, operate and maintain a club for swimming, tennis and the conduct of other athletic sports, recreation and instruction, and for the promotion of the physical welfare of and social activities among its members; to erect, maintain, purchase, rent, hire, lease, let or otherwise acquire or dispose of buildings or structures for said purposes; to purchase lease, hold, sell, develop, mortgage, convey or otherwise acquire or dispose of real, personal and mixed property necessary or convenient for the purpose of carrying out said purposes; to buy and sell food and refreshments of all kinds and such other articles and things as necessary for the comfort and convenience of the members.

ARTICLE III

Membership

Section 1. Number. The number of Certificates of Membership shall be limited to five hundred and fifty (550) which may be changed by a majority of the Class A members voting at any regularly called members' meeting.

Section 2. Form of Ownership. A Certificate of Membership may be held solely by an individual or jointly by two (2) persons who reside in the same residential unit. The holder or joint holders of a Certificate of Membership shall be the person or persons in whose name or names the Certificate of Membership appears on the Club's membership register.

Section 3. Qualifications for Membership. Membership in the Club shall consist of Class A and Class B members and the members of their respective households.

(a) Class A members shall consist of those individuals who hold Certificates of Membership and who reside within the State of Virginia. The Board of Directors shall decide who is entitled to hold a Certificate of Membership. Class A members shall also consist of those individuals who obtained Certificates of Membership while they resided within the State of Virginia, so long as such individuals have received the approval of the Board of Directors to remain Class A members. Class A members shall be entitled to vote and to use the Club's facilities.

(b) Class B members shall consist of those Class A members who have been suspended by the Board of Directors for good cause as enumerated in Article III, Section 12. Class B members shall not be entitled to vote or to use the Club's facilities.

(c) The members of the household of Class A or Class B members shall consist of such member's:

(i) spouse;

(ii) parents of such member, or parents of such member's spouse, who reside in the member's home

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for a minimum of six (6) months of each calendar year;

(iii) minor children whether or not they normally reside with such member;

(iv) adult children who, as of January 1 of any membership year, are not older than 25 years of age and who normally reside with such member or who are full time students at recognized education institutions.

(d) During the period of their employment, child care providers for the children of member families may use the facilities.

(e) The members of the household of a Class A or Class B member shall not have any greater rights or privileges than such member has except where a Class A member becomes a Class B member, in which case the members of his or her household shall continue to be entitled to use the Club's facilities. The members of such household shall not have any voting rights nor shall be liable for any membership contributions or assessments.

Section 4. Modification of Capital Qualifications for Membership. No modification of the qualifications for membership and the rights of members set forth in Section 3 above shall be made unless an identical modification is made in the qualifications for membership and the rights of members set forth in the Articles of Incorporation of the Club.

Section 5. Voting Power. Voting power shall be in the Class A members. Each Certification of Membership held by a Class A member shall entitle such member to one (1) vote. Where a single Certificate of Membership is jointly held by two (2) Class A members, there shall be only one (1) vote per Certificate.

Section 6. Recording of Membership Certificates. All Certificates of Membership which are issued by the Club shall be recorded by the Secretary in the Club's membership register. Before the issuance of a Certificate shall take place, the Secretary shall determine that such issuance is in accordance with these by-laws.

Section 7. Transfer of Membership Certificates. Any holder of a Certificate of Membership wishing to sell that membership shall so notify the Club Membership Director. All transfers of ownership of Certificates of Membership must be conducted exclusively through the Club. The Membership Director shall maintain a list of applicants wishing to acquire a membership. The Membership Director shall offer available memberships to such applicants on a first come, first served basis. Memberships shall be sold on a first tendered, first sold basis. The price of a membership shall include an initiation fee in an amount established by the Board of Directors, the current amount of the membership contribution and the current annual dues. After the sale of the membership is completed by the Club, the former holder of the membership shall receive the proceeds of the sale up to the amount of the former holder's membership contribution minus all amounts owed to the Club by such former member. All remaining proceeds shall be the property of the Club. Special consideration will be offered prior members who sold their memberships due to a temporary change in residence for up to three (3) years away from the area. Upon their return to the area, the prior member may contact the Membership Director to be put on the waiting list for the next available membership. The requirement for initiation fee will also be waived for these returning members.

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Section 8. Financial Obligations of Members. All holders of Certificates of Membership shall be obliged to pay, on the stated due date, all approved increases in membership contributions, special assessments, annual dues, late fees, guest fees and any and all other financial obligations appropriately imposed by the Board of Directors in Accordance with these By-laws.

Section 9. Dues. Members must pay annual dues for operation and maintenance by March 15th. Annual dues increases shall not exceed ten percent (10%) of the previous year's annual dues or the rate of inflation for the previous year as reported by an appropriate federal government index, which ever is greater, unless a different increase or decrease in dues is approved by two-thirds (2/3) of the Class A members voting at a duly called members' meeting. The Board may, at its discretion and on an annual basis, allow a senior citizen to obtain discounted dues at a discount of not more than ten percent (10%) of the current dues.

Section 10. Membership Contributions and Assessments. No increase in the membership contribution nor assessments for capital improvements shall be made against the holders of Certificates of Membership except as approved by vote of two-thirds (2/3) of the Class A members voting at a duly called members' meeting. Notice of the proposed increase in the membership contribution or proposed assessment must be given to the members in the meeting notice.

Section 11. Suspension and Cancellation for Failure to Meet Financial Obligations.

(a) A Class A member whose membership contribution, assessments, or annual dues have not been received by the Treasurer on or before the due date shall be required to pay a late fee of 25% of the dues amount and, after thirty (30) days from the date by which the payment was required (the "Certificate Cancellation Date"), the Certificate of Membership will be deemed canceled and may be sold.

(b) In the instance where a Class A member's membership contribution, assessments or annual dues have not been received by the Treasurer on or before the due date, the Club shall notify such member in writing by certified mail, return receipt requested, a reasonable time prior to the Certificate Cancellation Date but in no case less than ten (10) days prior to that date. The member has until the Certificate Cancellation Date to pay his or her membership contribution, assessments or annual dues or the Certificate of Membership will be automatically canceled and will be sold pursuant to the By-Laws. If a member whose Certificate of Membership has been canceled pursuant to this paragraph should reapply for membership, the member will not be deemed a returning member as referred to in Article III, Section 7.

(c) The Board of Directors, at its discretion, may reinstate the Class A membership of any member whose Certificate of Membership has been canceled pursuant to paragraph (a) upon the request of that member and upon payment of all dues, assessments and fees in arrears. In this instance the member shall also pay an additional late fee of 10% of the dues amount (for a total late fee of 35%).

(d) If a Certificate of Membership is canceled, Section 7 of Article III shall apply. If the Club has been unsuccessful in its efforts to notify the member whose Certificate of Membership is being canceled, the proceeds from the re-issuance of the member's certificate shall be held for that member to claim.

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(e) The Board of Directors, at its discretion, may waive the payment of any late fee when it finds that extenuating circumstances exist.

Section 12. Suspension and Cancellation for Unacceptable Conduct.

(a) A Class A member may be suspended for good cause, for a period not exceeding three (3) months, by a majority vote of the Board of Directors and thereby be made a Class B member. The suspension shall be effective only if such member is first notified in writing that the Board of Directors intends to meet and vote on his or her suspension and only if he or she is first given an opportunity for a hearing. Such suspended member shall not be entitled to vote on matters of Club business or use the Club facilities.

(b) A member of the household of a Class A or Class B member may be suspended for good cause, for a period not exceeding three (3) months, by a majority vote of the Board of Directors. The suspension shall be effective only if such Household member is first notified in writing that the Board of Directors intends to meet and vote on his or her suspension and only if he or she is first given an opportunity for a hearing. Such suspended Household member shall not be entitled to use the Club facilities.

(c) Any member may be expelled for good cause by a majority vote of the Board of Directors and thereby be permanently denied the use of the Club's facilities. The expulsion shall be effective only if such member is first notified in writing that the Board of Directors intends to meet and vote on his or her expulsion and only if he or she is first given an opportunity for a hearing.

(d) If the Board of Directors expels a member, the Certificate of Membership held solely by such member shall be canceled. If a Certificate of Membership is held jointly by such member, then the Board of Directors, at its discretion, may permit the other joint holder to continue to hold the Certificate of Membership solely in his or her own name if such other joint holder agrees. If the other joint holder does not agree to hold the Certificate of Membership solely in his or her own name, or if the Board of Directors does not permit such a holding, then the Certificate of Membership shall be canceled. The former holders of the Certificate of Membership shall receive the proceeds of the issuance of such Certificate by the Club, up to the amount of the former holder's membership contribution, minus any amount owed to the Club by such former holder. Any remaining proceeds shall be the property of the Club. This shall be in accordance with the provisions of Article III, Section 7.

(e) Good cause for suspension or expulsion includes, but is not limited to: (i) a repeated failure to adhere to the rules and regulations governing the conduct of Club members, (ii) a serious breach of decorum or conduct of an extraordinary nature and, (iii) other grounds set forth in these by-laws.

Section 13. Refunds to Suspended or Expelled Members. Any member suspended or expelled pursuant to Article III, Sections 11 or 12, shall not be entitled to any refund of dues.

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**ARTICLE IV
Members' Meetings**

Section 1. Time and Place of Annual Meeting. The annual meeting of the Club shall be held no later than December 15 of each year at such time and place within Fairfax County, Virginia, as the Board of Directors shall designate.

Section 2. Special Meeting. A special meeting of the members may be called by the President or at the written request of ten percent (10%) of the Class A members.

Section 3. Quorum. A quorum at any annual or special meeting shall consist of ten percent (10%) of the Class A members entitled to vote, represented in person or by proxy. This provision does not require the establishment of a quorum for conducting Club business, unless a point of order calling for a quorum is raised.

Section 4. Voting Rights. Each Class A member entitled to vote shall be limited to one (1) vote and may vote either in person or by assigned written proxy. Proxies must direct the specific manner in which they are to be voted and must be delivered to the Board of Directors, which shall be responsible for voting them. A Class A member's right to vote at any meeting shall not be abridged.

Section 5. Notice.

(a) Written notice of an annual or special meeting shall be made not less than ten (10) nor more than fifty (50) days before the date of the meeting to each Class A member entitled to vote at such meeting. Such notice shall state the place, day and hour of the meeting and, in the case of a special meeting, the purpose or purposes for which the meeting is called. In the case of an amendment to the Articles of Incorporation or in the case of a plan of merger or consolidation, a written notice shall be mailed to each Class A member entitled to vote not less than twenty-five (25) nor more than fifty (50) days before the date of the meeting and shall be accompanied by a copy of the proposed amendment or plan of merger or consolidation or a summary thereof.

(b) A written waiver of any notice required in subsection (a) above shall be equivalent of giving of such notice provided it is signed by the member entitled to such notice.

Section 6. Standing Rules. Where not inconsistent with the laws of the Commonwealth of Virginia, the Articles of Incorporation, or the By-Laws, meetings shall be conducted in accordance with the most current edition of Robert's Rules of Order.

**ARTICLE V
Board of Directors**

Section 1. Number of Directors and Compensation. The number of directors of the Club shall be fourteen (14) Directors shall be exempt from payment of annual dues and shall be entitled occasionally to receive complimentary guest privileges as determined by the Board.

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Section 2. Election. A nominating committee shall present a full slate of the candidates for vacancies on the Board of Directors at an annual members' meeting, and nominations shall be accepted from the floor. In voting for Directors, the members who are qualified to vote shall be entitled to cast one (1) vote for one (1) nominee for each existing vacancy. No qualified member shall cast more than one (1) vote for any one (1) nominee in a single balloting. At an annual members' meeting the nominees receiving the highest number of votes cast shall be declared elected. Tie votes shall be resolved by separate ballot.

Section 3. Terms. Directors are elected for specific three (3) year terms and shall be eligible to serve another term only after a waiting period of two (2) years.

Section 4. Removal. Any member of the Board of Directors may be removed from the Board by an affirmative vote of two-thirds (2/3) of the members voting at an annual members' meeting or at a special meeting called for that purpose.

Section 5. Vacancy. Vacancies on the Board of Directors resulting from an unfulfilled term shall be filled by a majority vote of the remaining Directors until his or her successor has been elected by the members entitled to vote, who shall make such election at their next annual meeting, or at any special meeting duly called for that purpose and held prior to said annual meeting.

ARTICLE VI
Board of Directors' Meetings

Section 1. Time and Place of Regular Meetings. Regular meetings of the Board of Directors shall be held at such intervals and at such places as the Board of Directors deems necessary.

Section 2. Special Meeting. A special meeting of the Board of Directors may be called at any time by the President, and shall be called by the President on the request of not fewer than one-third (1/3) of the Directors.

Section 3. Notice. Notice of each meeting shall be given as the Board of Directors may prescribe.

Section 4. Quorum. A majority of the Directors shall constitute a quorum.

ARTICLE VII
Officers

Section 1. Election. The officers of the Club shall be a President, a Vice President, a Treasurer and a Secretary, all of whom shall be elected by the Board of Directors from among their own membership. The officers shall hold office until the first meeting of the Directors following the next annual meeting of the members and until their successors are elected.

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Section 2. President. The President shall preside at all meetings of the members and at all meetings of the Board of Directors. The President shall perform such other duties as customarily pertain to the office of the President. The President shall appoint, subject to the confirmation of the Board of Directors, all standing and special committees, designating the chairman of each and, subject to the direction of the Directors, shall serve as the authorized agent of the Club in the signing of contracts and all similar actions. The President shall be, ex officio, a member of all committees.

Section 3. Vice President. The Vice President, in the absence or disability of the President, shall act in his or her stead. The Vice President shall be, ex officio, a member of all committees.

Section 4. Treasurer. The Treasurer shall have custody of all funds of the Club. The Treasurer shall provide and maintain full and complete records of all the assets and liabilities of the Club and shall pay out of funds on hand all of the just debts and obligations of the Club and make disbursements as specified in Article IX, Section 2. The Treasurer shall prepare and submit at each regular meeting of the Board of Directors and, at the annual meeting of the members, a financial statement of the condition of the Club. The Treasurer shall prepare such tax reports and returns as local, state and federal agencies may require.

Section 5. Secretary. The Secretary shall prepare and maintain full minutes of all meetings of the members and of the Board of Directors. The Secretary shall cause written notice of any annual or special meeting of the members to be mailed pursuant to the notice requirements set forth in Article IV, Section 5. The secretary shall conduct the correspondence of the Club. The Secretary shall prepare and file all reports and documents required by the Virginia State Corporation Commission. The Secretary shall have custody of the records of the Club, the Club's safety deposit box and the Club's corporate seal.

Section 6. Removal. Any officer of the Club may be removed from office by the vote of two-thirds (2/3) of the Directors present at a regular or special meeting of the Board of Directors whenever in their judgment the best interests of the Club will be served thereby. Any officer so removed from office remains a member of the Board of Directors unless removed therefrom pursuant to Article V, Section 4.

ARTICLE VIII
Committees

Section 1. Nominating Committee. At least sixty (60) days prior to the Annual Meeting, the President shall appoint a Nominating Committee which shall after consideration submit to the Board of Directors a list of candidates for the vacant seats on the Board of Directors. At least thirty (30) days prior to the Annual Meeting, the Board of Directors shall notify all members and provide a copy of the list submitted by the committee; such notification shall contain descriptive information about each nominee as available. Nominations for a seat on the Board of Directors shall be accepted from the floor at the Annual Meeting.

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Section 2. Standing Committees. There may be the following standing committees which shall serve at the pleasure of the Board of Directors and which are subject to its control:

(a) Operations and Personnel; (b) Finance; (c) Maintenance; (d) Membership; (e) Swimming; (f) Diving; (g) Tennis; (h) Social; (I) Capital Improvements; and (j) other committees as the Directors shall deem necessary.

**ARTICLE IX
Property and Finance**

Section 1. Budgets. The Board of Directors shall approve and authorize in an annual budget or supplements or amendments thereto, amounts of expenditures and obligations to be incurred by the officers of the Club. The Club's fiscal year shall be the calendar year.

Section 2. Disbursements. All disbursements of funds of the Club and all payments made by the Club shall be made by means of checks bearing signatures of two (2) of the following four (4) officers: President, Vice President, Treasurer and Secretary. The Board of Directors may, by resolution, provide for the establishment and replenishment of a petty cash fund not exceeding One Hundred Dollars (\$100.00) in amount for the purposes of paying for postage and defraying other items of expense in the amount of Twenty-five Dollars (\$25.00) or less. These amounts may be increased annually by the Board of Directors in an amount not to exceed the rate of inflation of the preceding year.

Section 3. Transfer of Real Property. Real property of the Club may be transferred only upon approval of a two-thirds (2/3) majority of the Class A members voting. A real property transfer may be voted on only at a meeting as to which prior notice of the proposed transfer was given.

Section 4. Deposits. The funds of the Club shall be deposited only in federal banks, state banks, or trust companies operating in accordance with the laws of the State of Virginia, or in an institution the deposits of which are insured by an agency of the federal government.

Section 5. Fidelity Bond. A fidelity bond for a reasonable amount will be carried by the Club covering all members of the Board of Directors.

Section 6. Forms of Investment. The funds of the Club may be invested only in obligations of the United States government and institutions cited in Section 4. Such investments can be treasury bills, U. S. government bonds, passbook savings accounts, certificates of deposit or similar instruments offered by such institutions. They may not be loaned to or invested with any officer, Director or member of the Club or with any other person, agency or government instrumentality.

Section 7. Club Financial Records. The financial records of the Club shall be available for inspection by the members at reasonable times and places. The Board of Directors shall cause the financial records of the Club to be reviewed annually by auditors selected by the Board of Directors who shall neither be Directors nor officers of the Club, and the report of the auditors shall be available to the members at all times.

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**ARTICLE X
Use Privileges**

Section 1. **Persons Who Can Use Club Facilities.** Class A members and the members of their households, as described in Article III, Section 3 (c) and (d), shall be eligible to use the facilities of the Club upon payment of annual dues and other fees or assessments approved by the Class A members entitled to vote.

Section 2. **Rules.** Rules and regulations governing the use of the facilities of the Club and provisions for enforcing those rules and regulations shall be promulgated and revised as necessary by a Rules Committee with the approval of the Board of Directors. Copies of these rules shall be provided to all members.

Section 3. **Non-Profit Organizations.** The Board of Directors may from time to time at its discretion allow the use of the Club's facilities by individuals and non-profit organizations upon such terms and conditions as it may see fit.

Section 4. **Summer Privileges for Waiting List Members.** The Board of Directors may at its discretion allow the summer use of the Club's facilities by individuals or families who reside in Virginia and who are on the waiting list to become Class A members ("Waiting List Members"). Waiting List Members shall have the right to use the Club's facilities as temporary guests for the summer season, provided they pay the requisite fees as set by the Board of Directors ("Summer Use Fees"), until such time as they are offered a Certificate of Membership. If a Waiting List Member does not purchase a Certificate of Membership when offered, the summer privileges for the Waiting List Member are terminated and the individual or family is removed from the waiting list. No Summer Use Fees will be refunded in these circumstances. Any Waiting List Member who turns down a Certificate of Membership and who is removed from the waiting list may reapply for membership the following year. An individual or family who turns down a Certificate of Membership when offered for a second time shall be ineligible to apply for any further membership in the Club. If a Waiting List Member becomes a Class A member during the time that the swimming pool facilities are open, then the Summer Use Fees paid by the Waiting List Member shall be applied in full towards the purchase of a Certificate of Membership. If a Waiting List Member becomes a Class A member after the swimming pool facilities have closed for the year, none of the Summer Use Fees shall be applied to the purchase of a Certificate of Membership. Waiting List Members, upon payment of the Summer Use Fees, shall have use of the Club's facilities only during the time that the swimming pool facilities are open. At no time may the total number of Waiting List Members exceed twenty percent (20%) of the Club's total authorized number of Certificates of Membership.

Waiting List Members from the prior year have first preference in any given year for summer privileges. Notices for payment of Summer Use Fees shall be sent to Waiting List Members in the same manner and at the same time as Member dues notices. If a Waiting List Member does not pay his or her Summer Use Fees in full by March 15, the Membership Director may immediately remove the Waiting List Member from the waiting list and offer summer privileges to applicants on the waiting list on a first come, first serve basis.

The Membership Director shall maintain a list of those applicants on the waiting list for Certificates of Membership and who wish to become a Waiting List Member upon availability.

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**ARTICLE XI
Liquidation**

The voluntary liquidation or dissolution of the Club shall require a vote of two-third (2/3) of the Class A members entitled to vote. The vote shall be cast at a meeting called for this purpose by the Board of Directors. All assets, upon liquidation, shall be distributed equally among the holders of record of the Certificates of Membership at the time of liquidation or dissolution.

**ARTICLE XII
By-laws**

Class A members entitled to vote who are present at a duly called members' meeting may amend, modify, reject or alter these By-Laws. The Board of Directors may propose amendments provided that the proposed text of each amendment bearing the signatures of at least ten (10) Class A members entitled to vote has been made available to the Secretary of the Club at least twenty (20) days before the meeting and has been included in the members' meeting notice. Amendments shall require a two-thirds (2/3) vote of the Class A members voting on such amendment. Copies of amended By-Laws must be made available to all members.

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