

**BY-LAWS**  
**OF**  
**WOODLAND HILLS CLUB**

**September 8, 2012**

## **BY-LAWS OF THE WOODLAND HILLS CLUB**

(A non-profit corporation chartered October 3, 1958  
under the laws of the Commonwealth of Pennsylvania)

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### **Article I - NAME**

The Corporation shall be named, known, and styled as the **Woodland Hills Club**, hereinafter referred to as the **Club**.

### **Article II - PURPOSE**

The purpose for which this Club is formed is to promote the health, mental and physical development, well-being and general welfare of its members; to construct, own and operate or lease and operate a swimming pool and other recreational facilities; to acquire by option, lease and/or purchase any property, real or personal, necessary or desirable for the operation of a swimming pool and other recreational facilities for swimming, aquatic sports, and other recreational activities; to raise funds, borrow money, pledge or hypothecate assets, execute evidences of indebtedness and to do any and all acts incidental to the accomplishment of the aforesaid purposes.

### **Article III - MEMBERS**

#### **A. JOINING THE CLUB**

1. The Membership Committee shall consider all applications for membership in the order in which they were received.
2. The applicants must be personally known and recommended by at least two members, as verified by the recommendee's signature.
3. The names of all recommended applicants will be posted in a suitable manner before the Board acts upon the applications. During that time, any member may submit, in writing to the Board, reason why any of the applicants should not be admitted to membership.
4. Membership shall be conferred upon those applicants who are approved by a majority of the Board.
5. All applicants accepted into membership are required to pay an initiation fee of not less than \$195.00 and are required to purchase a share certificate in the amount of not less than \$800.00. The exact amount of both fees shall be established by the Board upon recommendation of the Finance Committee. The

share certificate is not transferable; provided, however, that upon approval by the Board and payment of a transfer fee equal to the current initiation fee, a member may transfer his share certificate to one of his children twenty-one (21) years or older.

#### B. WAITING LIST OPTIONS

1. Full Membership will be offered to applicants who are on the waiting for at least one swim season, depending on availability.
2. If Full Membership is offered but not accepted, the application is voided and removed from the waiting list.
3. A Special Guest Seasonal Pass may be offered to applicants who are immediately interested in participating in the Club but are not yet eligible; depending on availability as determined by the Board of Directors.
4. If the Special Guest Seasonal Pass is offered but not accepted, the applicant will continue on the waiting list until Full Membership is offered.

#### C. MEMBERSHIP DEFINED

1. Membership in the Club shall be by family units. Each family unit shall contain a husband and wife, or head of family, and any of their children living in the household.
2. The membership shall be registered in the joint names of husbands and wives. In the event of death of a spouse, the surviving spouse shall be the owner of the membership. In the event of a divorce of the parties the membership shall belong to the spouse to whom ownership was transferred by agreement of the parties, or a court of competent jurisdiction. The former spouse of the resultant owner shall have no rights or privileges as a member after such transfer of ownership.
3. In addition, a family unit may also contain persons in the household not otherwise provided for in these By-Laws. The status and condition of membership for these latter persons shall be reviewed and re-established annually by the Board.
4. The term "Member" shall refer to any person in a family unit.

#### D. NUMBER OF FAMILY UNITS

The number of family units shall be estimated at 450.

#### E. PRIVILEGES AND OBLIGATIONS OF MEMBERSHIP

1. Members in good standing shall be entitled to the use of the facilities of the Club

subject to the Club By-Laws and Rules.

2. Members or their guests shall not bring or consume alcoholic beverages on the Club grounds, with the following exception:
  - a. Adult members and/or their guests (age 21 or older) shall be allowed to bring or consume alcoholic beverages on Club grounds at a Club sanctioned adult function. At such an event, no alcoholic beverages will be sold, purchased, or dispensed by the Club.
3. Any member shall pay for any property of the Club which is taken, broken, or damaged by that member or their guest.
4. Each family unit shall pay annual dues, and all other indebtedness that may be imposed upon or incurred by them or their guest within thirty (30) days after notification.
5. The Club assumes no responsibility for any accidents or injury occurring on Club property to any member or guest and the Club assumes no responsibility for the loss or damage of any property brought onto or left on the Club grounds by any members or guest.
6. Members shall not use the name of the **Woodland Hills Club** for any purpose without express written approval of the Board.

#### F. RESIGNATIONS

1. Any family unit may withdraw at any time, subject to the approval of the Board, by submitting a written resignation and the share certificate signed by the owner(s). Such a family unit shall no longer be extended the privileges of the Club.
2. If, in case of the resignation of a member in good standing, who may at some future date, not exceeding a five (5) year period, have the opportunity to rejoin the membership ranks, such application should be given preferential placement on the membership waiting list. The Bond will be non-transferable for a period of three (3) years.
3. Upon re-election of a family unit that has resigned, the fees charged shall be assessed in the same manner as the transfer of ownership, as described in Section A.5 of these By-Laws.

#### G. REDEMPTION PAYMENT

1. Except for redemption payment as hereinafter provided, each Share Certificate shall become null and void upon the date that the family unit ceases to hold

membership for any cause.

2. Share Certificates, subject to the provisions of **Article V.B**, shall be redeemed when replacing memberships become available in excess of the full membership of 450 family units. However, each Share Certificate shall be redeemed in the chronological order in which the memberships terminate.
3. The redemption value of the Share Certificate shall be the amount fixed as the purchase price in **Article III.A.5** at the time of redemption.

#### H. PENALTIES

1. Any family unit failing to pay annual dues or other indebtedness within thirty (30) days following notification shall be suspended until all indebtedness is paid and such indebtedness shall be in lien upon and charged against their Share. If this indebtedness is not paid within thirty (30) days following suspension, the Board may expel the family unit and proceed as outlined in **Article V.B.1**.
2. Any member may be suspended or expelled for other causes. Causes for suspension or expulsion shall, in general, consist of violation of these By-Laws, or of the Rules of the Club, or unbecoming conduct.
3. The Board may delegate to the Club Manager or guards the authority to suspend any member for a period not to exceed seven (7) days. A written report of such suspension shall be submitted to the President within 24 hours.
4. After having an opportunity for a hearing at a Board Meeting duly called for this purpose, a member may be suspended for a period not exceeding three (3) months by a two-thirds (2/3) vote of Board Members present at that meeting; or expelled by a three-fourths (3/4) vote of the entire membership of the Board.
5. Any member who has been suspended or expelled shall no longer be extended the privileges of the Club.

#### **Article IV - Board of Directors**

- A. The Club shall be managed by a Board of Directors (herein referred to as the Board), eight (8) in number, who shall serve without compensation.

#### B. NOMINATION AND ELECTION OF BOARD MEMBERS

1. The Nominating Committee shall nominate candidates for the Board to be filled at the Annual Membership Meeting. They shall report their nominations to the Secretary on or before one month preceding the Annual Meeting. Independent nominations of candidates may be made by a letter, signed by ten (10) family units, and delivered to the Secretary by one month preceding the Annual Meeting.

Nominations may also be made from the floor at the Annual Membership Meeting.

2. At each Annual Membership Meeting, two Directors shall be elected from among the members for a term of four (4) years or until their successors shall have been chosen; in addition, Director(s) shall be elected from the members to complete the term(s) of any Directorship which became vacant since the last Annual Meeting. No Director shall succeed himself/herself who has served two (2) years in succession. Any Director who ceases to be a member automatically ceases to be a Director.

### C. DUTIES OF THE BOARD

1. Consistent with these By-Laws, the duties of the Board shall be to:
  - a. Transact all Club business;
  - b. Make and amend Rules and Regulations for the use of Club property;
  - c. Appoint and remove clerks, agents, and contractors and fix their duties and compensations;
  - d. Approve membership applications;
  - e. Fix and impose penalties for violations of the By-laws and Rules and Regulations of the Club;
  - f. Elect and remove officers;
  - g. Constitute, appoint and define the powers and duties of Committees;
  - h. Fill any vacancy in the Board until the next Annual Membership Meeting;
  - i. Designate the bank or banks in which the Club funds shall be deposited; determine the manner in which these funds shall be disbursed. At least two Directors shall sign all instruments for the payment of funds drawn in the name of the Club;
  - j. Have the books of the Club reviewed at least every three years by an independent certified public accountant or public accountant selected by the Board who shall not be a member of the Board of Directors. The review shall be available to the members at all times;
  - k. Meet monthly and at such other times as may be necessary. Special meetings of the Board can be called by the President and shall be called by the Secretary upon the request of two (2) members of the Board. Notice of the regular monthly and special Board meetings shall be mailed to each Board Member at least five (5) days before the date of the meeting. A majority of the Board shall constitute a quorum;
  - l. Establish annual dues;
  - m. Fix the terms and conditions for guests;
  - n. Levy general and/or special assessments as shall be required for Club purposes, **providing, however**, that assessments for capital improvements, (IV.C.q) shall be approved by a composite majority vote of members present at a membership meeting and the proxy votes submitted;

- o. Provide proper interpretation of these By-Laws;
  - p. Prepare and distribute to the membership at least one report each year. This report is to include business to be covered by the Annual Meeting and general information. Such report is to be distributed during the month preceding the opening of the Pool, reporting the business covered at the Annual Membership Meeting.
  - q. Make such capital expenditures as are considered by the Board to be beneficial to the Club, **provided, however**, that whenever a capital improvement or addition shall require an expenditure in excess of **Five (5) percent** of the shareholders equity of the Club, the approval of the membership shall be required.
2. Nothing in these By-Laws shall be construed to permit the Board to borrow or pledge the credit of the Club without the specific approval of the membership after due notice.

#### D. PRIVILEGES OF THE BOARD

- 1. Board Members may extend privileges of the Club to any person or persons. Such action by any Board Member will be reported at the next Board Meeting.
- 2. Notwithstanding any other provision of these By-Laws, the Board shall have the authority to repurchase an outstanding Share upon demand by the Board and payment of redemption value (**Article III.F**) to owner.

#### E. OFFICERS OF THE BOARD AND THEIR DUTIES

- 1. The officers of this Club shall be a President, a Vice President, a Secretary, and a Treasurer. These officers shall be elected annually by the Board from among its members and shall hold office until the end of the first meeting of the Board following the Annual Membership Meeting of the Club or until their successors have been chosen.
- 2. The President shall preside at the meetings of the Club and of the Board. He/she shall appoint, subject to the confirmation by the Board, all standing committees, designating the duties and the Chairperson thereof, and all special committees as may be directed. He/she shall be, Ex-Officio, a member of all committees.
- 3. The Vice President, in the absence or disability of the President, shall act for the President. He/she shall under the direction of the President, attend to the business and financial operations of the Club, and shall be the Chairman of the Finance Committee. He/she shall be, Ex-Officio, a member of all committees.
- 4. The Secretary shall send notices of meetings of the Club and of the Board; keep the minutes, attend to the correspondence and other duties pertaining to this office.

5. The Treasurer shall keep the financial records of the Club, collect its revenues, pay such bills as are approved by the Board and prepare monthly financial statements for the Board. He/she shall deposit funds of the Club received by him/her in such depository as may be authorized by the Board and perform other duties pertaining to this office. He/she shall be bonded. The Board shall be permitted to delegate all of the duties of the Treasurer to the Club's bookkeeper who shall be appointed by the Board. In the event of the appointment of a bookkeeper, that person shall assume all of the duties of the Treasurer, shall be bonded and the Treasurer shall be relieved of the same but shall nevertheless remain a member of the Board.

#### F. PROTECTION FOR BOARD MEMBERS

1. Each person who acts as a Director shall be indemnified by the Club against expenses (including attorney's fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred by him/her in connection with the defense of any threatened, pending or completed action, suit or proceeding whether civil, criminal, administrative or investigative in which he/she is made a party or is threatened to be made a party by reason of his/her being or having been a Director, except in relation to matters as to which he/she shall be adjudged in such action, suit or proceedings to be liable for recklessness or willful misconduct, and except any sum paid for by the Club in settlement of any action, suit or proceeding based on recklessness or willful misconduct in the performance of his/her duties. Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the Club in advance of the final disposition of such action, suit or proceeding as authorized by the Board upon receipt of an undertaking by or on behalf of the Director to repay such amount unless it shall ultimately be determined that he/she is entitled to be indemnified by the Club as authorized hereunder.
2. The right of indemnification provided herein shall inure to each Director whether or not he/she is a Director at the time such costs or expenses are imposed or incurred, and in event of his/her death shall extend to his/her legal representative.
3. A Director of the Club shall not be personally liable for monetary damages as a result of any action taken or any failure to take action, provided however, that this paragraph shall be inapplicable to any action taken or and failure to take action which occurred prior to January 27, 1987 and shall be inapplicable to (1) the breach or failure to perform the duties of office relating to standard of care and justifiable reliance, as set forth in the Directors' Liability Act, 42 Pa. Con. Stat. Section 8363, its amendments or any successor statutes in effect at the time of the alleged breach or failure to perform, and the breach or failure to perform constitutes self-dealing, willful misconduct or recklessness; and shall not apply to (2) the responsibility or liability of a Director pursuant to any criminal statute; or (3) the liability of a Director for the payment of taxes pursuant to local, State or Federal law. The rights conferred by this paragraph shall continue as to any



person who has ceased to be a Director and shall inure to the benefit of the heirs, executors, and administrators of such person

#### G. EXPULSION OF BOARD MEMBER

Any member of the Board may be removed from office by a majority vote of the family units present in person at any membership meeting called in accordance with these By-Laws.

### **Article V - Dues, Fees, Liens**

#### A. ANNUAL DUES

Annual dues shall be payable for the fiscal year (October 1 to September 30) and shall be sufficient to provide for the necessary operating expenses of the Club and the proper maintenance and improvement of its property.

#### B. LIENS

1. Upon cessation of membership for any cause, all indebtedness owed the Club by a family unit shall be a lien upon and charged against their Share, and the Share may be taken over by the Club to satisfy such indebtedness. If the Club is unable to obtain possession of the Share, it may be canceled on the books of the Club, and a new Share issued in place thereof to a newly elected family unit on payment by them to the Club of the purchase value of the Share as fixed by **Article III.F**. In case of the enforcement of a lien, neither the signature of the owner nor the delivery of the Share shall be requisite to perfect the transfer to the Club, or to a new possessor, and the Treasurer of the Club is designated as the agent for such member and is authorized to make such transfer. Every Share issued is expressly subject to the provisions of this section.
2. In the event of dissolution of the Club, Shares shall be a lien upon the proceeds of the sale of the property of the Club after the payment of all its debts and obligations. Any surplus remaining shall be distributed pro rata among the then membership of the Club, subject to set-off of all debts, dues and obligations owed by the family units.
3. All fees and other charges mentioned herein are exclusive of taxes imposed by the Federal, State, and other governmental bodies and agencies.

### **Article VI - Membership Meetings**

#### A. ANNUAL MEETINGS

The Annual Membership Meeting of the Club shall be held during the month of September in each year at a place and time determined by the Board for the purpose

of electing Directors and Nominating Committee members, presenting Committee reports and transacting other business indicated in the notice or duly brought before the meeting.

#### B. SPECIAL MEETINGS

Special membership meetings of the Club may be called by the Board. Also, a special membership meeting shall be called by the Secretary upon the written request of twenty-five (25) family units. The written request shall be addressed to the Board and shall state the purpose of the meeting. This meeting must be held within thirty (30) days after receipt of the request. Only that business for which the meeting is called will be transacted.

#### C. NOTICE OF MEETINGS

1. Notice of Annual and Special Membership Meetings shall be mailed to the members at least five (5) days prior thereto. The notice shall include the agenda and the last monthly financial statement of the Club.
2. Wherever the By-Laws require notice to members, the mailing of such notice to their last known address shall constitute notice.

#### D. QUORUM

Adult members from twenty (20) separate family units, present in person shall constitute a quorum at all Club meetings.

#### E. VOTING

Only one adult member in each family unit shall be entitled to vote. Representation by proxy is permitted.

### **Article VII - Committees**

#### A. STANDING COMMITTEES

1. The Standing Committees shall be Pool, Program, Membership, Publicity, Finance, Rules, and Nominating. The powers and duties assigned to the Standing Committees shall be designated in writing by the President, subject to confirmation by the Board.
2. The Pool and Grounds Committees shall exercise supervision over the pool and grounds; shall be responsible for the improvement and maintenance of the pool, buildings, operating equipment, and grounds; and, in conjunction with the Rules Committee, shall supervise the enforcement of the Rules and Regulations of the Club. A Board member shall head each of these two committees.

3. The Program Committee shall prepare and supervise the program of instruction and entertainment.
4. The Membership Committee shall investigate and report to the Board upon applicants for membership.
5. The Publicity Committee shall attend to the publication of affairs of the Club.
6. The Finance Committee shall prepare the annual budget for submission to and approval by the Board; and shall exercise supervision over the financial transactions of the Club.
7. The Rules Committee shall prepare rules of health, safety, and conduct in conjunction with the operation of the Club and shall, in conjunction with the Pool and Grounds Committees, supervise the enforcement of the rules and regulations of the Club and shall review the rules and regulations each year, making recommendation for revision for approval by the Board.
8. The Nominating Committee shall nominate candidates for the Board and for the Nominating Committee for the succeeding year. This committee shall be composed of five (5) members of the Club. Three (3) members shall be elected at the Annual Membership Meeting of the Club; the other two (2) shall be elected by the Board from among the Directors who are ineligible for election at the ensuing Annual Membership Meeting of the Club. Any vacancy occurring among the three (3) members chosen by the Club shall be filled by the remaining members or member so chosen.

### **Article VIII - Amending of By-Laws**

These By-Laws may be amended by a two-thirds (2/3) vote of the members present in person or represented by proxy at any meeting of the Club, provided at least five (5) days notice of such amendment by mail shall be given to each member.