

Tallyho Club, Inc.

8650 Bells Mill Road
Potomac, Maryland 20854

- Bylaws –
Amended as of January 18, 2024

ARTICLE I

Name and Purpose

Section 1. The name of this organization shall be Tallyho Club, Inc., hereinafter referred to as the Club.

Section 2. The purpose of the Club is to promote the health and general welfare of its members through the construction, ownership, and operation, on a non-profit basis, of a swimming pool and related recreational facilities.

ARTICLE II

Membership

Section 1. The Club membership shall consist of family units comprised of the permanent resident members of the family and, upon approval by the Board of Directors, any other person temporarily residing with the family unit.

Member Classes

Full Membership – Annual dues plus a one-time, non-refundable Initiation Fee. Full members are guaranteed a space every year. An inactive fee must be paid in lieu of annual dues if you will not be active for a given year (see Article II, Section 7). Subclasses of memberships in this category may be offered with different terms, conditions, and fees.

Seasonal Membership – Annual dues plus a surcharge established by the Board. Seasonal members are not guaranteed a space every year. These memberships will only be offered if space allows and are limited to two consecutive years. Subclasses of memberships in this category may be offered with different terms, conditions, and fees.

Section 2. Each application for membership shall be made in writing and must be accepted by the Board of Directors or its designee. The Secretary shall keep a record of all current members of the Club.

Section 3. The Board shall have the power to increase or limit the number of memberships (family units) as circumstances dictate, with the goal of maximizing the number of people able to use the Club's facilities, within the occupancy limits prescribed by the Montgomery County Department of Health and Human Services. Membership fees shall be paid in accordance with such terms and conditions as the Board of Directors may establish.

Section 4. Notice of voluntary withdrawal shall consist of a cancellation request submitted through the online membership portal, by written notice sent via email to the Club's membership email address, or by written notice sent via USPS mail sent to the Board of Directors.

For bonded members who joined prior to 2024, except as provided in this Section, upon withdrawal from membership in the Club, a member shall offer to sell his or her membership to the Club. The repurchase price of a membership shall be equal to eighty percent (80%) of the bond paid for the membership. Members whose bonds have not been paid in full are not eligible to be repurchased, and their bond amounts will be forfeited. Members whose accounts are in default will have their bonds forfeited and are not eligible for repurchase. The Club shall deduct any indebtedness owed by the resigning member to the Club from the repurchase price. This repurchase from the resigning member shall be affected at the option of the Board of Directors. If the Board of Directors does not exercise its option, the member may seek a purchaser and sell his or her membership; provided, however, that (i) the member does not sell the membership for more than purchase price paid by the member for the membership and (ii) the purchaser is acceptable to the Board of Directors.

Section 5. If all the memberships available pursuant to Section 3 of this Article have not been purchased, prospective parties shall be considered for membership on request. If all the available memberships have been purchased, the Director responsible for Membership shall maintain a waitlist consisting of prospective members. The waitlist will be ordered based on a prioritization system determined by the Board of Directors. Prospective non-members may request to be added or removed from the waitlist. The Club may require those on the waitlist to reconfirm their interest, at which time those that do not confirm may be removed from the waitlist if a response is not provided within ten (10) days of request. When a membership space becomes available, the next party on the waitlist is offered the membership. The party must indicate in writing, accompanied by the necessary fees, their acceptance of the offered membership within ten (10) days of such offer. In the event a party refuses a membership space when offered by the Board, the party shall be removed from the waiting list and such an offer is to be submitted to the next party on the waitlist.

Section 6. If all the Full memberships available pursuant to Section 34 of this Article have not been purchased, the Board of Directors may offer Seasonal Memberships. Seasonal Members shall be entitled to the same rights, privileges, and obligations as regular

full members other than voting and other rights accorded to full members only. Each Seasonal Member shall pay in advance annual dues plus a surcharge determined by the Board of Directors of the annual dues paid by full members for that season. A Seasonal Membership shall count towards the number of Memberships that may be purchased pursuant to Section 3 of Article II. Seasonal membership does not confer a right to become a full member or a Seasonal Member in the future. Seasonal Membership is limited to two consecutive seasons. If necessary, the Director responsible for membership shall maintain a waiting list of prospective Seasonal Members. Parties on the waiting list shall be considered for Seasonal membership in order of prioritization.

Section 7. In the event that a member notifies the Board that he or she shall be unable to utilize his or her family membership for a season, the Board shall offer a Seasonal Membership (as described in Section 6 of this Article) to parties on the waitlist. Unless permitted by the Board of Directors, no member may make his or her membership available for a Seasonal Membership for more than two consecutive years. The Board may charge a fee for the privilege of going inactive and may limit the number of members who may go inactive in a season.

Section 8. The Board shall determine which unused types of products and services that may be carried over season to season or expire at the end of each season. Purchases are non-refundable unless the Club is unable to provide the service. Services, passes, and memberships are non-transferrable.

ARTICLE III

Meetings of Members

Section 1. All meetings of members shall be held in Montgomery County, Maryland at a time and place designated by the Board of Directors. Each member shall be given not less than ten (10) nor more than ninety (90) days written notice of the purpose, time and place of each meeting. Such notice will be sent using an accepted communication channel set forth in Article V Section 3 of the bylaws using the last known contact information in the Club's records. Business transacted at any meeting shall be limited to the purpose(s) stated in the notice of that meeting. Any matter proposed by at least twenty-five (25) members shall be included as a business item in the notice of any membership meeting if (i) a written request for such inclusion is given the President not less than twenty-five (25) days prior to the meeting; or (ii) a motion relating to such inclusion which is offered at the next preceding meeting receives at least twenty-five (25) affirmative votes. An opportunity for open discussion at each membership meeting shall be provided.

Section 2. Annual meetings of the Club shall be held during January, at which time the members shall elect directors in accordance with the provisions of Article IV herein, approve the operating annual budget in accordance with the provisions of Article VIII for each fiscal year and transact such other business as may properly be brought before the meeting. Failure to hold the Annual Meeting at the designated time shall not work a forfeiture

or dissolution of the Club, but if the Annual Meeting shall not be called and held within two (2) months after the designated time, any member may call such meeting by written request to the Secretary, who shall then notify members of the purpose, time and place. This meeting shall be within thirty (30) days of receipt of request.

Section 3. Special meetings of the Club, for any purpose, unless otherwise proscribed by statute or by the certificate of incorporation, may be called by the Board of Directors.

Section 4. Fifteen (15) voting members present in person shall constitute a quorum at all meetings of the Club for the transaction of business except as otherwise provided by statute.

Section 5. When a quorum is present at any meeting, the vote of the majority of the voting members present in person shall decide any question brought before such meeting, unless the question is one upon which by express provision of the statutes or of the Certificate of Incorporation or of these Bylaws, a different vote is required, in which case such express provision shall govern and control the decision of such question.

Section 6. Each member (i.e., family unit) shall be entitled to one (1) vote at Club meetings which may be cast by any adult member of the family unit.

Section 7. If any otherwise properly called meeting cannot proceed because a quorum has not attended, the presiding officer may, except as otherwise provided in these Bylaws, adjourn the meeting to such time and place as the Board of Directors may determine. The Board shall within five (5) days determine the time and place for such adjourned meeting and send notices thereof to each member as provided in Section 1 of Article III.

ARTICLE IV

Directors

Section 1. The number of Directors which shall constitute the whole Board shall be seven (7). Up to two (2) additional Directors may hold office on the Board for one (1) year to facilitate succession transitions between incoming and outgoing directors, during which the whole Board may constitute nine (9) members. Directors shall be elected at the Annual Meeting of the Club by majority vote of the members present, so long as a quorum is present, with each family unit allowed to vote for as many candidates as there are directors to be elected. Directors shall be elected to staggered three-year terms, such that during each three-year period, approximately one-third of the Directors are elected in year one, approximately one-third in year two, and approximately one-third in year three. Each Director shall hold office until the election of his or her successor. Each Director shall belong to a family unit that is a Member of the Club.

Section 2. Any vacancy in the Board of Directors, other than those created

upon the expiration of a term, shall be filled by vote of a plurality of the remaining Directors; but the Directors so chosen shall hold office only until a successor is elected, at the next Annual Meeting of the members, to complete the unexpired term. A vacancy in the Board of Directors resulting from the removal of a Director by the members of the Club may be filled by a majority vote of the members of the Club; a Director elected by the members of the Club to fill a vacancy which results from the removal of a Director shall serve for the balance of the term of the removed Director.

Section 3, The Board of Directors shall have the general direction and control of the affairs of the Club. Without limiting the authority of the Board, the Board shall:

- a) Elect officers as provided in Article VII herein.
- b) Set the annual budget for the Club and approve all commercial loans or other debts undertaken to satisfy the budgetary requirements.
- c) Transact all business necessary and proper for the efficient management of the Club including the appointment and removal of such agents or employees as it may deem necessary, including the fixing of their duties and compensation.
- d) Act upon applications for membership.
- e) Fill vacancies in the Board of Directors.
- f) Appoint all committees necessary for the functioning of the Club.
- g) Fix the terms and conditions by which guests of members may use the facilities of the Club.
- h) Prescribe the rules and regulations for the operation of the swimming pool and other recreational facilities.
- i) Designate the depository and conditions of deposit for the funds of the Club, and institute appropriate financial safeguards for payment of funds by the Club.
- j) Establish membership fees.
- k) Establish the purchase price of a membership which may be payable over time with or without interest.
- l) Perform such other duties as are assigned to it in these Bylaws or by resolution of the members.

Section 4. The Board of Directors shall meet at the call of the President, or three (3) members of the Board, at such place as shall be determined by the person or persons

calling the meeting.

Section 5. Members of the Board shall be given at least two (2) days' notice of a meeting, delivered using a method of communication set forth in Article V Section 3 of this document.

Section 6. At all meetings of the Board, a majority of the Directors then in office shall constitute a quorum for the transaction of business, and the action of a majority of the Directors present at any meeting at which there is a quorum shall be the action of the Board of Directors, except as may be otherwise specifically provided by statute or by the Certificate of Incorporation or these Bylaws.

Section 7. Formal action of the Directors required or permitted to be taken at any meeting of the Board of Directors may be taken without a meeting if unanimous written consent to such action is signed by all Directors and is filed with the minutes of the next meeting of the Board of Directors.

Section 8. Any member of the Board of Directors may be removed from office by a majority vote of at least twenty-five (25) percent of the members of the Club at either the Annual Meeting of the Club or a special meeting of the Club called in accordance with these Bylaws. The Board of Directors may suspend the service of a Board member while awaiting the vote for removal.

Section 9. Members of the Board of Directors shall receive no compensation for their services as Directors.

ARTICLE V

Notices

Section 1. Notices to Directors and members shall be in writing and delivered personally, mailed, or emailed to the directors or members at their addresses appearing on the books of the Club. Notice by mail shall be deemed to be given at the time when deposited into a U.S. Postal Service mailbox or otherwise turned over to the U.S. Postal Service or to a private delivery company.

Section 2. Whenever any notice is required to be given by statute, Certificate of Incorporation or these Bylaws, a waiver thereof in writing, signed by the person or persons entitled to said notice, whether before or after the time stated therein, shall be deemed to be adequate notice. Attendance at a meeting, except for the purpose of objecting to the lack of proper notice thereof, shall constitute a waiver of notice of that meeting.

Section 3. Communications to Members about the Club or their account, meeting notices, alerts, or other information sent from the Board of Directors, its committees, or their designees may be delivered using any generally acceptable physical or electronic

means including email, Club-managed websites and membership portals, third-party managed websites and Internet services used in conjunction with the Club, mail (USPS), carrier service (ex. UPS, FedEx), hand delivery, or verbal notification. Club-managed social media, telephone, SMS and text messages, fax, or other electronic means may be used for general notices about the club or other preselected notices.

ARTICLE VI

Nominations

Section 1. (a) The Board of Directors shall appoint a Nominating Committee composed of no more than three adult members of the Club.

(b) Members of the Nominating Committee shall serve at the pleasure of the Board of Directors and may be removed by the majority vote of the Directors then in office. Vacancies created by the resignation or removal of such members shall be filled by the Board of Directors.

(c) The Nominating Committee shall elect its own Chairperson. Meetings of the Nominating Committee shall be called by the Chairperson.

Section 2. The Nominating Committee shall nominate from among the member candidates for the vacancies in the Board of Directors to be filled at the next Annual Meeting; and shall report such nominations to the Secretary at least thirty (30) days prior to the Annual Meeting. The Secretary shall list the nominations in a notice of the Annual Meeting sent to all members.

Section 3. Nominations may be made from the floor at the Annual Meeting.

Section 4. Consent of all nominees to accept office shall be obtained by the Nominating Committee or by the nominator, if made from the floor at the Annual Meeting, in advance of their nomination.

ARTICLE VII

Officers

Section 1. The officers of the Club shall be chosen by the Board of Directors and shall be a President, a Vice President, a Secretary, and a Treasurer chosen from among the Directors. The Board of Directors may choose one or more at-large directors. Two or more offices may not be held by the same person.

Section 2. The Board of Directors shall choose the officers at its first meeting after each Annual Meeting of the members. The officers shall serve until the first Board

meeting following the next Annual Meeting, or until their successors are elected and qualified.

Section 3. The Board of Directors may appoint such other officers and agents as it shall deem necessary who shall hold their offices for such terms and shall exercise such powers and perform such duties as shall be determined from time to time by the Board.

Section 4. Any officer elected or appointed by the Board of Directors may be removed at any time by an affirmative vote of a majority of the Board of Directors. Any vacancy occurring in any office of the Club by death, resignation, removal or otherwise shall be filled by the Board of Directors.

The President

Section 5. The President shall be the chief executive officer of the Club, shall preside at all meetings of the members and of the Board of Directors, shall be ex-officio a member of all standing committees other than the Nominating Committee, shall have general and active management of the business of the Club, and shall see that all orders and resolutions of the Board of Directors are carried into effect.

Section 6. He or she shall execute bonds, mortgages and other contracts requiring a seal, under the seal of the Club, except where required or permitted by law to be otherwise signed and executed and except where the signing and execution thereof shall be expressly delegated by the Board of Directors to some other officer or agent of the Club.

The Vice President

Section 7. The Vice President, shall in the absence or disability of the President or upon the express instruction of the President, perform the duties and exercise the powers of the President. He or she shall perform such other duties and have such other powers as these Bylaws or the Board of Directors may, from time to time, prescribe.

The Secretary

Section 8. The Secretary shall record all proceedings of the meetings of the Club and of the Board of Directors. In the absence of the Secretary, another member of the Board of Directors shall record such proceedings. The Secretary shall maintain a record of such proceedings in a book to be kept for that purpose. He or she shall perform like duties for the standing committees when required. He or she shall give, or cause to be given, notice of all meetings of the members and special meetings of the Board of Directors, or the President, under whose supervision he or she shall be. The Secretary shall perform such other duties as these Bylaws or the Board of Directors may, from time to time, prescribe.

The Treasurer

Section 9. The Treasurer shall have the custody of the Club Funds and securities and shall keep full and accurate accounts of receipts and disbursements in books belonging to the Club and shall deposit all monies and other valuable effects in the name and to the credit of the Club in such depositories as may be designated by the Board of Directors.

Section 10. He or she shall disburse or cause to be disbursed the funds of the Club as may be ordered by the Board of Directors, taking proper vouchers for such disbursements, and shall render to the President and the Board of Directors, at its regular meeting, or when the Board of Directors so requires, an accounting of all his or her transactions as Treasurer and of the financial condition of the Club. He or she shall perform such other duties and have such other powers as these Bylaws, or the Board of Directors may from time to time prescribe.

ARTICLE VIII

Dues

Section 1. The Board of Directors shall recommend annual dues and per capita apportionment for members, necessary for the expenses of the Club and proper maintenance and improvement of its property. The total amount to be realized from annual dues shall be determined on the basis of an annual operating budget, prepared by the Board of Directors and approved by a majority of the members present at the Annual Meeting at which a quorum is present. A copy of the proposed budget, and the Balance Sheet and the Statement of Income each for the year just concluded, shall be made available to any member upon request.

Section 2. All dues shall be payable on or before the first day of March each year, unless otherwise determined by the Board. A notice covering the amount of dues for the current year shall be sent by February 1 of each year using a method of communication set forth in Article V Section 3 of the bylaws. No dues shall be refunded in the event that operations of the Club facilities are suspended for any period, unless otherwise provided by the Board.

Section 3. If a member fails to pay his or her dues within the later of (i) fifteen (15) days after the payable date established pursuant to Section 2 of this Article or (ii) forty-five (45) days after the notice covering the amount of dues for the current year is mailed, the member shall be liable for late fees equal to seven and one-half percent (7 1/2%) of the annual dues or such other amount as determined by the Board prior to the approval of the annual operating budget for the year. Any unpaid late fees shall be deducted from the repurchase price of the membership in accordance with Section 5 of Article II if the Board of Directors exercises its option to repurchase the membership when the member resigns.

Section 4. If a member has not paid his or her dues within thirty (30) days after the payable date established pursuant to Section 2 of this Article, the member may be suspended and refused all rights and privileges of the Club by majority vote of the Board

without notice and without a right to a hearing. Any member who is thus suspended shall immediately be notified in writing by the Secretary of his or her suspension and if his or her indebtedness shall not be paid within fifteen (15) days after such notice is sent, the membership of such delinquent member may be revoked by majority vote of the Board. The unpaid dues and any other indebtedness to the Club (including late fee) of the expelled member will be automatically deducted from the repurchase price of his or her membership and the remainder of the repurchase price, if any, will then be returned to the expelled member.

ARTICLE IX

GENERAL PROVISIONS

Section 1. Any member of the Club may withdraw by written notice to the Board of Directors at any time subject to the provisions of Article II, and there shall be no refund of the current year's dues except as may be provided otherwise by the Board.

Section 2. In addition to the suspensions provided for in Section 4 of Article VIII, any member may be suspended or terminated for willful violation of these bylaws or of the rules of the Club, or for unbecoming conduct as determined at the sole discretion of the Board. The Board, at its sole discretion, may issue a warning, suspension, or membership termination by a two-thirds (2/3) vote of the members of the Board of Directors. Suspension or revocation of membership may be applied either to an entire family unit or to any person in that family unit. The party or family unit whose membership is revoked or suspended may appeal such action to the Board within seven business days of the revocation or suspension. No dues shall be refunded in the event of membership revocation of a family unit, and any such family unit shall have its membership redeemed in accordance with Section 6 of Article II.

Section 3. The Board of Directors may delegate to an administrative committee, or to a responsible employee of the Club, the power to deny access to any member of a family unit for violation of Club rules and regulations for a period not to exceed forty-eight (48) hours. A report of such suspension, containing reasons therefore, shall be submitted to the President or other officer of the Club within forty-eight (48) hours.

Section 4. (a) All members of the Club shall be accorded the facilities of the Club subject to the rules and regulations which shall be adopted by the Board of Directors and posted at all times at a clearly visible location at the Club.

(b) Except as otherwise provided in these Bylaws, the Board of Directors at its discretion may extend privileges of the Club to nonmembers.

(c) The Board of Directors shall have the full power to deny the use of the Club's facilities to any non-member.

(d) Any property of the Club either willfully or negligently broken or damaged by a member or his or her guest shall promptly be paid for by the member unless otherwise provided by the Board.

(e) The Club assumes no responsibility, and members or their guests can have no claim against the Club for, the property of members or any guest which may be brought into or left in the buildings or on the grounds.

Section 5. The Board of Directors shall present at each Annual Meeting, and when called for by a vote of the members at any special meeting of the members, a full and clear statement of the business and financial condition of the Club.

Section 6. The fiscal year of the Club shall be fixed by resolution of the Board of Directors. There shall be an annual accounting review. The books of account and membership records of the Club shall be available for inspection at reasonable times by any member.

Section 7. Each person who acts as a Director or officer of the Club shall be indemnified by the Club to the maximum extent permitted by section 2-418 of the Maryland General Corporation Law or any successor provision thereto.

Section 8. No special assessment shall be levied without the prior approval of a majority of at least 50 percent of the membership of the Club at either the Annual Meeting of the Club or a special meeting of the Club called in accordance with these Bylaws.

Section 9. After the first general meeting in November 1969, real property shall be disposed of or encumbered only on approval of two-thirds (2/3) of the members in good standing. Prior to the first general meeting the Board of Directors shall be empowered to acquire, encumber, or dispose of real property in accordance with the purposes for which the Club was organized.

Section 10. No expenditure or obligation in excess of a total of \$50,000 for any new major capital construction or improvement shall be made by the Club except upon approval of a majority of the members present at a meeting at which a quorum was present where consideration of such expenditure was clearly communicated in the meeting notice.

ARTICLE X

Dissolution of Corporation

Section 1. In the event of dissolution or liquidation of the Club, after payments of all debts and the liquidation of all liabilities, the assets of the Club shall be disposed of as follows:

(a) There shall be a pro-rata distribution among the active members (i.e., family units) at the time of dissolution, of an amount not exceeding the cost of the Bond or

Initiation Fee. Upon payment to the holder of the membership certificate, his or her certificate shall be assigned to the Club and canceled.

Section 2. After retirement and distribution as set forth in (a) above, any excess remaining shall be distributed to such charities exempt from taxation under Internal Revenue Code section 501(c)(3), as the members entitled to vote shall decide at a meeting called especially for such purpose.

ARTICLE XI

Changes of Bylaws

Section 1. These bylaws may be altered or repealed, by vote of two-thirds (2/3) of the members present, at any regular or special meetings of the Club at which a quorum is present, or by, if the notice of such proposed alteration or repeal is given in accordance with Section 1 of Article III.

ARTICLE XII

Section 1. “Robert's Rules of Order” shall govern at all meetings.

(Original bylaws written on October 22, 1968, and amended 1969, 1970, 1971, 1972, 1973, 1975, 1976, 1977, 1978, 1979, 1996, 2023)