

San Marino Tennis Foundation

By-laws

As of

February 6, 2017

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**BY-LAWS
OF
SAN MARINO TENNIS FOUNDATION**

Article I

The operating name of the SAN MARINO TENNIS FOUNDATION shall be “San Marino Tennis Foundation” (also referred to herein as the “Foundation”).

Article II

Corporate powers. The corporate powers of this corporation shall be vested in the Board of Directors.

Article III

Annual Membership Meetings. The annual meetings of members (the “Members”) of the Foundation (“Annual Meetings”) shall be held at the San Marino Public Library or at such other place as may be designated by the President of the Foundation on the first Monday of February of each year at 7:30 P.M. Notice of the annual meeting shall be sent by the Secretary to each Member at such Member’s last known email address (the email address as listed in the official online roster) at least ten (10) days prior to the annual meeting. If a Membership (as defined below) consists of more than one Member, a single notice to such Membership’s Primary Member (as defined below) is sufficient. At that meeting, the President, Secretary and Treasurer shall render their reports concerning the finances and general business of the Foundation, and such other business shall be transacted as shall be brought before the meeting.

The Secretary shall call the roll at the opening of the meeting, and should there be no quorum present, the President shall adjourn the meeting to a later date as he deems proper.

The order of business shall be as follows:

1. **Reading of minutes of the previous Annual Meeting.**
2. **Report of officers.**
3. **Election of officers and directors.**
4. **Miscellaneous business.**

At any meeting of the Members of the Foundation, twelve (12) Memberships entitled to vote, personally present or presented by proxy or by email, shall constitute a quorum for the election of officers and directors and all other business. Such vote shall be valid as if a majority of the voting Memberships were present.

Article IV

Membership. There shall be four classes of membership in the Foundation (each, a “Membership”). The number of Memberships and resulting Members shall be subject to limitation by the Board of Directors. New Memberships shall only be available to persons who are: (a) residents within the boundaries of the San Marino School District (the “School District”), or (b) are employed by the School District or the City of San Marino, or (c) are admitted under Sections 1, 2 or 3 of this Article IV.

1. Regular Membership. Regular Memberships shall be restricted to individuals who are residents within the boundaries of the School District or individuals employed within the School District (the “Regular Membership Prerequisites”). An individual who applies for and qualifies for a Regular Membership and pays the membership fee shall, upon admission, become a Regular Member with a Regular Membership (and shall be considered the “Primary Regular Member” of such individual’s Regular Membership). Each immediate family member and dependent living in the household of a Primary Regular Member shall also be considered a “Regular Member” of the Foundation. These Members shall have all privileges of Regular Members to the use of

the facilities as set forth by the Foundation, except that special rules may be established by the Board of Directors for Members under 18 years old. Regular Membership status will remain in effect so long as all fees are paid and the Regular Membership Prerequisites are satisfied. Subject to the approval of the Board of Directors, a Regular Membership of more than 2 years duration may be extended for a period not to exceed 2 additional years notwithstanding that the Regular Membership Prerequisites are no longer satisfied. A Regular Membership shall continue for the lifetime of the Primary Regular Member, and upon the Primary Regular Member's death, shall continue for the lifetime of the then spouse at the time of death of the primary Regular Member (and such spouse shall thereafter become the Primary Regular Member of such Regular Membership), provided in each case that the applicable membership fees are paid and the Regular Membership Prerequisites continue to be satisfied. Each Regular Membership shall be entitled to one vote at any and all meetings of the general membership (notwithstanding that such Regular Membership may consist of more than one Regular Member).

2. **Associate Membership.** Associate Membership may be granted by the Board of Directors to those persons who do not meet the Regular Membership Prerequisites. Members having an Associate Membership shall have all rights and privileges of a Regular Membership except that an Associate Membership (and Associate Members) will not have voting rights in the Foundation. An Associate Membership shall be required to pay a membership fee and the annual dues as determined by the Foundation.

An individual who is approved by the Foundation for an Associate Membership and pays the membership fee shall, upon admission become an Associate Member (and shall be the "Primary Associate Member" of such individual's Associate Membership). Any

immediate family member or dependent living in the household of the Primary Associate Member may also be granted status of an “Associate Member” (as part of such Primary Associate Member’s Associate Membership), but only with specific approval by the Foundation. These individual, once admitted, shall have all privileges to the use of the facilities as set forth by the Foundation, except that special rules may be established by the Board of Directors for Associate Members under 18 years old. An Associate Membership shall continue only for the lifetime of the Primary Associate Member, provided applicable fees are paid, and shall automatically terminate upon the death of the Primary Associate Member.

Any Regular Member having Regular Membership status who is in good standing for the immediate two (2) years prior to the date of application who is no longer eligible for Regular Membership due to a change in residency or employment may apply for a change to Associate Membership status. Upon Foundation approval of the conversion from Regular Membership to Associate Membership status, the converted membership will not need to pay an Associate Membership initiation fee, but will be responsible for Associate Membership fees as they come due.

The Board of Directors will limit the number of Associate Members to a maximum of ten percent (10%) of the total number of Members (excluding Inactive Members and Honorary Members). Applications for Associate Membership shall be considered in the order received, except for those converting from Regular Membership to Associate Membership, which will be considered prior to other applications for Associate Membership (in the order received) and shall take effect immediately upon Board approval.

3. **Honorary Membership.** Honorary Membership may be bestowed on a named individual (the “Honorary Member”), at a duly noticed meeting of the general membership. Honorary Members shall have no voting or other rights or privileges of membership in the Foundation.

4. **Inactive Membership.** Inactive Membership may be obtained by application to the Board of Directors by any Member having a Membership which is not in arrears in payment of fees or other monetary obligations to the Foundation. If granted, Membership converted to Inactive Membership will no longer be entitled to any rights and privileges with regard to the Foundation and the payment of fees will be suspended. At any time upon request of the Primary Member with respect to the Inactive Membership, an Inactive Membership may be restored to its prior membership status (Regular or Associate) by the Board of Directors. Upon restoration of former membership status, the applicable Member shall pay the full current annual dues amount for the applicable category of Membership if the Membership is restored before July 1st; the Member shall pay half the current annual dues amount for the applicable category of Membership if the Membership is restored on or after July 1st. No Membership may apply for inactive status within three years following restoration of active status.

Article V

Requirements of Membership. A Membership shall be granted only after payment of the required membership fee to the Foundation in an amount specified by the Board of Directors. This membership fee shall be utilized for the construction, maintenance, operation, and repair of the tennis facilities maintained and operated by the Foundation in Lacy Park, and for programs and operational services offered. The amount of the membership fee shall be as fixed from time to time by the Board of Directors. Regular

Members and Associate Members shall be given the privilege of reserving a court for singles, doubles, or rallying. However, Member use of the online reservation system is a privilege and not a right of Membership, and as such is only provided to Members in good standing who comply with rules and procedures as established by the Foundation.

Article VI

Transfer of Membership. In general, Memberships are non-transferable except that a request for a transfer of Membership in the Foundation may be approved by the Board of Directors in its sole and absolute discretion so long as the individual receiving the transferred Membership meets the requirements for the applicable Membership as set forth herein.

Article VII

Fees.

(a) Fees shall be paid annually in advance and shall be fixed from time to time by the Board of Directors.

(b) Fees for new Members who join during the calendar year shall be prorated.

(c) A late fee will be assessed if a Member does not pay their annual dues by February 15th (the amount of the late fee to be set by the Board of Directors). Membership shall be suspended for any Membership that has not paid its annual dues by March 31st.

(d) A suspended Member may request reinstatement from the Board of Directors. The suspended Member shall, upon approval of the Board of Directors, be reinstated to full Membership upon such terms as may be designated by the Board of Directors. Upon reinstatement, the Member shall pay the full current annual dues amount. In addition to paying the late fee and the appropriate annual dues amount, the Member

will also be required to pay a reinstatement fee (the amount of the fee to be set by the Board of Directors).

Article VIII

Expulsion; Suspension from Membership.

(a) Any Membership may be suspended or terminated by the vote of at least two-thirds of the Board of Directors entitled to vote and after a hearing by the Board of Directors, provided that such Member shall have been served by mail or email at least twenty one (21) days prior to the time fixed for the hearing by written copy of the reasons for the proposed suspension or termination made against such Member and a written notice of the time and place of the hearing.

(b) No Membership shall be suspended or terminated unless a reason shall be first given to the Member whose Membership is being suspended or terminated and such reasons are filed with the Secretary and served as aforesaid and unless a hearing be accorded and at such hearing the Member be found to have committed the offense(s) stated in the notice.

(c) The Board of Directors may prescribe the rules for the conduct of the hearing and may decide the issues presented without the personal appearance or testimony of the Member, provided however, that the Member shall be afforded the opportunity to address the reasons for the proposed suspension or termination in writing submitted at least 5 days prior to the time for hearing. The decision and all rulings by the Board of Directors shall be final and conclusive and shall not be subject to review by any other tribunal and the Member suspended or terminated shall have no recourse through any civil action whatsoever.

(d) The tennis services contractor shall have an exclusive right to provide all services which are set forth in his/her contract with the Foundation, including tennis instruction, on- court physical training, sale of tennis products, and sale of refreshments. No person shall give paid instruction or physical training without the explicit consent of the tennis services contractor. In determining what constitutes "paid instruction or physical training", the Foundation and contractor will take into consideration the relationship of the persons involved, the frequency of occurrence, and behavior during the time on court; this determination may be made regardless of whether an actual exchange of value occurs. The tennis services contractor may request that the Foundation suspend or expel any Member (and terminate such Member's Membership) which, in the contractor's judgment, violates his/her exclusive right.

This article is an express condition of Membership in the Foundation and acceptance or continuation of Membership in the Foundation shall be conclusively presumed as evidence of a Member's acceptance of this condition of Membership.

Article IX

Board of Directors.

(a) Number of Directors and Quorum. The corporate powers of this corporation shall be vested in a Board of Directors consisting of nine (9) directors in 2017 and seven (7) directors in every year thereafter, each of whom shall be a Regular Member over age 18 in good standing with the Foundation. Four (4) directors shall be elected at the Annual Meeting in each even numbered calendar year and three (3) shall be elected in each odd numbered year.

After the Annual Meeting in 2017, five (5) directors shall constitute a quorum for the transaction of business at a regular or special meeting, or adjournments thereof.

(b) Any vacancy occurring during a director's term of office shall be filled by the appointment of a replacement director by a majority vote of the Board of Directors at a meeting thereof at which a quorum is present. The replacement director will complete the term of the director whose directorship has been vacated. No director shall serve for more than (2) consecutive terms, i.e. four (4) consecutive years.

(c) Term of Officers. A President may serve up to a two (2) year term. The Vice- President, Secretary and Treasurer shall be elected for a term of one (1) year at the Annual Meeting of the membership, but may be re-elected.

Article X

Nomination and Election of Directors and Officers. A nominating committee composed of three (3) adult Regular Members shall be appointed by the Board of Directors at least thirty days prior to the Annual Meeting to nominate directors at such Annual Meeting.

At each Annual Meeting, a slate of new directors and candidates for officers shall be presented. Nominations may also be accepted from the floor. Voting shall be by individual Regular Memberships only and no Regular Membership may cast more than one vote. Voting proxies for Regular Memberships not in attendance will be accepted. If the number of nominees for director equals the number to be elected that year, a vote of hands may be taken and a simple majority of Regular Memberships voting will elect the slate. When the number of persons nominated for directors exceeds the number to be elected, each voting Regular Membership shall cast a written ballot voting for several named individual nominees, wherein the number of those voted for may not exceed the number of director positions open for election by that ballot. Votes will be tallied by the Secretary for each nominee. The nominees with the greatest number of votes shall be elected, provided that

each of these nominees to be elected has received the vote of at least 33% of the total number of Regular Memberships voting. If such vote does not result in all open director positions being filled, then one or more of the director candidates having the least amount of votes (as determined by the Board of Directors) shall be eliminated as director candidates and additional rounds of voting following the above procedure shall occur until all open positions are filled from remaining unelected nominees. Directors shall take office immediately upon election.

When all new directors have been elected, the nominating committee will present its nominees for President, Vice President, Secretary, and Treasurer from among the now complete list of directors. Each officer shall be voted on separately and a simple majority vote by a show of hands will elect. If necessary, the committee may nominate another member of the Board of Directors until an officer has been elected.

Article XI

Special Membership Meetings. Special meetings of the general membership may be called by the President. Special meetings shall also be called by the Secretary at the written request of three directors or upon the written petition signed by 15% of the Regular Memberships. Such petition shall include the specific purpose of said special meeting. Notices of all special meetings, stating the purpose thereof, shall be emailed to each Membership at the last known address at least ten days prior to the special meeting.

Article XII

Regular and Special Meetings of the Board of Directors. Regular meetings of the Board of Directors shall be held at least once each calendar quarter at such time and place as may be designated by the President. Special meetings of the Board of Directors shall

also be called by the Secretary at the written request of three members of the Board of Directors or by the President.

Article XIII

Duties of the Directors. In addition to such duties as set forth under the Articles of Incorporation and in other parts of these by-laws, the directors shall have such additional duties as shall ordinarily pertain to the title of their offices, including, but not limited to, the control of the affairs and business of the corporation, the making and rules and regulations, not inconsistent with the by-laws of the Foundation, for the guidance of the officers and the proper management of the affairs of the Foundation, the use by Members and all others of the tennis facilities. The directors shall contract with an individual or legal entity to provide tennis and/or management services to the Foundation, including but not limited to tennis instruction and program management.

Directors shall cause the minutes of their meetings to be recorded and shall cause a full statement to be rendered to the membership at large at the regular annual meetings showing in detail the assets of the club and the condition of its affairs.

Article XIV

Duties and Authority of Officers and their Agents.

The President. The President shall direct and supervise the affairs of the club in its management operation and shall make his report to the membership at large at the Annual Meeting. The President may appoint committees to help fulfill the duties of the Foundation.

The Vice-President. The Vice-President shall, in the absence of the President, assume all the duties and responsibilities of the President.

The Secretary. The Secretary shall give notice of all meetings and shall keep the minutes of all meetings. The Secretary shall be custodian of all official records of the Foundation.

The Treasurer. The Treasurer shall cause a quarterly report to be given to the President and the Board of Directors including a balance sheet and a profit and loss statement, and, at the Annual Meeting, to the Foundation membership. The Treasurer shall further receive all funds of the Foundation and pay them out only by joint signature with such other person or persons as the Board of Directors shall designate. Prior approval of the Board of Directors will be obtained before any funds are withdrawn from the bank or paid on behalf of the Foundation. The Board of the Directors will establish maximum amounts for the normal and usual expenditures for monthly operations. In addition, all other extraordinary expenditures must, prior to incurrence of the obligation, be approved by the Board of Directors.

Article XV

Indemnification and Insurance.

(A) **Indemnification.** This corporation shall, and hereby does, to the maximum extent permitted by law (including the California General Corporation Law (the “Law”)), indemnify each of its directors and officers against expenses, judgments, fines, settlements and other amounts actually and reasonably incurred in connection with any proceeding arising by reason of the fact any such person is or was a director or officer of this corporation and shall advance to such director or officer expenses incurred in defending any such proceeding to the maximum extent permitted by the Law. For purposes of this Article XV, a “director” or “officer” of this corporation includes any person who is or was a director or officer of this corporation. The Board of Directors of this corporation may in

its discretion provide by resolution for the indemnification of, or advance of expenses to, other agents of this corporation, and likewise may refuse to provide for such indemnification or advance of expenses except to the extent such indemnification is mandatory under applicable law.

(B) **Personal Liability of Volunteer Directors or Executive Officers.** To the fullest extent permitted by Law, as now in effect or as may hereafter be amended, there shall be no personal liability to a third party for monetary damages on the part of a volunteer director or volunteer executive officer of this corporation, caused by the director's negligent act or omission in the performance of that person's duties as a director or officer, provided that the person's act or omission was within the scope of the director's or executive officer's duties, performed in good faith and not reckless, wanton, intentional or grossly negligent.

(C) **Insurance.** This corporation shall have power to purchase and maintain liability insurance and/or other forms of insurance on behalf of this corporation and/or its agents, employees, officers and directors ("Insureds") affording coverage for claims and/or liabilities asserted against or incurred by this corporation and/or any Insured acting in the capacity of an agent, employee, officer, and/or director of this corporation arising out of the Insured's status as such, whether or not this corporation would have the power to indemnify the Insured against such liabilities under the provisions of this Article XV, provided, however, that a corporation shall have no power to purchase and maintain such insurance to indemnify for a violation of Section 5233 of the Law (or any successor provision thereto).

(D) Chapter 42 Taxes. In no case shall this corporation indemnify, reimburse, or insure any person for any taxes imposed on such individual under chapter 42 of the Internal Revenue Code of 1986, as amended (“Code”). Further, if at any time this corporation is deemed to be a private foundation within the meaning of Section 509 of the Code then, during such time, no payment shall be made under this Article XV if such payment should constitute an act of self-dealing or a taxable expenditure, as defined in Sections 4941(d) or 4945(d), respectively, of the Code.

(E) General. If any part of this Article XV shall be found in any action, suit or proceeding to be invalid or ineffective, the validity and the effectiveness of the remaining parts shall not be affected.

Article XVI

Amendment. These by-laws may be amended or repealed and new by-laws adopted by the vote of a majority of the members of the Board of Directors at any directors’ meeting at which a quorum is present, except that a by-law fixing or changing the number of directors may be adopted, amended or repealed only by the vote of (i) a majority of the Regular Memberships of the corporation that are present at an Annual Meeting or Special Meeting at which a quorum is present or (ii) by written consent of a majority of the Regular Memberships of the corporation.

Article XVII

Executive Committee. The Board of Directors may appoint an Executive Committee and other committees, and delegate to the Executive Committee the powers and authority of the board in the management of the business and the affairs of the corporation, except the power to adopt, amend or repeal by-laws. The Executive Committee shall be composed of three (3) or more directors.

Article XVIII

Roberts Rules of Order Revised shall govern the proceedings of general, regular and special meetings of the Foundation and its constituent parts except as otherwise provided in these by-laws.

CERTIFICATE OF SECRETARY

I, the undersigned, do hereby certify:

- (1) That I am the duly elected and acting secretary of SAN MARINO TENNIS FOUNDATION, a California corporation; and**
- (2) That the foregoing by-laws constitute the amended by-laws of said corporation as duly adopted.**

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of this corporation this 6th day of February, 2017.

Kenneth Lin
Secretary