

**AMENDED AND RESTATED BYLAWS  
OF  
BOISE RACQUET & SWIM CLUB, INC.**

**(Amended and Restated September 22, 2011)  
(Amended and Restated October 13, 2016)  
(Amended and Restated November 14, 2018)  
(Amended and Restated December 20, 2018)  
(Amended and Restated March 27, 2019)  
(Amended and Restated February 18, 2021)  
(Amended and Restated August 18, 2022)**

**PREAMBLE**

The following Amended and Restated Bylaws (“**Bylaws**”) of BOISE RACQUET & SWIM CLUB, INC., an Idaho non-profit corporation (“**Corporation**” or “**Club**”), organized exclusively for pleasure, recreation and other non-profitable purposes within the meaning of Section 501(c)(7) of the Internal Revenue Code, were adopted by the Corporation’s Board of Directors (“**Board**”) and are effective as of the 18<sup>th</sup> day of August, 2022 (the “**Effective Date**”). These Bylaws amend and restate in their entirety the Bylaws of the corporation.

**RECITALS**

- The Tenth Article of the Articles of Incorporation of the Corporation, dated April 27<sup>th</sup>, 1967, and filed by the Corporation with the Idaho Secretary of State on May 10, 1967, as amended from time to time, provides, among other things, that the power to amend the Bylaws is “conferred upon the duly-elected Board of Directors of the Corporation”.
- The Amended and Restated Bylaws (as last revised on March 27, 2019) provide, among other things, the following:
  - i. Section 6.1 provides, among other things, that the Corporation shall not be required to issue physical certificates for shares of the corporation and may choose to maintain only a share ownership ledger.
  - ii. Section 6.2 provides, among other things, that the Board has the “power and authority to make all such rules and regulations as they may deem expedient, including the approval of transfers and the imposition of fees, concerning the issue, transfer, and registration of certificates of the shares of the corporation”.
  - iii. Section 13.2 provides, among other things, that the Board has the power to “amend the bylaws...to be exercised by a two-thirds vote of the directors present, provided a quorum is present.”
- Accordingly, pursuant to the foregoing, and together with inherent powers and authority vested in the Board by the Articles of Incorporation and the Bylaws, the Board makes amendments to the Bylaws, as set forth below, for the following purposes:

- i. to change “stock” to “shareholder membership interest” to better define a share ownership in the Club, to clarify that the shares are not dividend paying, in compliance with the requirement in Section 501(c)(7) of the Internal Revenue Code that no part of the Club’s earnings inures to the benefit of a shareholder;
- ii. to clarify the process for approval and transfer of a shareholder membership interest and the imposition of an initiation fee concerning such transfers;
- iii. to add a new section to provide for a legacy transfer; and
- iv. to make other revisions as deemed necessary and expedient by the Board.

## **AMENDED AND RESTATED BYLAWS**

### **ARTICLE 1 MEETINGS OF SHAREHOLDERS**

**1.1 Place of Meeting.** All meetings of the shareholders of the corporation shall be held at the principal office or place of business of the corporation in Boise, Ada County, or such other place or places, either within or without the State of Idaho, as the board of directors may order or direct before the call of the meeting, and the place of meeting shall be stated in the notice or call for the meeting.

**1.2 Annual Meeting.** The annual meeting of the shareholders for the election of the directors and transaction of such other business as may come before the meeting shall be held in the month of November each year or at such other time as determined by the board. If for any reason the annual meeting of the shareholders is not held as hereinbefore provided, such annual meeting shall be called by the president or by the directors.

**1.3 Notice of Annual Meetings.** A written or printed notice stating the place, day and hour of any meeting of shareholders shall be delivered, either personally or by mail, to each shareholder entitled to vote (such being a shareholder in good standing and holding a “shareholder membership interest”, as further defined in Section 8.1.1.1, below) at such meeting, not less than ten (10) nor more than fifty (50) days before the date of such meeting, by or at the direction of the president, or the secretary, or the officers or persons calling the meeting. When giving notice of an annual meeting of shareholders, the corporation shall give notice of a matter a shareholder intends to raise at the meeting if the request is received by the secretary or president of the corporation at least ten (10) days before the next October meeting of the board of directors and the board of directors approves of such matter being listed on the annual meeting notice.

**1.4 Adjournment to a Different Date, Time or Place.** If an annual or special meeting of shareholders is adjourned to a different date, time or place, notice need not be given of the new date, time or place if the new date, time, or place is announced at the meeting before adjournment. If a new record date for the adjourned meeting is or must be fixed under the Act, however, notice of the adjourned meeting must be given under this section to the shareholders of record as of the new record date.

#### **1.5 Shareholder List for Meetings.**

**1.5.1** After fixing a record date for a notice of a meeting, the corporation shall prepare an alphabetical list of the names of all its shareholders who are entitled to notice of the meeting. The list must show the address and number of votes each shareholder is entitled to vote at the meeting.

**1.5.2** The list of shareholders must be available for inspection by any shareholder for the purpose of communication with other shareholders concerning the meeting, beginning two (2) business days after the notice is given of the meeting for which the list was prepared and continuing through the meeting, at the corporation's principal office or at a reasonable place identified in the meeting notice in the city where the meeting will be held. A shareholder or a shareholder's agent or attorney is entitled on written demand to inspect and, subject to the limitations of the Act, to copy the list, at a reasonable time and at the shareholder's expense, during the period it is available for inspection.

**1.5.3** The corporation shall make the list of shareholders available at the meeting. Any shareholder or shareholder's agent or attorney is entitled to inspect the list at any time during the meeting or any adjournment.

## **1.6 Special Meeting.**

**1.6.1** The corporation shall hold a special meeting of shareholders: (a) on the call of its board or the person or persons authorized to do so by the Articles of Incorporation or bylaws; or (b) if the holders of at least ten percent (10%) of the voting power of the corporation sign, date and deliver to any corporate officer one or more written demands for the meeting describing the purpose or purposes for which it is to be held.

**1.6.2 Notice of Special Meetings.** A written or printed notice stating the place, day, and hour of any special meeting of shareholders shall be delivered, either personally or by mail, to each shareholder entitled to vote at such meeting, not less than ten (10) nor more than fifty (50) days before the date of such special meeting, by or at the direction of the president, or the secretary, or the officers or persons calling the meeting. In case of a special meeting, or when required by statute or by these bylaws, the purpose or purposes for which the meeting is called shall be stated in the notice, and no business other than that stated in the notice shall be transacted at such special meeting.

## **1.7 Quorum and Voting.**

**1.7.1** No individual shall hold more than one share of Class A shareholder membership interest, and each such share shall represent one (1) vote. Such vote may be cast in person or by proxy, but all proxies shall be in writing and signed by the shareholder. Except as otherwise expressly provided in these bylaws, the shareholders present shall constitute a quorum; provided, however, that unless one-third (1/3) or more of the voting power is present in person or by proxy, the only matters that may be voted upon at an annual meeting of shareholders are those matters that are described in the meeting notice.

**1.7.2** Only shareholders who are also members in good standing shall be entitled to vote.

**1.7.3** So long as any shareholder is exempt in full or in part from paying full membership dues and fees because of (i) employment by the corporation or (ii) a grant of privileges and/or shareholder ownership without the requirement for payment of dues, then neither such person nor other persons associated with the share shall be permitted to vote. During the term of their employment, employees of the corporation shall not be eligible to acquire a shareholder membership interest or serve as a director of the corporation. Notwithstanding, living Founders or their surviving spouses shall be entitled to vote those shares they own individually regardless of whether they are paying full membership dues and fees. Founders shall mean the incorporators set forth in the Sixth Article of the corporation's Articles of Incorporation.

**1.7.4** The vote for each share shall, if at all, be cast as a unit, and fractional votes shall not be allowed. In the event that joint owners of a share are unable to agree among themselves as to how

their vote shall be cast, they shall lose their right to vote on the matter in question. If any owner casts a vote representing a share, it will thereafter be conclusively presumed for all purposes that he or she was acting with the authority and consent of all other owners of the share.

**1.7.5** All proxies shall be filed with the secretary not later than one (1) hour before the time fixed for the start of any meeting. No proxy shall be valid after eleven (11) months from the date of its execution.

**1.7.6** The affirmative vote of the votes represented and voting, which affirmative votes also constitute a majority of the required quorum, is the act of the shareholders.

## **1.8 Action by Ballot.**

**1.8.1** Any action taken at any annual or special meeting of shareholders may be taken without a meeting if the corporation delivers a written ballot to every shareholder entitled to vote on the matter. Shareholders may vote by mail or by absentee ballot on any corporate action taken at any annual or special meeting of shareholders.

**1.8.2** A written ballot for action taken without a meeting shall:

- (a) Set forth each proposed action; and
- (b) Provide an opportunity to vote for or against each proposed action.

**1.8.3** Approval by written ballot alone pursuant to this Section when a meeting is not held shall be valid only when the number of votes cast by ballot equals or exceeds ten percent (10%) of the total voting power of all shareholders and the number of approvals equals or exceeds the number of votes that would be required to approve the matter at a meeting at which the total number of votes cast was the same as the number of votes cast by ballot.

**1.8.4** All solicitations for votes by written ballot shall:

- (a) Indicate the number of responses needed to meet the quorum requirements;
- (b) State the percentage of approvals necessary to approve each matter other than the election of directors; and
- (c) Specify the time by which a ballot must be received by the corporation in order to be counted.

**1.8.5** A written ballot may not be revoked.

## **1.9 Nomination and Election of Directors.**

**1.9.1** Candidates for a director's position may be nominated either by a majority vote of the directors attending a regularly scheduled or special meeting of the board of directors or by nominating petition. Nominations by the board of directors or by petition must be made no less than forty-five (45) days before the annual meeting of the shareholders. Nomination by petition shall be complete when a nominating petition signed by no less than four (4) shareholders shall be presented to any officer or director of the corporation. The names of the individuals nominated either by the board of directors or by petition shall be presented to the shareholders either in writing or by a posting on the corporation website not less than thirty

(30) days before the annual meeting of shareholders. The board of directors may appoint a Nominating Committee, pursuant to Article 7, to assist the Board in its determination of the Board's nominations.

**1.9.2** At each election for directors, every shareholder who is entitled to vote at such election shall have the right to vote for as many persons as there are directors to be elected, and for whose election the shareholder has a right to vote, but not cumulative. The individuals chosen to be directors shall be those individuals who receive the greatest number of votes. Voting shall be by written ballot signed by the shareholder. Voting for directors shall close twenty-four (24) hours prior to the scheduled call to order of the annual meeting. The board of directors shall appoint an election committee consisting of both directors and shareholders herein to oversee the voting for directors.

**1.9.3** Any vacancy occurring in the board of directors may be filled by the affirmative vote of a majority of the remaining directors though consisting of less than a quorum of the board of directors. An interim director so elected to fill a vacancy shall serve until the next election of directors by the shareholders. The shareholders shall elect a director to serve the remainder of the unexpired term at the next annual election of directors, or any special meeting duly called for that purpose and held prior to the next annual election. After the directors scheduled to be elected at the annual election have been elected, the candidate receiving the next highest number of votes shall be elected to serve the remainder of the unexpired term of a vacant director position.

**1.10 Officers.** The president of the corporation shall preside at all meetings of the shareholders. In his or her absence, the vice president shall preside. In the absence of these officers, any board member may call the meeting to order, and a chairperson shall be elected from among the board members present. The secretary of the corporation shall act as secretary at all meetings of the shareholders, but in his or her absence, the presiding officer may appoint any person to act as secretary of the corporation.

## **ARTICLE 2 SHAREHOLDERS**

**2.1 Classes of Shareholders.** The corporation shall have two classes of shareholder membership interest, namely Class A and Class B.

**2.2 Shareholder Eligibility.** Only individuals, who are also members in good standing, may own or hold shareholder membership interests, and no individual shall hold more than one (1) share of Class A shareholder membership interest.

## **ARTICLE 3 BOARD OF DIRECTORS**

**3.1 General Powers.** All corporate powers shall be exercised by or under the authority of, and the business and affairs of the corporation shall be managed under the direction of, the board of directors subject to these Bylaws except as may be otherwise provided in the Act or the Articles.

**3.2 Qualifications.** All directors must be shareholding members of the corporation in good standing. Additionally, no two (2) directors shall be related to one another by blood (consanguinity) or marriage (affinity) within the second degree. No director may be an employee, or may a director be related by blood or marriage to an employee of the corporation within the first degree.

**3.3 Number.** The number of directors shall consist of no fewer than seven (7) people and no more than thirteen (13) people, the exact number to be determined by the board of directors at least forty-five (45) days before the annual meeting of shareholders.

**3.4 Tenure.** A director's full term shall be three (3) years. A director may be elected to serve on the board for a maximum of 6 out of 8 consecutive years, and shall be ineligible for re-election or appointment to the board for twenty-four (24) months thereafter.

**3.4.1 Staggering.** Directors shall serve staggered terms, if possible, with approximately one-third (1/3) of all director positions expiring each year.

**3.4.2 Term.** Newly elected directors will assume office on January 1st following election and shall remain in office until their successors are duly elected or appointed and assume office.

**3.5 Resignation.** Any director may resign by delivering written notice to the board, board president, or board secretary. Unless otherwise specified in the notice of resignation, the resignation shall take effect, if not previously withdrawn, upon the earlier of board approval or at the next meeting of the board. A director who resigns from the board shall be ineligible for re-election or appointment to the board for twenty-four (24) months from the date of resignation.

**3.6 Removal.** Shareholders may remove one (1) or more directors elected by them without cause if the number of votes cast to remove the director would be sufficient to elect the director at a meeting to elect directors.

**3.6.1** A director elected by shareholders may be removed only at a meeting called for the purpose of removing the director. The meeting notice must state that the purpose, or one (1) of the meeting's purposes, is the removal of the director. Any director removed by the shareholders shall be ineligible for re-election or appointment to the board for twenty-four (24) months.

**3.6.2** A director elected by the board may be removed without cause by the vote of two-thirds (2/3) of the directors then in office; however, a director elected by the board to fill a vacancy of a director elected by the shareholders may be removed without cause by the shareholders, but not the board.

**3.6.3** Notwithstanding anything to the contrary in Subsections 3.6.1 and 3.6.2 above, each director is expected to attend all board meetings. A director may be removed by the majority vote of the board of directors then in office, if the director is absent and unexcused from three or more board meetings in a twelve month period. The board president is empowered to excuse directors from attendance for a reason deemed adequate by the board president. The president shall not have the power to excuse him/herself from meeting attendance and in such case, the board vice president shall have the power to excuse the president.

**3.7 Vacancies.** Any vacancy occurring in the board of directors may be filled by the affirmative vote of a majority of the remaining directors though consisting of less than a quorum of the board of directors. Directors elected to fill a vacancy on the board occurring for any reason shall serve until the next election of directors by shareholders.

**3.8 Compensation.** Directors shall serve without compensation.

**3.9 Standards of Conduct.** A director shall discharge his or her duties as a director, including his or her duties as a member of a committee of the board, in good faith, in a manner such director reasonably believes to be in the best interests of the corporation, and with such care as an ordinarily prudent person in a like position would use under similar circumstances. In performing such director's duties, a director shall be entitled to rely on information, opinions, reports, or statements, including financial statements and other financial data, in each case prepared or presented by:

**3.9.1** Officers or employees of the corporation whom the director reasonably believes to be reliable and competent in the matters presented;

**3.9.2** Legal counsel, public accountant, or other persons as to matters the director reasonably believes are within the person's professional or expert competence;

**3.9.3** A committee of which the director is not a member, as to matters within its jurisdiction, if the director reasonably believes the committee merits confidence.

**3.10 Conflicts of Interest.** Any director with a direct or indirect interest in a contract or other transaction presented to the board for approval shall make a prompt and full disclosure of the material facts of the transaction and the director's interest to the board prior to the board's acting on such contract or transaction. An indirect interest shall mean if another entity in which the director has a material interest is a party to the transaction, or if another entity of which the director is a director, officer, general partner, manager, or trustee is a party to the transaction. A conflict of interest transaction is authorized, approved, or ratified if it receives the affirmative vote of a majority of the directors on the board with no direct or indirect interest in the transaction. The board of directors may adopt a conflict of interest policy consistent with these Bylaws.

**3.11 Regular Meetings.** Regular meetings of the board shall be held at least quarterly at the general office of the corporation in Boise, Idaho, or a predetermined location, on a schedule determined by the board. Formal written notice need not be provided to any director of the regular meetings of the board.

**3.11.1 Shareholder Participation.** Shareholders may submit a request to the president to address a specific issue at a board meeting at least fourteen (14) days prior to the meeting. The president shall have the discretion to permit or disallow such participation.

**3.12 Special Meetings.** Special meetings of the board may be held whenever called by the president or by two (2) or more directors. The secretary shall provide notice in writing to each director at least five (5) days prior to the meeting.

**3.13 Annual Meeting.** The board must convene on or before the third Thursday in January following the annual shareholders meeting for purposes of organization, officers' election, review of the next fiscal year budget, and other business transactions.

**3.14 Meetings by Telephone or Other Telecommunications Equipment.** Regular, special or annual board meetings may be conducted through the use of any means of communication by which all directors participating may simultaneously hear each other during the meeting. A director participating in a meeting by these means is deemed to be present at the meeting.

**3.15 Action without Meeting.** Any resolution in writing and signed by all of the directors entitled to vote on the resolution shall constitute action by the board of directors with the same effect as if the resolution was duly passed by a unanimous vote at a duly held meeting of the board of directors.

**3.16 Quorum.** A quorum of the board consists of a majority of the directors holding office immediately before a meeting begins. If a quorum is present when a vote is taken, the affirmative vote of a majority of directors present is the act of the board except to the extent the Articles, Bylaws, or the Act require the vote of a greater number of directors. Participation by proxy is not permitted.

## **ARTICLE 4 OFFICERS OF THE CORPORATION**

**4.1 Officers.** All officers, when elected, shall be directors of the corporation except as noted in section 4.2 and 4.3, and consist of a president, vice president, secretary, and treasurer.

**4.2 Election.** The officers of the corporation shall be elected annually by the board at its annual meeting. Officers elected at this meeting shall remain in office, even if no longer a director until their successor is elected.

**4.3 Tenure.** Officers shall hold office for one (1) year or, even if no longer a director, until their successor is elected.

**4.4 Resignation.** An officer may resign at any time by giving written notice to the board, the president, or the secretary. The resignation is effective when the notice is received unless a later time is specified in the notice.

**4.5 Removal.** Any officer may be removed by the board at any time with or without cause by a majority vote of the full board of directors present at a meeting of the board.

**4.6 Vacancies.** A vacancy occurring in any office shall be filled by the board for the unexpired portion of the term of the office vacated.

**4.7 Duties.** Officers of the corporation have the authority and shall perform the duties set forth in the bylaws, as may be modified from time to time by the board of directors.

**4.7.1** The president shall:

- (a) At the direction of the board, supervise and control the business and affairs of the corporation.
- (b) Represent the corporation in all matters unless otherwise delegated.
- (c) Preside at all meetings of shareholders and the board of directors of the corporation.
- (d) Be an ex-officio member of all committees.
- (e) Chair the executive committee.

**4.7.2** The vice president shall:

- (a) Represent the corporation in all matters, unless otherwise delegated, in the absence of the president.
- (b) Preside at all meetings of shareholders and the board of directors of the corporation in the absence of the president.

**4.7.3** The secretary shall:

- (a) Oversee the reporting, recording, and distribution of minutes of all meetings of the shareholders and the board of directors.



- (b) Oversee the provision of notice of all meetings of shareholders and the board of directors when notice is required by these bylaws.
- (c) Keep, or cause to be kept, a copy of the Articles of Incorporation and Bylaws at the corporate office, as amended to date.
- (d) Keep, or cause to be kept, the shareholder membership ledger of the corporation.

**4.7.4 The treasurer shall:**

- (a) Keep and maintain, or cause to be kept and maintained, adequate and correct books and accounts of the corporation's properties and transactions.
- (b) Send or cause to be sent to the directors such financial statements and reports as are required by the Act, these Bylaws, or the board.
- (c) Deposit, or cause to be deposited, all money and other valuables in the name and to the credit of the corporation with such depositories as designated by the board.
- (d) Disburse the corporation's funds as the board may order.
- (e) Report to the board regarding all financial matters of the corporation.
- (f) Chair the Finance Committee.

## **ARTICLE 5 GENERAL MANAGER**

**5.1** The Board may appoint a General Manager, who shall have full charge and control of the activities and operations of the corporation and its facilities, subject to the direction and supervision of the Board. The General Manager will maintain a high level of quality and professionalism in all aspects of the corporation and shall perform such duties as the Board may direct while complying with all bylaws and rules. While additional duties may be added by the Board from time to time, the general duties of the General Manager will include the following:

- (a) Assist in the formulation of new policies governing corporation operations and the implementation and enforcement of all approved policies, practices, and procedures. Assist the Board and all committees of the corporation in fulfilling their duties and responsibilities, including short and long-range planning;
- (b) Develop job descriptions and responsibilities of all employees and directly supervise all department heads. The General Manager shall recruit, hire, train, discipline, evaluate, recommend compensation, and discharge employees as required;
- (c) Develop annual operating and capital expenditure budgets. Monitor and control all accounting functions, purchasing, operational costs, and inventories;
- (d) Operate the corporation at all times within the policies, objectives, rules, and regulations established by the Board. Ensure compliance with all laws and governmental rules and regulations applicable to the corporation's business and affairs, and prepare and file all reports required; and

(e) Oversee and supervise all activities and functions involving the use of all corporation facilities and properties. Ensure adequate security of all facilities and properties.

## **ARTICLE 6 SHARES**

**6.1 Form.** The corporation shall not be required to issue physical certificates for shares of the corporation and may choose to maintain only a share ownership ledger. If the corporation chooses to issue physical certificates for shares, such certificates shall be in such form, not inconsistent with the Articles of Incorporation as shall be prepared or be approved by the board of directors, and such certificates shall be signed by the president or vice president, and also by the secretary.

**6.2 Transfer.** The board of directors shall have power and authority to make all such rules and regulations as they may deem expedient, including the approval of transfers and the imposition of fees, concerning the issue, transfer, and registration of certificates of the shares of the corporation, and may appoint a transfer agent and registrar of transfers, and may require all share certificates to bear the signature of the transferor.

**6.3 Ledger Only; Purpose of Membership Shares.** Pursuant to Section 6.1 above, the corporation has chosen to not issue physical certificates for shares of the corporation, and to maintain only a share ownership ledger. Membership shares do not confer a right of ownership that would return benefits, such as a dividend; rather, membership shares serve only to recognize a member to allow for organization control and for voting purposes.

**6.4 Transfer; Initiation Fee.** Subject to the applicable provisions of the Idaho Nonprofit Corporation Act, and pursuant to the power and authority granted the corporation in these bylaws, a membership share may be transferred; provided, however, that in addition to any other requirements for admission of a new member under these bylaws or the Articles of Incorporation, no such transfer may be made unless (i) all dues, fees, assessments, fines, penalties, accounts and other indebtedness relating to the membership are first paid in full by the transferring member, and (ii) an “**Initiation Fee**” in an amount established by the board of directors pursuant to the provisions of Article 8 below) is first paid to the corporation by or on account of the person to be admitted as the new member.

## **ARTICLE 7 COMMITTEES OF THE BOARD**

**7.1 Creation.** In addition to the standing committees established by these bylaws, the board of directors, by resolution adopted by a majority of the directors in office, may create one (1) or more committees of the board.

**7.2 Authority.** The actions of such committees are not binding upon the board of directors until approved or ratified by the board of directors. The designation and appointment of committees of the board shall not operate to relieve the board of directors of any responsibility imposed upon the board of directors. The chairperson of each committee reports to the board of directors.

**7.3 Membership.** Each committee of the board shall consist of at least three (3) members, at least two (2) of whom must be directors of the corporation. The president shall be responsible for appointing or removing a director as the chairperson of each committee of the board. The chairperson of each committee shall initially select the other members thereof, but a majority of the directors in office shall ultimately have the sole authority to approve or remove such other members of the committee.

**7.4 Terms.** Committees of the board shall function for a one (1)-year term. Article 3 of these bylaws that govern meetings, quorum and voting requirements of the board applies to the board's committees and their members.

**7.5 Standing Committees of the Board.**

**7.5.1 Executive Committee.**

(a) **Responsibilities.** A majority of the executive committee members shall be empowered to take all actions and make such decisions as the board of directors might otherwise be authorized to take, subject to the prior authorization, or subsequent ratification, of a majority of the full board of directors.

(b) **Membership.** The executive committee shall consist of the duly elected president, vice president, secretary, and treasurer of the board of directors. The president of the corporation shall chair the executive committee.

**7.5.2 Finance Committee.** The finance committee shall be responsible for providing financial oversight and making recommendations to the board regarding all financial aspects of the corporation's operations and activities. Financial oversight includes, but is not limited to, (i) overseeing the preparation of an annual budget to be presented at the annual meeting of the board of directors; (ii) obtaining and approving an annual external review of financial operations; (iii) reviewing, approving and presenting to the board all financial statements and reports required by the Act, the bylaws or the board; and (iv) reviewing and monitoring the custody of all funds of the corporation. The treasurer of the corporation will chair the finance committee.

**7.5.3 Facilities Committee.** The facilities committee shall observe and evaluate the grounds and physical plant of the corporation, including, but not limited to, the tennis courts, clubhouse, and swimming pool, make recommendations to the board of directors relating thereto, and formulate policy for maintenance and improvement for approval by the board.

**ARTICLE 8  
MEMBERSHIPS**

**8.1 Membership.**

**8.1.1 Definition of Membership:** A "membership" shall consist of the following:

**Individual:** One adult.

**Couple:** Two adults or one adult and one dependent child under age 24, residing in the same household.

**Family:** One or two adults & their dependent children under age 24, residing in the same household.

**Student:** Pre-K through 12 or full-time college student under age 24. For college students, proof of full-time enrollment, attendance, and class schedule will be required.

**Junior:** Individual member who is 12-18 yrs. of age.

**8.1.1.1 Types of Membership.** The corporation may have such types of memberships for the use of the corporation's facilities as only the board of directors may designate from time to time.

time, including, but not limited to, tennis, fitness, social, swimming, junior, affiliate or any other type of membership designated by the board of directors. However, except as specifically provided otherwise in the Articles of Incorporation or these bylaws, only members owning memberships that have been specifically identified as “**shareholder membership interests**” in the corporation shall have the right to vote; any other membership does not have a voting right. Reference in these bylaws to a “**shareholder**” means a member who holds a shareholder membership interest.

**8.1.1.2 Board Approval Required.** Each application, whether for tennis, fitness, social, swimming, junior, affiliate, or any other type of membership as may be designated by the board of directors, must first be submitted to the board of directors for approval.

For a shareholder membership interest, an application will be reviewed when submitted, and if approved, either if a shareholder membership interest is then available, or when a shareholder membership becomes available, the shareholder membership interest will be offered to the approved applicant and upon the date of payment of all amounts owed as related to the transfer of the shareholder membership interest, including, without limitation, the payment the Initiation Fee, the date of full payment will be the commencement date of that shareholder membership.

For all other membership interests, following approval by the board of directors, the date of approval will be the commencement date of the membership if there are no related amounts to be paid, or, if there are related amounts to be paid, then the date of full payment will be the commencement day of the membership.

It is specifically provided, however, that the board of directors may delegate to the General Manager the authority to approve (i) non-shareholder memberships as designated by the Board, and (ii) inactive status for shareholding tennis members under Section 8.1.2.

### **8.1.2 Status of Membership:**

**Active:** Full dues-paying membership.

**Inactive:** For shareholding tennis members only, when moving more than 70 miles from the principal location of the corporation or an injury or illness prevents participation; inactive members can only use fitness facility and must fill out an inactive form, receive approval from the general manager and pay 40% of current dues plus a change fee of \$20.

**Suspended:** Any membership determined by the board of directors to warrant involuntary suspension pursuant to section 8.2 shall lose voting privileges for the suspension duration. Members in a suspended status will not be allowed to utilize BRSC facilities and may be subject to further restrictions as determined by the board of directors. Dues, fees, fines, penalties, assessments and accounts payable to the corporation will continue to be charged during any period of suspension, unless otherwise specifically determined by the board of directors.

## **8.2 Suspension or Termination of Membership.**

**8.2.1** No membership shall be resigned, suspended, or terminated by the member or the corporation except (i) in accordance with its contractual terms, (ii) upon the sale of the member’s shareholder membership interest in the corporation by the shareholder or the corporation, or (iii) pursuant to this Article 8 upon the affirmative vote of two-thirds of the members of the board. Subject to section 8.5, upon written request signed by a suspended or terminated member and filed with the secretary, the board of directors, by an affirmative vote of two-thirds of the members of the board, may reinstate such member to active membership upon such terms as the board of directors may deem appropriate.

**8.2.2** The board may enact policies from time to time in its sole discretion that allow a member to apply to the corporation to place a membership on inactive status.

### **8.3 Member Not in Good Standing.**

**8.3.1 Non-Shareholder Member.** When (a) any membership not associated with the ownership of a shareholder membership interest, shall be in default in payment of dues, assessments or other charges imposed by the corporation for a period of ninety (90) days, or (b) a member is determined to have engaged in conduct that damages any property of the corporation; conduct that is likely to endanger the welfare, best interests, reputation or character of the corporation; conduct that violates the bylaws or rules and regulations of the corporation; or any other proper cause, such membership and all attendant privileges may be suspended or terminated by the board of directors.

**8.3.2 Shareholder Member.** Whenever any shareholder is in default in payment of membership dues or other indebtedness for a period of ninety (90) days, (i) the shareholder's voting rights shall be automatically suspended, and (ii) a lien shall automatically attach to that shareholder's membership interest and/or the proceeds of any sale of that shareholder's membership interest, and such membership and all attendant privileges shall be suspended or terminated by the board of directors. The shareholder shall be regarded as "not in good standing" and the corporation shall have the right to limit, condition, or refuse to allow the transfer of ownership of said shareholder membership interest until payment of the amount in arrears is paid to the corporation.

### **8.4 Termination and Transfer of Shareholder Membership Interest.**

**8.4.1** Whenever (a) a shareholder is in default in payment of membership dues or other indebtedness for a period of one-hundred-eighty (180) days, or (b) shareholder or another member associated with such shareholder's membership is determined to have engaged in conduct that damages any property of the corporation; conduct that is likely to endanger the welfare, best interests, reputation, or character of the corporation; conduct that violates the bylaws or rules and regulations of the corporation; or for any other proper cause, as determined by the board of directors, then, upon resolution adopted by the board of directors in favor of expulsion or termination, (i) the shareholder shall be deemed to have terminated that shareholder's membership and transferred the shareholder's membership interest to the corporation, and (ii) the shareholder's membership and membership interest shall be terminated.

**8.4.2** The corporation shall send the shareholder written notice of the meeting at which the board will consider the suspension, expulsion or termination of the shareholder at least twenty-one (21) days before such meeting. The shareholder shall have the right to be heard at the meeting of the board, at which time the board may, upon the affirmative vote set forth in section 8.2, expel, suspend or terminate the shareholder on such conditions and with such effective date as the board may determine.

**8.5 Time Limitation.** Any member or shareholder challenging an expulsion, suspension, or termination, including a proceeding in which defective notice is alleged, must commence an appeal or request for reconsideration within one (1) year after the effective date of the expulsion, suspension or termination or such appeal or request for reconsideration shall be deemed barred.

**8.6 Member Resignation.** On at least thirty (30) days prior written notice to the board of directors, a member may resign his or her membership in the corporation, provided that any dues, fees, fines, penalties, assessments and accounts payable to the corporation by the resigning member are paid current through the effective date of resignation. Such resigning member shall not be liable for any dues or fees for any billing period subsequent to the billing period in which the notice of resignation shall be received by the board, provided that the resigning member has first paid current all dues, fees, fines, penalties, assessments and accounts payable to the

corporation. In the event of such resignation of a member, the corporation shall have no obligation to rebate or refund any portion of any Sales Price (defined below), or any fees, dues or other amounts paid or to be paid to the corporation. In the event of such resignation by a member, any share or other interest held by such resigning member shall automatically become held by corporation as of the effective date of the resignation, and the resigning member shall have no further interest therein.

## **8.7 Sale and Transfer of a Shareholder Membership.**

**8.7.1 Sale and Resignation.** A member holding a shareholder membership, instead of resigning under Section 8.6, may offer his or her membership for sale and transfer by the corporation by submitting to the corporation a fully completed and signed Sale and Transfer Agreement (“**Transfer Agreement**”), in form prepared and approved by the corporation. The Transfer Agreement must be signed by the shareholder member of record to be valid. The Transfer Agreement will constitute an offer by that member to the corporation to transfer that member’s membership in consideration of the payment of the Sales Price (defined below) to the transferring member and the payment of the Initiation Fee to the corporation, and on such other terms as set forth in the Transfer Agreement. The membership of the member transferring his or her shareholder membership (and not resigning under Section 8.6) will terminate as of the effective date of the transfer.

**8.7.2 Establishment of Sales Price; Priority.** The board of directors, from time to time as determined appropriate by the board, shall establish the fixed “**Sales Price**” for memberships. If the board of directors re-establishes the fixed Sales Price for memberships, any other Sales Price previously set shall be modified to be consistent with the pricing then re-established by the board of directors. Sales will then be prioritized by the date of receipt by the corporation of the complete and signed Transfer Agreement, based upon first-received, first-sold.

**8.7.3 Withdrawal of Transfer Agreement.** A member may not withdraw his or her Transfer Agreement within (i) thirty (30) days of the date the corporation received the complete and signed Transfer Agreement from the member; or (ii) if the membership is being offered to an approved applicant for purchase.

### **8.7.4 Sales Price and Initiation Fee.**

**8.7.4.1** The amount to be paid to a member who is selling and terminating his or her membership upon the transfer of that member’s membership will be equal to the fixed Sales Price as has then been established by the board of directors, less any fees, dues or other amounts which the member owes to the corporation as of the date of the transfer.

**8.7.4.2** The Initiation Fee, as established by the board of directors, will be paid by or on account of the person to be admitted as the new member. The entirety of the Initiation Fee shall be retained by the corporation, and is not refundable. The board of directors, from time to time as determined appropriate by the board, may change the amount of the Initiation Fee. If the board of directors changes the amount of the Initiation Fee, any other Initiation Fee previously set shall be modified to be consistent with the changed amount.

**8.7.5 Memberships Held or Owned by the Corporation; No Guarantee of Purchase of Membership.** The corporation shall be entitled, but not obligated, to own or hold memberships. This may occur as a result of a number of events including, but not limited to, the expulsion of a member, foreclosure of the corporation’s lien on a membership, or purchase by the corporation of a membership. The corporation shall be entitled to purchase memberships and shall have priority to purchase available memberships. The corporation shall be entitled to sell or otherwise transfer a membership it owns or holds as provided in these bylaws. The corporation shall have priority of sale without regard to any Transfer Agreements or the date the corporation

offers its membership for sale. All fees, including Initiation Fees, shall be collected by the corporation consistent with these bylaws in any transfer involving the corporation or a corporation-owned membership. The corporation shall have no obligation to repurchase any memberships, including when there are no approved applicants willing to pay the Sales Price and the Initiation Fee. Furthermore, there is no guarantee that any membership offered for sale and transfer will ever be purchased. Purchase is dependent upon the continued sale of memberships and the availability of approved applicants willing to pay the Sales Price and Initiation Fee.

**8.7.6 Retention of Privileges; Continuing Liability; Condition to Transfer.** A member who has submitted a complete and signed Transfer Agreement shall retain all membership privileges (unless such privileges have been restricted or suspended under these bylaws or the Rules and Regulations) and shall remain liable for payment of all membership dues, fees, assessments, fines, penalties, accounts and other indebtedness relating to the membership until the membership is purchased. When a shareholder membership is being transferred, as a condition to the transfer being made, the shareholder of the membership shall first pay current all dues, fees, assessments, fines, penalties, accounts and other indebtedness relating to the membership to the corporation on or before the effective date of transfer.

**8.7.7 Restrictions on Other Transfers.** Except as expressly provided in these bylaws, no membership may be pledged, assigned, hypothecated, encumbered or otherwise transferred for any purpose.

**8.8 Legacy Transfers of Memberships between Family Members.** A member may transfer his or her membership (herein referred to as transferring member) to a “**Family Member**”, as herein specifically defined, without having to formally sell his or her membership pursuant to Sections 8.7.1 and 8.7.2 of this Article. The transferring member must give written notice to the Club of his or her intent to transfer his or her membership to a Family Member under this Section. The proposed Family Member must apply for membership in the Club and be approved by the Club for membership in accordance with the applicable terms and conditions for admission as provided in Subsection 8.1.1.2 of this Article. Upon approval of the Family Member for membership, the Club shall cause the transferring member’s membership to be transferred to the Family Member. As a condition of the transfer, the transferring member shall pay to the Club all membership fees, dues and assessments due and payable as of the date of transfer, of the then established Initiation Fee. The term Family Member as used in this Section 8.8, shall mean the member’s and/or the member’s spouse’s children or parents in the first degree.

## **ARTICLE 9 FEES, DUES, AND ASSESSMENTS**

**9.1 Fees, Dues, and Assessments.** The board of directors may determine from time to time the amount of fees (including, without limitation, admission and/or initiation fees), annual dues, and assessments payable to the corporation by the members of the corporation, as the same are established from time to time by resolution of the board of directors, and set forth in schedules so adopted by the board of directors and made available to the members of the corporation. Fees, dues and assessments paid are non-refundable, unless otherwise specifically determined by the board of directors.

**9.2 Payment Schedule.** Dues shall be payable on such terms as determined by the board of directors.

**9.3 Proration.** Dues of a new member shall be prorated from the effective date of membership.

**9.4 Assessment for Operating Purposes.** Assessments for operating purposes of the corporation may be authorized by an affirmative vote of a simple majority of the shareholders present at any annual or special meeting of shareholders duly called for such purpose, or by an affirmative vote of two thirds of the full board of

directors at a meeting called for that purpose, when in the shareholders and/or board's discretion such assessment shall be in the best interests of the corporation.

**9.5 Assessment for Capital Purposes.** Assessments for capital expenditures or improvements to the corporation's properties may be authorized by an affirmative vote of two-thirds of the shareholders present at any annual or special meeting of the shareholders duly called for such purpose or by an affirmative vote of two thirds of the full board of directors at a meeting called for that purpose, when in the shareholders' and/or board's discretion such assessment shall be in the best interests of the corporation.

## **ARTICLE 10 CONTRACTS, CHECKS, DEPOSITS, AND FUNDS**

**10.1 Authorization.** The board of directors may authorize any officer or officers, agent or agents of the corporation, in addition to the officers so authorized by these bylaws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the corporation, and such authority may be general or confined in specific instances.

**10.2 Checks.** All checks, drafts, or other order for the payment of money, notes, or other evidences of indebtedness issued in the name of the corporation shall be signed by such officer or officers, agent or agents of the corporation, and in such manner, as shall from time to time be determined by resolution of the board of directors.

**10.3 Deposits.** All funds of the corporation not otherwise employed shall be deposited from time to time to the credit of the corporation in such banks, trust companies, or other depositories as the board of directors may select.

**10.4 Loans.** The board of directors may authorize loans to be contracted on behalf of the corporation upon a majority vote or resolution of the board of directors.

## **ARTICLE 11 BOOKS AND RECORDS**

The corporation shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its shareholders and the board of directors and shall keep a record giving the names and addresses of the shareholders entitled to vote at the registered or principal office. All books and records of the corporation may be inspected by a shareholder, or his or her agent or attorney, for any proper purpose at any reasonable time.

## **ARTICLE 12 INDEMNIFICATION**

The corporation shall indemnify the directors and officers of the corporation to the fullest extent permitted by the Idaho Nonprofit Corporation Act, as the same exists or may hereafter be amended but, in the case of any such amendment, only to the extent that such amendment permits the corporation to provide broader indemnification rights than the Idaho Nonprofit Corporation Act permitted the corporation to provide prior to such amendment.



### **ARTICLE 13 AMENDMENT**

**13.1 Shareholders.** These bylaws may be altered, amended, or new bylaws adopted at any special meeting of the shareholders called for that purpose, by the affirmative vote of two-thirds of the shareholders present at such meeting; provided, that a quorum as specified in these bylaws or the laws of the State of Idaho, is present.

**13.2 Board of Directors.** In addition, hereto, the board of directors shall have the power to repeal and amend the bylaws and adopt new bylaws to be exercised by a two-thirds vote of the directors present, provided a quorum is present. Notwithstanding, an amendment to these bylaws to increase or decrease the vote required for any shareholder action must be approved by the shareholders.

### **ARTICLE 14 FISCAL YEAR**

The fiscal or business year of the corporation shall begin on the 1st day of January and end on the 31st day of December of each year unless otherwise set by the board of directors.

### **ARTICLE 15 NOTICE**

Whenever these bylaws require or provide for notice or presentment to a person or persons, the following rules shall apply:

**15.1 Notice may be oral or written.** Notice by electronic transmission is written notice.

**15.2 Notice may be communicated:** in person; by telephone but not by voice mail; by telegraph, teletype or other electronic means; or by mail or private carrier; if these forms of personal notice are impracticable, notice may be communicated by publication for ten (10) days pursuant to section 60-109, Idaho Code, or its successor statute.

**15.3** Oral notice is effective when communicated.

**15.4** Written notice is effective at the earliest of the following:

(a) When received;

(b) Five (5) days after its deposit in the United States mail, as evidenced by sworn affidavit or postmark, if mailed correctly addressed and with first-class postage affixed;

(c) On the date shown on the return receipt, if sent by registered or certified mail, return receipt requested, and the receipt is signed by or on behalf of the addressee; and

(d) When electronically transmitted to a shareholder or member in a manner authorized by the shareholders or members.

**15.5** Written notice is correctly addressed to a shareholder or member of a domestic or foreign non-profit corporation if addressed to the shareholder's or member's address shown in the corporation's current list of shareholders or members.

**15.6** A written notice or report delivered as part of a newsletter, magazine, or other publication regularly sent to shareholders or members shall constitute a written notice or report if addressed or delivered to the shareholder's or member's address shown in the corporation's current list of shareholders or members, or in the case of shareholders or members who are residents of the same household and who have the same address in the corporation's current list of shareholders or members, if addressed or delivered to one of such shareholders or members, at the address appearing on the current list of shareholders or members.

## **ARTICLE 16 DEFINITIONS**

As used in this Agreement, the following terms have the meanings indicated:

- (a) **"Act"** means the Idaho Nonprofit Corporation Act, as amended from time to time.
- (b) **"Articles of Incorporation"** or **"Articles"** means the Articles of Incorporation filed by the corporation with the Idaho Secretary of State on May 10, 1967, as amended from time to time.
- (c) **"Day"** or **"day"** means a calendar day.
- (d) **"Bylaws"** or **"bylaws"** means the bylaws of the corporation, as amended from time to time.
- (e) **"Board"** or **"board"** means the corporation's board of directors.
- (f) **"Corporation"** or **"corporation"** means the Boise Racquet & Swim Club, Inc., an Idaho non-profit corporation.
- (g) **"Directors"** or **"directors"** means the corporation's board of directors.

## **ARTICLE 17 NON-DISCRIMINATION**

The corporation shall not discriminate on the basis of race, color, religion, creed, gender, gender expression, age, national origin or ancestry, disability, marital status, sexual orientation or military status, in any of its operations or activities.

## **SECRETARY'S CERTIFICATE**

I, the undersigned, as the duly elected Secretary of BOISE RACQUET & SWIM CLUB, INC., an Idaho non-profit corporation, do hereby certify that the foregoing Amended and Restated Bylaws were duly adopted as the official Bylaws of the corporation by more than two-thirds consent of the directors of the corporation on or before the 18th day of August, 2022.

  
\_\_\_\_\_  
Name: Gail Northness

Secretary: Boise Racquet and Swim Club