

*Revised - October 2010*

**THE CEDAR HILL CLUB**

**Franklin Township, New Jersey**

**BY-LAWS**

**ARTICLE I**

**NAME**

The name of the club shall be THE CEDAR HILL CLUB INC.

**ARTICLE II**

**OBJECT**

The purpose for which this Club is formed is to promote and further the participation and general welfare of its members and in pursuance thereof to construct, own and operate a swimming pool and other recreational facilities, together with such incidental objects as are appropriate in the conduct of its activities, in the County of Somerset, and State of New Jersey for the exclusive use of members, their families and their guests.

**ARTICLE III**

**GOVERNMENT**

**Section 1.**

The Club shall be managed by a Board of Trustees nine (9) in number, who are active members of the Club.

**Section 2.**

At each annual meeting of the Voting Members of the Club, three (3) Trustees shall be elected from the Voting Members for a term of three (3) years and until their successors shall have been chosen. Three (3) Trustees shall be replaced each year.

**Section 3.**

Any member of the Board of Trustees who shall cease to hold Active Membership in the Club shall automatically cease to be a member of the Board of Trustees.

Section 4.

The Corporation shall act on a fiscal year, October 1 through September 30.

**ARTICLE IV**

**BOARD OF TRUSTEES**

Section 1.

The duties and responsibilities and authority of the Board of Trustees shall be as follows:

- (a) Transact all Club business and make and amend rules for the regulations and use of Club property. It shall appoint and remove such officers, clerks, agents, servants, or employees as it deems necessary and shall fix their duties and compensations.
- (b) Approve and elect new members or provide for same in accordance with the terms of these By-Laws.
- (c) Fix, impose, and remit penalties for violations of these By-Laws and rules of the Club.
- (d) Elect from the Board of Trustees, a President, 1st Vice-President, 2nd Vice-President, Secretary, and Treasurer.
- (e) If deemed desirable at the sole discretion of the Board create the offices of Assistant Secretary and of Assistant Treasurer and appoint persons to such offices.
- (f) Constitute and appoint committees and define the powers and duties of the same in supplementation of, but not contradictory to, the powers and duties as set forth in Article X hereinafter.
- (g) Fill any vacancy in the membership of the Board of Trustees to serve the remainder of the unexpired term by a majority vote of the total membership of the Board of Trustees.
- (h) To constitute and appoint advisory committees and define the duties of same. Such committees shall have advisory capacity only and shall not have any authority to bind the Board of Trustees, and Officers of the Club, or the Club itself to any commitment, or undertaking whatsoever.

Section 2.

The Board of Trustees shall designate the depository (ies) in which the funds of the Club shall be deposited and determine the manner in which checks, drafts, and other instruments for the payment of funds of the Club shall be executed. However, the following officers (at least 2) shall jointly sign all such checks, drafts, or other instruments for the payment of money drawn in the name of the Club: The President, Treasurer, 1st Vice-President, 2nd Vice-President, or Secretary. The appropriate officers shall be bonded at the expense of the Club for the protection of the Club.

### Section 3.

The Board of Trustees shall have prepared annually by an Accountant selected by the Trustees, who shall neither be a Trustee, nor an Officer of the Club, a report on the financial condition of the Club. Upon completion of the report, a financial statement shall be made available to each bondholder in good standing.

### Section 4.

- (a) The Board of Trustees shall meet at least six (6) times during the fiscal year at such times and intervals as they deem necessary.
- (b) Five (5) members of the Board shall constitute a quorum.

### Section 5.

Any member of the Board of Trustees may be removed from office for justifiable cause by a 2/3 vote of the total voting membership. Any member may vote in person or may be represented by proxy at either an annual meeting or a special meeting called in accordance with these By-Laws.

### Section 6.

All decisions and actions of the Board of Trustees are subject to review by the voting membership of the Club and may be modified or rescinded by a majority of the total voting membership.

### Section 7.

Nothing in the By-Laws shall be construed to permit the Board of Trustees to borrow or pledge the credit of the Club without specific approval of the majority of the voting membership at a duly held meeting or by proxy vote.

## **ARTICLE V**

### **OFFICERS**

### Section 1.

The Officers of the Club shall be a President, a 1st Vice-President, a 2nd Vice-President, a Secretary, a Treasurer, and if deemed necessary by the Board of Trustees, an Assistant Treasurer. The President, 1st Vice-President, 2nd Vice-President, Secretary, and Treasurer shall be elected annually by the Board of Trustees from among its members and shall hold office until the start of the first meeting of November, the meeting following the October Annual Meeting. The Assistant Secretary and the Assistant Treasurer shall be appointed by the Board of Trustees and hold office at its pleasure.

Any Officer of the Club can be removed from his term of office as an Officer only via a vote of seven (7) members of the Board of Trustees.

#### Section 2.

The President shall preside at the meetings of the Club and the Board of Trustees. He/She shall be the administrator of the Club. He/She shall appoint, subject to confirmation of the Board of Trustees, all standing committees except as otherwise specified in these By-Laws, designating the Chairman of all special committees. He/She shall be, ex officio, a member of all committees.

#### Section 3.

The 1st Vice-President in the absence or disability of the President shall act in his stead. He/She shall under the direction of the President attend to the business and financial operations of the Club and shall be Chairman of the Finance Committee. He/She shall be, ex officio, a member of all committees.

#### Section 4.

The 2nd Vice-President in the absence or disability of the President and the 1st Vice-President shall act in their stead. He/She shall be, ex officio, a member of all committees.

#### Section 5.

The Secretary shall send out notices of the meetings of the Club and of the Board of Trustees, keep the minutes, and attend to the correspondence pertaining to his office. He/She shall perform such other duties pertaining to his office as may be asked of him/her by the Board of Trustees.

#### Section 6.

The Treasurer shall attend to keeping the accounts of the Club, collecting its revenues, and paying its bills as approved by the Board of Trustees. He/She shall deposit funds of the Club received by him/her in the name of the Club, in such depositories as may be authorized by the Board. He/She shall perform such other duties pertaining to his office as may be asked of him/her by the Board.

Section 7.

The Assistant Secretary and the Assistant Treasurer shall perform such duties as may be assigned them by the Secretary or Treasurer, respectively, or by the Board of Trustees.

**ARTICLE VI**

**GENERAL MEMBERSHIP**

Section 1.

Membership in the Club shall consist of the following classes of members:

- (a) Voting                      (b) Associate                      (c) Special

Section 2.

Voting Memberships - A voting Member of this Club shall consist of a family unit including all unmarried children who have not celebrated their 26th birthday before midnight of Memorial Day of that Club year and who reside with their parents. Each family unit shall designate one (1) member to cast a single vote for the family unit. In order to qualify for a Voting Membership, all said members are required to own and maintain a Club bond as described in Article VII/Section 6 of these By-Laws.

Section 3.

Associate Memberships -Associate membership shall be available to any individual member of the household of a Voting Member for a period of time recommended by the Membership Committee and approved by the Board of Trustees. Associate membership shall be available only to those persons who maintain a permanent legal residence with a member family. Associate Members shall not have voting privileges; The Board of Trustees may, by a two-thirds (2/3) vote, confer upon the Membership Committee authority to directly approve Associate Memberships.

Section 4.

Special Memberships -- Special Members may be recommended by the Membership Committee to be approved by the Board of Trustees for a fixed and limited period of time. Special memberships shall be available to

- (a) Persons who reside temporarily with a member family. Such persons shall have no voting privileges.

(b) Families (or individuals) on the waiting list wherein either the husband or wife is the adult child of a current bondholder. The candidate family (or individual) shall be assessed full membership dues but shall have no voting privileges. The special membership is nonrenewable and shall remain in effect only until the candidate family is offered a voting membership as a full bondholder.

The Board of Trustees may, by a two-thirds (2/3) vote, confer upon the Membership Committee authority to directly approve Special Memberships.

The Board of Trustees has the final approval for all applicants by the membership committee.

#### Section 5.

(a) Selection of Members -The President of the Board of Trustees shall appoint a Membership Committee to consider applications for membership in the Club and to recommend to the Board of Trustees suitable applicants. Candidates for membership shall be recommended by at least three (3) Voting Members. The Board of Trustees may, by a two-thirds (2/3) vote, confer upon the Membership Committee authority to directly approve applications to the Club.

(b) The Board of Trustees shall vote upon the admission to the Club of each applicant recommended by the Membership Committee. Membership shall be conferred upon those who shall be approved by two-thirds (2/3) vote of the Board of Trustees. The Board of Trustees may, by a two-thirds (2/3) vote, confer upon the Membership Committee authority to directly approve admission to the Club.

#### Section 6

(a) Any member of this Club may withdraw at any time subject to the provisions contained in these By-Laws. Upon withdrawal there shall be no refund of all or any portion of the current year's dues, unless approved by a 2/3 vote of the Board of Trustees. The Board of Trustees may, by a two-thirds (2/3) vote, confer upon the Membership Committee authority to directly approve withdrawals from the Club.

(b) A one year Temporary Leave of Absence may be requested by a Bond Holder with written request to the Board of Trustees. The bond holder must surrender their bond and will receive the face value amount after a period of 30 to 45 days. A leave of absence will be granted for a maximum of two consecutive seasons.

(c) Members on Leave of Absence must notify the Board of Trustees prior to the February 15th date of the upcoming season stating their intention to (a) rejoin for the coming year; (b) take a second year Leave of Absence; or (c) resign from the Club.

(d) Upon written notification of intention to resume membership, dated no later than February 15th prior to the season, a former bondholder On leave of absence will be placed at the top of the waiting list to receive the next available bond (in the order the request is made) . Failure to rejoin after the second year will result in the need to go through the membership process as a new member applicant.

#### Section 7.

Any member holding any of the memberships above set forth, or any component thereof, may for cause and after having been given an opportunity for a hearing by the Board of Trustees: 1) Be suspended by a 2/3 vote of the members of the Board of Trustees; 2) Be expelled by a 2/3 vote of the members of the Board of Trustees. Cause for suspension or expulsion shall consist of violation of these By-Laws, or rules of the Club, or of conduct unbecoming a lady or gentleman, or of actions that are destructive to the Club's property, or actions that jeopardize the welfare of the Club, as determined by the Board of Trustees on Five (5) days written notice to the member impacted. A bondholder so suspended or expelled may petition the Board for a hearing by the membership by presenting to the Board a petition signed by at least thirty (30) bondholders. Upon receipt of such a petition, the Board will, within ten (10) days, call a special meeting of all bondholders to review the case. The member will be reinstated by an affirmative vote of the majority of all bondholders.

#### Section 8

Associate Members and Special Members shall have all the privileges of Voting Members except that they shall not have the privilege of voting.

### **ARTICLE VII**

#### **BONDS AND DUES**

#### Section 1.

The Board of Trustees, no later than January 15 of each year, shall establish dues for each class of membership for the summer following in that calendar year and inform the membership in writing by about 2/1.

#### Section 2.

Dues shall be sufficient to provide for necessary operating expenses, property improvement and maintenance of the Club, and shall be due and payable on or before March 1 of each year. A late fee determined by the board will be assessed if it is received after March 1 of each year. Opening day packages will not be distributed until the late fee is paid.

Any member owing the club any fees for more than 30 days will be suspended until they fulfill their obligation.

### Section 3.

No dues or a part thereof shall be refunded in the event pool operations are required to be suspended for any period for a valid reason.

### Section 4.

All candidates for membership in the Club shall be required to pay an initiation fee which will be determined by the Board of Trustees. Prior payment of such initiation fee shall be a condition of membership. The fee is non-refundable.

### Section 5.

For the purpose of providing the necessary funds to provide the necessary facilities and for the operation of the Club, the Board of Trustees may provide for the issuance and sale of bonds. Said bonds are to be in the sum of \$850 each, and the total number of bonds outstanding at any one time shall not exceed 399.

Until the current number of outstanding bonds reaches 399, the Board of Trustees shall decide annually to either maintain the current number of outstanding bonds or increase the number of outstanding bonds. The maximum increase in any one year is limited to five (5) additional bonds and the total number of bonds outstanding at any one time shall not exceed three hundred ninety nine (399).

### Section 6.

(a) Bonds shall be unsecured, non-interest bearing, non-negotiable, and non-callable. The holder of any bond agrees by accepting the same to look only to repayment in the manner hereinafter prescribed.

(b) The holder of any bond may transfer such bond only by first by tendering it to the Corporation for redemption at face value. Should the Corporation decline to purchase the bond within ninety (90) days after such tender, the holder may then transfer this bond to any person.

(c) If the Corporation within the ninety (90) day period above stated shall notify the person tendering a bond to the Corporation of the Corporation's intention to purchase said bond, such notification shall constitute acceptance of the offeree's tender. Bonds shall be purchased by the Corporation in the chronological order in which tender to the Corporation was made. After the Corporation has accepted the tender of the bondholder, such holder may not thereafter transfer said bond to any other person.

(d) Tender of the bond to the Corporation shall consist of mailing a notice of such tender to the Secretary of the Corporation by certified mail.

(e) The holder of any bond, any assignee, or subsequent holder, agrees that mere ownership of the bond shall not entitle him/her to membership in the Cedar Hill Club and that all memberships are subject to the requirements set forth in the Corporation certificate and or the By-Laws of the Corporation as they now exist or may be hereafter amended. Ownership of the bond in no way affects the enjoyment of membership rights and privileges in the Corporation.

#### Section 7.

The holder of any bond agrees that all of the provisions of these By-Laws and of said bonds regarding redemption and repayment are junior to any mortgage or mortgages placed upon the property, of the Corporation in an amount not to exceed \$100,000 which mortgage or mortgages shall constitute a senior and prior lien on all assets of the Corporation.

#### Section 8.

In the event of the dissolution of the Club in any manner and for any cause upon the effective date of dissolution of the Club, bonds shall be a lien upon the proceeds of the property of the Club after the payment of all its just debts and obligations to the extent of the then value of the bonds as fixed by these By-laws, subject to set off of all debts due dues, and obligations owed by the holder to the Club. After payment of all bonds outstanding upon the effective date of the dissolution of the Club, the surplus remaining shall be paid and distributed pro-rata to the holders of bonds of the Club.

#### Section 9.

Each member will be sent a notice of dues no later than February 1 with payment required no later than March 1. On or before April 15, all delinquent members will be notified by certified mail, return receipt requested, or by personal service, that payment for dues must be received by May 1 or their membership will be terminated. A late fee will be designated in the notice.

#### Section 10.

Such termination of membership for any cause or indebtedness owing to the Club by a member shall result in a lien charged against his bond if he/she is the owner of a bond and the bond may be taken over by the Club to satisfy such indebtedness.

In the event that the Club is unable to obtain possession of the bond, it may cancel it on the books of the Club and a new bond issued in place thereof to a newly elected member on payment by him/her to the Club of the then value of the bond as fixed by these By-Laws. In case of the enforcement of a lien as herein provided, neither the signature of the

holder nor the delivery of the bond shall be required to effect the transfer to the Club, or to a new purchaser, and the Treasurer of the Club, from time to time is hereby authorized as the attorney of the holder of such a bond, to make such a transfer. Every bond issue is subject to the provisions of this section.

#### Section 11.

Members shall be responsible for all the payment of all charges and liabilities that may be imposed upon or incurred by members of their families to whom the privileges of the Club shall have been extended and for all charges and liabilities imposed upon or incurred by guests introduced by them.

#### Section 12.

All fees and other charges mentioned herein are exclusive of taxes imposed by the Federal, State, and other governmental bodies and agencies.

#### Section 13.

Each person who acts as a Trustee or Officer of the Club shall be indemnified by the Club for expenses actually and necessarily incurred by him/her in connection with the defense of any action, suit, or proceedings in which he/she is made a party by reason of his being or having been an Officer or Trustee of the Club, except in relation to matters, at which he/she shall be adjudged is such action, suit or proceedings to be liable for gross negligence or willful misconduct and except any sum paid for by the Club in settlement of such suit or proceedings based on gross negligence or willful misconduct in the performance of duties.

#### Section 14.

The rights, of individuals herein provided shall inure to each Trustee and Officer referred to where he/she is such Trustee or Officer at the time such costs and expenses are imposed and incurred and in the event of his death shall extend to his heirs, executors, administrators, legal representatives, or assigns.

## **ARTICLE VIII**

### **MEETINGS**

#### Section 1.

(a) The Annual Meeting of the Club shall be held between October 1 and October 31 of each year, at such place and time as the Board of Trustees may determine.

(b) The Annual Meeting shall be for the purpose of electing Trustees, presenting committee reports, and for the transaction of such other business as may be indicated in the notice or may be brought before it.

#### Section 2.

Special meetings of the Club may be called by the Board of Trustees. Special meetings can also be called upon written request of thirty (30) Voting Members to the Secretary stating the purpose thereof. A special meeting shall be called by the Secretary within thirty (30) days of the receipt of such request.

#### Section 3.

Notice of the Annual Meeting shall be given by regular mail to the members at least fifteen (15) days prior thereto. This notice shall include the names of the candidates nominated by the Nominating Committee.

(a) Special meetings of the Club may be held on five (5) days notice by mail to all memberships. This notice shall state the purpose for which the special meeting is called, and no other business shall be transacted thereat.

(b) Independent nominations may be made as provided by Article IX/Section 2.

#### Section 4.

Only Voting Members shall be entitled to vote at meetings of the Club, each bond representing one (1) vote only. Any voting member may be represented by proxy if unable to attend in person. A proxy will be considered valid only if confirmed by a written authorization signed by the absentee member and presented to the Board. Voting may be by voice vote; but ten (10) voting members, including those represented by proxy, shall have the right to demand voting by roll call.

#### Section 5

Five (5) percent of the voting membership present in person shall constitute a quorum at all Club meetings.

#### Section 6.

Whenever a notice to members is required, the mailing of such notices to the last known address of the members shall constitute notice.

#### Section 7.

(a) The Board of Trustees may, by resolution, establish from time to time a schedule of its meetings and rules for the conduct thereof.

(b) Special meetings of the Board of Trustees may be called by the President and shall be called by the Secretary upon request of two (2) members of the Board.

(c) Each member of the Board of Trustees shall be notified by mail or phone at least five (5) days before the date of any regular or special board meeting.

## **ARTICLE IX**

### **NOMINATIONS AND ELECTIONS OF TRUSTEES**

#### Section 1. Nominations of Trustees.

(a) There shall be a Nominating Committee composed of two (2) Trustees and three Voting Members who are not members of the Board of Trustees. The board of trustees shall elect the nominating committee.

(b) The Nominating Committee shall nominate candidates for the anticipated vacancies in the Board of Trustees to be filled at the Annual Meeting and shall report such nominations to the Secretary on or before September 1. Such report is to be posted at the club.

(c) Independent nominations of candidates for election at the Annual Meeting may be made by Letter signed by thirty (30) voting members and with the consent of the nominees and delivered to the Secretary at least thirty (30) days before the Annual Meeting. The Secretary shall give notice thereof to all members entitled to vote at least fifteen (15) days before the Annual Meeting.

#### Section 2. Elections of Trustees.

(a) Trustees shall be elected at the annual meeting of the membership. Election shall be by ballot mailed via First Class Mail. A plurality shall elect. No name may be placed in nomination without the consent of the nominee.

(b) Voting Procedures for electing trustees: Official ballots will be distributed to the membership at least fifteen (15) days prior to the annual meeting. All ballots will be sent via US mail after Labor Day. The ballots will be produced on special forms which will not allow copying. Only the special ballots will be accepted as valid ballots. They must be mailed in to be counted and be received by 2 days prior to the scheduled fall meeting. Members can also bring their ballots and vote in person at the annual meeting. The ballots will clearly state that you must vote for 1, 2, or 3 candidates. Only valid ballots that have 1, 2 or 3 candidates selected will be counted. The ballots do not require any signature or bond number allowing for complete anonymity. Only the envelope will contain the bond number. The nominating committee will print and distribute the valid ballots each year and carefully control them.

Sample voting certificate and ballot counting procedures will be kept in a standing rule document separate from these by-laws.

(c) Tie Procedure - The top 3 candidates will win election. When a tie exists which prevents determining the top 3 candidates a special election will take place at the annual membership meeting to break the tie. Only the candidates that are tied will be in the special election. The secretary will hand out special ballots for the election. Only good standing members present at the annual meeting can vote. The candidates receiving the highest number of votes will fill the available vacancies. In the rare case of another tie the current board of trustees will break the tie in a closed vote.

## **ARTICLE X**

### **COMMITTEES**

#### Section 1.

The standing committees shall be Pool and Grounds, Operations, Membership, Special Events, Finance, By-Laws and Rules, Grievance, Publicity, Nominating and Policy.

#### Section 2.

The Pool and Grounds Committee shall exercise supervision over the pool and grounds and shall attend to the improvements and maintenance of the pools, buildings, equipment, and grounds.

#### Section 3.

The operating Committee shall be responsible for the operations of the Club facilities including the staff members and the refreshment area.

#### Section 4.

The Membership Committee, in accordance with these By-Laws, shall investigate and report to the Board of Trustees upon the acceptability of applicants for membership. Process application and report to the Board of Trustees.

#### Section 5.

The Special Events Committee shall prepare the programs / activities as authorized by the Board of Trustees.

#### Section 6.

The Finance Committee shall prepare the annual budget for submission to and approval by the Board of Trustees and shall exercise general supervision over the financial transactions of the Club.

Section 7.

The By-Laws and Rules Committee, subject to approval of the majority of the Board of Trustees, shall prepare rules of health and good conduct in connection with the operation of the pool and shall, in conjunction with the other committees, see that the rules and regulations of the Club are enforced.

Section 8.

The Grievance Committee shall attempt to resolve all complaints in accordance with the established rules and By-Laws of the Club.

Section 9.

The Publicity committee shall attend to the publication of affairs of the Club which are of general interest.

Section 10.

The Nominating Committee, in accordance with these By-Laws, shall nominate candidates for the Board of Trustees.

Section 11.

The Policy Committee shall keep up to date records of all past policies and present policies of former administrations and the present administration not covered by these By-Laws or the rules of the Club and make them available to the entire membership for review.

## **ARTICLE XI**

### **MISCELLANEOUS**

Section 1.

Any questions as to the meaning or proper interpretation of any of the provisions of these By-laws shall be determined by the Board of Trustees.

Section 2.

These By-laws may be amended by a two-thirds (2/3) vote of the Voting Members present in person or represented by proxy at any meeting of the Club provided at least fifteen (15) days notice by mail of such amendment shall be given to each such member.

Section 3.

All meetings of the membership shall be conducted in accordance with Roberts Rules of Order Revised, except where these By-Laws are to the contrary in which event the provisions of these By-Laws shall govern.

**ARTICLE XIII**

**DEFINITIONS**

Section 1.

The phrase "the total membership of the Board of Trustees" shall mean the total number of seats that are filled by the Board of Trustees at any one time. This, a majority of a vote of the total membership of the Board of Trustees would require an absolute vote of five (5) in the event the total nine (9) seats were filled.

Section 2.

The phrase "majority vote of the Board" shall mean a majority of a quorum of the Board at any meeting.

Section 3.

Total voting membership means the total issued bonds in the club