

BY-LAWS of Friendly Park, Inc.

GREENSBORO, NORTH CAROLINA

ARTICLE I. Name:

The name of the Corporation shall be Friendly Park, Inc.

ARTICLE II. Purpose:

The Corporation has been organized for the purpose of building, maintaining, and operating recreational facilities with the objective of promoting the social welfare of qualified members.

ARTICLE III. Membership:

Section 1. Membership in Friendly Park, Inc. is open to all qualified applicants without regard for religious belief, cultural background, race, nationality, sexual orientation, gender, physical and mental ability or age. Memberships are sold to adults 21 years old or older.

Section 2. Anyone seeking membership shall make application and submit it to the Board for approval. The Board of Directors shall have the sole and final authority to determine those individuals who shall be entitled to membership.

Section 3. A membership in Friendly Park, Inc. is defined as one of the following:

- a) Family - three or more people who reside in the same household; includes resident guests
- b) Single/Couple - one or two people who may or may not reside in the same household; a single adult membership receives a standing guest pass
- c) Senior – one or two people who reside in the same household, each age 55 or above, who have been members of Friendly Pool for at least 5 years; members with fewer than 5 years of membership and new senior members must both be over the age of 60.

Section 4. The requirements for membership are contingent upon the following:

- a) Approval of a “New Membership Form” and a “New Membership Agreement” approved by the Board of Directors of Friendly Park, Inc.
- b) Payment, in full, for one unit of membership stock in the Corporation as established by the Board of Directors;
- d) Agreement to abide by the By-Laws of Friendly Park, Inc. and rules and regulations promulgated by the Board of Directors of Friendly Park, Inc.

Section 5. There shall be a limit of 350 regular memberships and a number of Senior and Single/Couple Memberships specified by the Board of Directors. Various levels of membership may be offered based on two-thirds vote of the Board of Directors during any regular or special called meeting.

Section 6. The Board of Directors shall establish annually, a pro rata share of the cost of pool operations, for the purpose of determining the amount of the annual assessment for each membership (“Dues”). A notice of the annual assessment amount shall be mailed to each membership unit by March 15 and marked

payable on or before May 1. Any membership unit paying the annual assessment after May 1, will be assessed a late fee of twenty-five dollars (\$25.00) in accordance with Article VIII, Section 2 of the Bylaws. These late fees are in addition to the annual assessment and any special assessments. Any pool member who has not paid the annual assessments shall not be admitted to the pool.

Section 7. Any special assessments levied on the membership to defray the cost of pool operations or maintenance shall be approved by a two-thirds vote of the Board of Directors during any regular or special called meeting. Members of the Board shall be advised in advance that this matter will appear on the agenda for that meeting. A special assessment may, at the discretion of the Board of Directors, be treated as a one-time assessment or as a capital contribution adding to the basis of the membership stock unit (refundable when membership is resigned in accordance with Article VIII, Section 1); any special assessment shall be levied on all current pool members.

ARTICLE IV. Meetings of Members

Section 1. There shall be an annual meeting of the membership of the corporation, which shall be held on the first Monday in September of each year, at such a place as shall be designated by the Board of Directors. Notification of the annual meeting shall be made in writing and may be delivered to each membership by mail or by electronic means of communications, as determined by the President. Any such notice shall be delivered at least one week before the date of the meeting. If sent by electronic means, such delivery shall be effective upon sending the notice to the electronic mail address of the membership as it appears on the current records of the Corporation. If sent by mail, such notice shall be deemed to be effective when deposited in the United States mail, correctly addressed to the address as it appears on the current record of membership of the Corporation, with postage thereon prepaid.

Section 2. Each unit of membership stock shall be entitled to one vote at the annual meeting and any special meetings. The membership associated with the unit of stock must be in good financial standing including but not limited to stock amount paid in full, Dues paid in full or on-going payment schedule in good standing, no late fees or other outstanding balances.

Section 3. At the annual meetings of members, there shall be elected a Board of Directors from members in good financial standing of the Corporation. The Board of Directors or their appointees shall govern the Corporation.

Section 4. At each annual meeting, the President and Treasurer and offices of the Corporation shall present a report of the business of the Corporation for the current fiscal year.

Section 5. Special meetings of the membership may be called at any time by the President or by any two members of the Board of Directors. Notice of such a meeting shall be given as provided in Article IV, Section 1.

Section 6. The fiscal year for the organization shall extend from November 1 through October 31 of each year.

ARTICLE V. Board of Directors

Section 1. The Board shall consist of twelve (12) to twenty (20) elected members. The Officers of the Board will be the following: President, Vice-President, Treasurer, Secretary, and Immediate Past President. Directors must be members in good financial standing of the Corporation at the time of their election.

Section 2. Each Officer serves a one-year term and may be elected to a second term of one year. After serving a term, the President serves a term as Immediate Past President. The Vice-President shall serve a term and then succeed to post of President. All other members of the Board shall serve a two-year term. Those offices that are filled by two people should be staggered in order to preserve continuity on the board.

Section 3. The Board of Directors shall have general management and control of the Corporation, its business, property, and affairs, and shall exercise all powers of the Corporation on behalf of its members, subject to the limitation set forth in Section 10 of this Article.

Section 4. A quorum of the Board of Directors shall be a simple majority of the Directors. A quorum must be present for any business to be acted upon. Unless otherwise specified in these by-laws, a majority vote is required to pass a motion under consideration by the Board. A majority vote means more than one half of those present and voting. Action required or permitted to be taken at a meeting of the Board of Directors may be taken without a meeting if the action is taken by all members of the Board. The action must be evidenced by one or more unrevoked written consents signed by each director before or after such action, describing the action taken, and included in the minutes or filed with the records of the Corporation. Voting by email is allowed as long as all Board Members participate.

Section 5. The Board of Directors shall adopt such by-laws as they deem necessary for the governance of the Corporation. Revisions to the by-laws shall be passed by a two-thirds (2/3) vote of a quorum of the Board.

Section 6. The Board of Directors shall meet at such times and at such places as the Board by resolution shall set – provided that the President or any two members of the Board may call for a meeting of the Board by written notice via mail or electronic communications at least three days before the meeting. The notice for such special meetings called by the President and/or two members of the Board shall set out the place, time, date, and purpose of the meeting, and the business to be transacted.

Section 7. It is the responsibility of all Board of Directors members to attend meetings on a regular basis. If a member must be absent for a meeting, he or she shall notify the President or Vice President prior to the meeting when possible. Excessive absences by a Board member will be cause for the Board to take action to remove and replace that member. Any such removal shall be by two-thirds (2/3) vote of a quorum of the Board (with the Board member subject to removal not allowed to vote).

Section 8. Vacancies on the Board of Directors due to death, termination of membership in Friendly Park, Inc., resignation, removal, or any other cause shall be filled by a majority of the Board of Directors by appointment of a successor to fill out the unexpired term.

Section 9. The Board of Directors shall set the annual budget by March 1 of the fiscal year and shall at the time set the amount of the annual assessment for each member's pro rata share of the cost of operations.

Section 10. The Board of Directors shall make no capital expenditure, other than replacement of existing capital assets, where such expenditure shall be an amount in excess of 15% of the amount of the budget

adopted in the fiscal year immediately preceding, without the authority of an affirmative vote of a majority of the membership units present and voting at an annual meeting of the members of the pool or at a special meeting of the members of the pool called by the Board of Directors for the purpose of a vote on the exceeding of said limitation.

Section 11. The President of the Board of Directors shall appoint a Nomination Committee at least one month prior to the annual membership meeting. The purpose of the Committee shall be to nominate candidates for the available board positions to be voted upon at the annual meeting. The members of the Nominating Committee shall select a Chairperson. The Chairperson shall submit a report to the President with recommendations for nominations to the Board. The Chairperson's report shall be posted at the pool at least one week prior to the annual meeting. Nominations may also be made from the floor at the membership meeting.

ARTICLE VI. Duties of the Officers

Section 1. There shall be a President, who shall preside at all meetings of the Board of Directors and all meetings of the membership, shall appoint committees and have general share of and control over affairs of the corporation, subject to such regulations and restrictions as the Board of Directors shall from time to time determine. Upon election, the President shall appoint a committee to review the By-laws of the Corporation.

Section 2. There shall be a Vice-President, who shall perform such duties as may from time to time be assigned by the Board of Directors; in case of the death, disability, or absence of the President, the Vice-President shall be vested with all the powers and perform all duties of the President. The Vice-President shall serve on the nominating committee as provided in Article V, Section 11.

Section 3. There shall be a Secretary, who shall record the minutes of the Board of Directors and of the members of the Corporation, shall see to the correspondence of the Board of Directors, and perform other such further duties as may from time to time be assigned by the Board of Directors.

Section 4. There shall be a Treasurer, who shall keep the funds of the corporation, invoice all of the members of the Corporation for regular and special assessments, disburse all funds as directed by the Board of Directors, render a report of the financial condition of the corporation at the regular Board and the annual membership meetings, as well as perform such further duties as may from time to time be assigned by the Board of Directors.

Section 5. In addition to any other committees that are appointed as needed, there shall be a standing Executive Committee comprised of all of the officers of the Board of Directors, including the Immediate Past President, plus the Pool Manager. The Board President can call an Executive Committee meeting, either as an emergency meeting to deal with unique problems or a regular meeting to address general organizational issues. The Executive Committee does not have the full power of the Board but may make recommendations to the full Board whenever approval is needed for an action.

ARTICLE VII. Salaries

Section 1. The Board of Directors shall hire and fix the compensation of any and all employees, which they in their discretion may determine to be necessary for the conduct of the business of the Corporation.

ARTICLE VIII. Transfer or Termination of Memberships

Section 1. The Board of Directors shall have final authority to determine issues of transfer, termination, special memberships, or other matters pertaining to membership, in the Corporation. A party wishing to withdraw or terminate membership may do so by notifying the Board via an Officer or the Membership Chair in writing. Desire to terminate membership must be submitted in writing by May 1. When a member notifies the Board in writing of a desire to terminate or withdraw membership, the member will be relieved of immediate payment of any Dues or assessments accruing after said notification (though such Dues and assessments will be deducted from the amount, if any, returned to the former member upon sale of the membership stock unit, as described below). The Board will place such withdrawals and terminations in chronological order for resale purposes and will offer the membership stock unit for resale. Upon sale of the membership stock unit, or at the end of the fiscal year if the Board allows, the Corporation will reimburse the former member (the former holder of the withdrawn or terminated membership stock unit) the former member's basis in the membership (as determined by the former member's initial payment for the membership stock unit plus any special assessments treated as capital contributions by the Board of Directors pursuant to Article III, Section 8, above), less any taxes, Dues, or assessments owed by the membership (including all Dues and assessments which have accrued after notification of withdrawal or termination by the former member).

A member who has submitted a withdrawal letter may request and be granted a reinstatement of membership upon payment of any back Dues or assessments during the withdrawal period provided that the ownership of the withdrawn membership has not been sold or has not reverted to the Corporation.

A member may also notify the Board via an Officer or the Membership Chair in writing that the member would like a one-year hold on membership. Desire for a one-year hold on membership must be submitted in writing by May 1. When a member notifies the Board in writing of a desire for a one-year hold, the member will be relieved of payment of any Dues accruing during the one-year period of the hold. Upon the expiration of the one-year hold, the member must resume payment of Dues and pay any assessments (including those assessed during the one-year hold) or provide written notification of desire to withdraw or terminate membership. Members are only entitled to receive a one-year hold, unless otherwise approved by the Board of Directors.

Section 2. Whenever any member is in default of payment of any Dues or special assessments properly assessed by the Board of Directors and remains in default of payment of such Dues or special assessments past the pool opening date, or such member has been granted a one-year hold, the member's name shall be posted at the pool and that member shall be on suspension, and no member under such suspension shall be entitled to use of any of the facilities of Friendly Park, Inc., until all Dues or special assessments owed by the member have been paid in full.

Should a member remain in default of payment of Dues or special assessments, or both, for a period of thirty (30) days past the payment due date, then, upon a vote of the Board of Directors, said member can be expelled and all connections of such membership with Friendly Park, Inc. shall be terminated and the membership shall be resold in accordance with Section 1 above, the same as if it were a voluntary termination.

Section 3. Any membership of the corporation may be terminated for such cause as is satisfactory to a two-thirds vote of the entire Board of Directors, provided that member's initial membership payment is repaid to the terminated member. If that membership is delinquent in payment of taxes, assessment, late

payment fee, Dues, or any other sums to the corporation, this amount will be deducted from the initial payment for the membership unit.

Change Log:

Approved by the Board of Directors on April 22, 2012.

Updates approved February 16, 2020.

Updates approved February 21, 2021.

Updates to expand family memberships from 325 to 350 approved June 12, 2022.