

RECREATION CENTERS OF SUN CITY, INC.

BOARD/MEMBER EXCHANGE

Monday October 9, 2017 at 9:00am

Lakeview Center - Social Hall #3

AGENDA

- Call to Order President Hoffer
- Pledge of Allegiance All
- President Comments President Hoffer
- Member Comments
- **Motions: *To be voted on at the October 26, 2017 Board Meeting***
 - #1 – BP#12 Chartered Clubs Secretary Van Ness
 - #2 – BP#22 Refunds Director Alleman
 - #3 – BP#29 Hearing Procedures & Cardholder Suspensions Director Wieland
 - #4 – Corporate Bylaws Vice President DeLano
- Next Meeting Dates

REGULAR BOARD MEETING

Thursday – October 26, 2017

6:30pm

Fairway Center – Arizona Rooms #1 - #2

Social with light refreshments will be from 6:00-6:30pm

MEMBER EXCHANGE

Monday – November 6, 2017

9:00am

Lakeview Center – Social Hall #3

(Earlier due to holiday schedule)

- Adjourn

RECREATION CENTERS OF SUN CITY, INC.

BOARD OF DIRECTORS MOTION/RESOLUTION

Date of Meeting: October 26, 2017	Proposed by: Secretary Van Ness
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I MOVE THAT Board Policy Resolution No. 12, titled Chartered Clubs, as amended, be approved in its entirety and replace previous Board Policy Resolution No. 12 titled the same.

Note: Amendments shown as highlights with strikethrough for deletions (~~example~~) and highlights for additions (example).

Approved Defeated Postponed Withdrawn

BOARD POLICY RESOLUTION No. 12 (“BP12”)

CHARTERED CLUBS

WHEREAS Article IV, Section 7 of the Corporate Bylaws empowers the Board of Directors (“Board” or “Directors”) of the Recreation Centers of Sun City, Inc. (“RCSC” or “Corporation”) to adopt policies not in conflict with the Restated Articles of Incorporation (“Articles”) or the Corporate Bylaws (“Bylaws”).

WHEREAS to minimize inconsistencies, misunderstandings and misinterpretations inherent in verbal instructions, rules and regulations, the Board of Directors has established Board Policies (“BP” or “Policies”) in written form. Such Policies shall be titled, numbered and indexed for easy reference and use.

WHEREAS the Restated Articles of Incorporation (“Articles”) and the Corporate Bylaws (“Bylaws”) shall take precedence over Board Policies and that the following Board Policy regarding Chartered Clubs shall provide instruction, direction and guidelines regarding such and shall remain in effect until such time it is amended or removed.

WHEREAS the Corporation has a group tax exemption for its subordinate chartered clubs under section 501(c)(4) of the Internal Revenue Code. A club must not be organized for profit and must be operated exclusively to promote social welfare to be tax-exempt as a social welfare organization. The earnings of a section 501(c)(4) organization may not inure to the benefit of any private shareholder or individual. A chartered club must operate primarily to further the common good and general welfare of the people of the community. A club does not operate primarily to promote social welfare if its primary activity is carrying on a business with the general public in a manner similar to organizations operated for profit.

NOW, THEREFORE BE IT RESOLVED that all chartered clubs must be conducted in compliance with federal, state and local laws, the RCSC Restated Articles of Incorporation, RCSC Corporate Bylaws and RCSC Board Policies.

BE IT FURTHER RESOLVED that Chartered Clubs shall be governed as follows see [Form BP:12-20\(a\)](#) for index:

1. CHARTERED CLUB REQUIREMENTS:

A club, to maintain its charter, must have sufficient club membership and active participation to use effectively the RCSC facilities set aside for it. The minimum club membership requirement for clubs with dedicated space is fifty (50) RCSC cardholders; and for clubs without dedicated space, twenty-five (25) RCSC cardholders are required, excluding the following clubs: Stamp and Model Railroad.

Dedicated space is that assigned to and only used by that club.

Groups seeking to become RCSC Chartered Clubs should complete the Application for Club Charter ([FORM BP:12-15](#)) and submit it to RCSC’s clubs office.

Each club shall have its own Federal Tax Identification Number. Applications are to be filled out and filed in the Clubs Office only. Each club shall have its own official chartered club name. Club name changes must be reported to RCSC’s club office and to the proper tax authorities.

2. CLUB MEMBERSHIP:

Chartered club membership shall be open to all RCSC cardholders in good standing. If a chartered club has been organized exclusively for men, women, singles or by age group, then exceptions may apply. Clubs may require a minimum of skill for participation as defined in their club rules and regulations. Each club member has one vote. Only club members can vote or hold office.

To ensure that each club member is an RCSC cardholder in good standing, clubs must submit a current club membership roster ~~on the proper spreadsheet format provided~~ directly to the RCSC's club office ~~clubs~~ twice a year on or before Mar 1 and Oct 1 and upon request of RCSC's club office. Honorary or lifetime club membership guidelines must be ~~so~~ stated in ~~its~~ the club rules and regulations and must be awarded only to RCSC cardholders in good standing. Honorary or lifetime club membership will be terminated automatically if an RCSC cardholder is not in good standing.

3. CLUB COMMITTEES:

Clubs may establish committees, as defined in club rules and regulations; e.g.; Nominating, Club Rules & Regulations, Auditing, Quality Control. Committee members may be elected or appointed, as defined in the club rules and regulations.

4. EXECUTIVE BOARD:

The club's Executive Board shall be elected by a vote of the general club membership. The club's Executive Board shall be comprised of the officers and may include club committee chairpersons and club members-at-large. Club members who are paid for services, such as club instructors, ~~card club directors or callers,~~ shall not hold elected club office while performing these services.

The club's Executive Board shall be responsible for the control and management of the affairs, property and common interests of the club and the administration of the club's rules and regulations. The club's Executive Board may consult with their COC (member of the Club Organization Committee assigned to that club) regularly and seek their assistance immediately whenever any club issue arises.

5. EXECUTIVE BOARD MEETINGS:

The club's Executive Board shall meet at least twice a year on such dates as determined in the club's rules and regulations or as established annually by the club's Executive Board. Executive Board meeting dates shall be submitted ([FORM BP:12-2](#)) to RCSC's club office by April 30 for the following year.

6. CLUB OFFICERS:

The club officers shall be, at a minimum, a President, ~~Vice President~~ and a Secretary/Treasurer. ~~The Vice President shall perform the President's duties in his/her absence.~~ Election process of club officers, ~~general term of office, term limitation~~ and their ~~officer's~~ duties shall be specified in the club's rules and regulations. Club officers shall serve without compensation ~~and the general term of office shall be for one year. Re-election, term limitation and election procedures of club officers must be stated in the club's rules and regulations.~~ Club rules and regulations must define what occurs if an elected officer and/or Executive Board member becomes unable or unwilling to fulfill his/her duties ~~or is absent for an extended period of time.~~ ~~Club rules and regulations should define, if applicable, temporary officer replacements during extended periods of absence.~~ RCSC's club office must be kept apprised of current club officers ([FORM BP:12-3](#)), including temporary replacements.

7. CLUB GUEST ATTENDANCE:

Attendance by all club guests (*non-RCSC Cardholders*) for any club activity/meeting/event/tournament/class must be recorded on guest attendance register ([FORM BP:12-4](#)) **unless** a Host Punch Card (*see Board Policy 9*) is accepted and punched by the club for the club guest or a club guest presents a Daily Guest Pass and ID with picture. If the club has punched a Host Punch Card or been presented with Daily Guest Pass, that club guest is not recorded on the guest attendance register. Monthly, the compilation of these guest attendance registers ([FORM BP:12-4](#)) shall be recorded and submitted no later than ten (10) days after the close of the month to RCSC's club office along with payment to RCSC of club guest fees equal to the daily guest fee per club guest per day.

Club guests (*non-RCSC Cardholders*) are not defined as those who wish to tour club facilities, accompany a club member but not participate, provide care or assistance for a handicapped club member or provide instruction to club members.

8. CLUB RECORDS & REPORTS:

All chartered clubs must record and maintain minutes of all club meetings and must retain copies of all correspondence. Minutes must be readily available to all club members.

All chartered clubs are responsible for the timely filing of all reports and tax forms required by federal, state and local laws for 501(c)(4) organizations see [FORM BP:12-19\(a\)](#) for more information.

Chartered clubs shall issue Internal Revenue Service 1099 forms to individuals who are paid six hundred dollars (\$600) or more during a calendar year. This includes, but is not limited to, sales of crafts, club instructors, card club directors, caller fees and any other such payments required to be reported to the IRS. All 1099 forms (*available at clubs office*) shall be filed no later than January 31 of the following year see [FORM BP:12-19\(a\)](#) for more information.

Clubs shall maintain and retain records for the period of time shown as follows:

- a) Club correspondence and club meeting minutes – three (3) years
- b) Club financial records and reports – three (3) years prior to current year
- c) Club deposit records and club receipts – three (3) years
- d) Club tax returns – seven (7) years
- e) Major club capital equipment, copy of invoice and warranty – keep for the life of the equipment
- f) Club discipline and conduct reports – five (5) years
- g) Club records of supply items – three (3) years
- h) Club membership roster – current and prior year only
- i) Club inventory – current and prior year only
- j) Charter club approval, club Federal Tax ID number - retain for life of club

9. CLUB MONITORS:

All clubs using tools and equipment that could cause injury to the user must provide club monitors during all club operating hours when such tools and equipment are or may be in use. Monitors must be easily identified by a monitor badge and must be fully trained and documented in the use of all tools and equipment within the club. Monitors must ensure the use of safety equipment to include that provided by the manufacturer. Monitors must report ~~all~~ **any club member's** non-compliance on a club member conduct report. Duties of club monitors must be stated in the club's rules and regulations.

When RCSC facilities are assigned to a club, it is the responsibility of the club to monitor the use of those facilities and follow all rules and regulations regarding such.

10. CLUB MEMBERSHIP MEETINGS:

Club membership meetings shall be held at least once a year on such date(s) as determined in the club's rules and regulations or as established annually by the club's Executive Board. Membership meeting dates shall be submitted ([FORM BP:12-2](#)) to RCSC's club office by April 30 for the following year.

A quorum for chartered clubs with membership up to 100 members shall be 20%, of 101-400 members shall be 21 or 10%, whichever is greater and above 400 members shall be 41 or 5%,

whichever is greater. Quorums can be reached only in person. Clubs assigned designated club space shall, if possible, use their assigned space for club events/business meetings. Clubs without such assigned space must make a request for facilities, in writing, to RCSC's club office for events/business meetings. Any requests for changes must be made in writing to RCSC's club office as well. Additional club space is assigned on a first come first served basis so clubs should make requests as far in advance as possible.

Special club membership meetings may be called by any of the club's Executive Board or by written request of ten percent (10%) of the club membership. Notice of special club meetings, with time, place and purpose, must be posted and mailed, phoned, or e-mailed to all club members at least seven (7) days prior to the meeting. RCSC's club office should be notified immediately of scheduled special club membership meetings.

11. CLUB EVENTS/TOURNAMENTS:

Any club President may request to host/sponsor a club event/tournament open to the public through RCSC's club office which will assign appropriate RCSC facilities, as available. An open club event/tournament is any event to be attended by the general public and not just RCSC cardholders and their invited guests.

Clubs shall pay RCSC rental fees for the facilities assigned for open club events/tournaments unless the club's annual donation to RCSC is Twelve Thousand Five Hundred Dollars (\$12,500) or greater per year or the event is sanctioned as an RCSC sponsored event. To request that RCSC sanction an event/tournament, the club must submit the request to ~~the~~ RCSC Management see [FORMS BP:12-11\(a\)](#) and [BP:12-11](#). Club rental fees shall be equal to [Cardholder rental fees](#) except that the rental fees shall be for each day of the event rather than for a four hour period and only for the days that the space is open to the public. Guest attendance registers, ([FORM BP:12-4](#)) Host Punch Cards, or Daily Guest Passes are not required if RCSC facilities are rented by the club.

If club events/tournaments are open to club members and their invited guests only, the daily guest fee per club guest ~~per day~~ must be paid to RCSC. The completion of the guest attendance register ([FORM BP:12-4](#)) or the acceptance and punching of Host Punch Cards (*see Board Policy 9*) or presentation of Daily Guest Pass with picture ID is required.

If a club occupies a rented space for two or more consecutive days and no further setup is required, the rental fees shall be reduced by forty percent (40%) for each day after the initial day rented or until such time a change in setup is required.

If a club donation (\$12,500 or greater per year) is in lieu of rental and setup fees, such donation will not be eligible for club promotion and marketing.

Registration shall be on a first come first served basis for all club events/tournaments, with RCSC cardholders taking precedence over all other registrants. Neither club visitors nor club guests shall displace club members ~~at any club events/tournaments~~.

12. FOOD & BEVERAGE AT CLUB EVENTS/TOURNAMENTS:

The sale of alcoholic and non-alcoholic beverages and food (raw or cooked) is prohibited without appropriate licensing. If a club/organization sponsoring an event/tournament wishes to accept donations or charge a fee for any food or non-alcoholic beverage, they must contact the Maricopa County Environmental Health Division at least seven (7) days in advance to report the event and determine if a Temporary Food Service Establishment Permit is required. If a club/organization sponsoring an event/tournament wishes to accept donations or charge a fee for any alcoholic beverages, they must secure a Special Events License from the Arizona Department of Liquor.

A club may provide alcoholic and non-alcoholic beverage and food provided that such are made available to club members and their escorted guests only **and** without charge.

For rules and regulations regarding the use of recreation center kitchens, catering, pot lucks, and bake sales refer to Board Policy No. 25 titled Food and Beverage.

13. OPEN CLUB CLASSES:

Any club President may request to provide open club classes through RCSC's club office which will assign appropriate RCSC facilities, as available. Club instructional classes will require, at a minimum, the daily guest fee per club guest ~~per class~~ paid to RCSC. The completion of the guest attendance register ([FORM BP:12-4](#)), the acceptance and punching of Host Punch Cards (*see Board Policy 9*), or presentation of Daily Guest Pass with picture ID is required for all club classes.

Registration shall be on a first come first served basis, with RCSC cardholders taking precedence over all other registrants. Neither club visitors nor club guests shall displace club members ~~at any open club classes~~.

14. INDEPENDENT CONTRACTORS:

Clubs using independent contractors to provide club related services; i.e. dance callers, instructors, etc. shall define positions and duties in their club rules and regulations. An Independent Contractor Agreement ([FORM BP:12-5](#)), must be on file with RCSC's club office a minimum of seven (7) days prior to services being rendered. A copy of the agreement must also be maintained by the club for each person rendering services. All monies paid for services, ~~including but not limited to instructors, callers and card club directors~~, must be paid and recorded by check or signed receipt. Clubs that hire independent contractors must comply with federal and state tax regulations and laws.

Chartered clubs shall issue Internal Revenue Service 1099 forms to individuals who are paid six hundred dollars (\$600) or more during a calendar year. This includes, but is not limited to, sales of crafts, club instructors, card club directors, caller fees and any other such payments required to be reported to the IRS. All 1099 forms (*available at clubs office*) shall be filed no later than January 31 of the following year see [FORM BP:12-19\(a\)](#) for more information.

Clubs conducting instructional classes during periods other than normal club operating hours must request facilities from RCSC's club office in writing.

15. CLUB VISITORS & GUESTS:

A club visitor is an RCSC cardholder that is not a member of the club; there are no fees payable to RCSC by the club for club visitors. A club guest is a non-Sun City **AZ** resident or a Sun City **AZ** resident who is not an RCSC cardholder. The club will pay RCSC or effect RCSC to be paid [Host Punch Card or Daily Guest Pass] the daily guest fee per club guest per day unless the club has an approved reciprocity agreement ([FORMS BP:12-9\(a\)](#) and [BP:12-9](#)) with an outside club ~~or an annual agreement with the RCSC Board of Directors for the club to retain the guest fee in order for the club to survive financially ([FORM BP:12-13](#))~~. ~~Full financial disclosure of the club is required for such an agreement to be considered.~~ Clubs are responsible for the behavior of their guests and shall be held responsible for any damage to RCSC property. Anyone displaying inappropriate behavior may be asked to leave RCSC facilities.

Neither club visitors nor club guests shall displace club members. Only RCSC cardholders are eligible for club membership. Both club visitors and club guests shall be required to meet minimum skill levels as defined in club rules and regulations prior to participation in any club. Club rules and regulations must stipulate the restrictions for all club visitors and guests which must be adhered to without exception.

All club guests that have not had a Host Punch Card (*see Board Policy 9*) accepted and punched or presented a Daily Guest Pass with picture ID must be recorded on the guest attendance register ([FORM BP:12-4](#)), refer to Section 7 - Club Guest Attendance of this policy for more information.

16. INJURIES & INCIDENTS:

If an incident (sickness, loss of consciousness, etc.) or injury (slip, fall, etc.) occurs during club use of RCSC facilities, first response is ~~always~~ to call 911, second response is to notify RCSC personnel, preferably the Area Supervisor or Center's Lead ~~Custodian~~ ~~Utility Worker~~, and once the inflicted individual has been safely responded to, [RCSC's Incident Report](#) must be completed and filed by those witnessing the incident.

17. CLUB MEMBER DISCIPLINE:

Club members should conduct themselves in a civil manner so as not to jeopardize the rights and privileges of other club members. A club member's inappropriate conduct may include arguments, physical confrontation or any behavior that places another person in reasonable apprehension of imminent physical injury or places the club or RCSC facilities in jeopardy. Any club member displaying ~~such~~ inappropriate behavior may be asked to leave immediately. ~~Inappropriate behavior by club members may be reported on a Club Member Conduct Report (FORM BP:12-14) which should be completed and submitted as soon as possible after the occurrence. If the offender is a member of the Club's Executive Board, the conduct report should be submitted to the RCSC Board office. If the offender is a club member that is not a member of the Club's Executive Board, the conduct report should be submitted to a club officer. All Club Member Conduct Reports (FORM BP:12-14) must be completed and submitted within sixty (60) days of the infraction.~~ ~~the following process shall occur:~~

If the offender is a member of the Club's Executive Board, the RCSC Board of Directors will conduct a hearing as outlined in Board Policy 29 for Hearing Procedures & Cardholder Suspensions. If the offender is a club member that is not a member of the Club's Executive Board, the Club's Executive Board will conduct the club member discipline process as outlined in the club's rules and regulations. Any club member disciplined by the Club's Executive Board may submit a written request for an appeal to the RCSC Board of Directors which will follow the appeal hearing process outlined in Board Policy 29.

- ~~a) First offenders will be given an oral and written warning outlining the nature of the infraction(s). This warning may originate from a club monitor or club officer who must complete, date and sign a club member conduct report (FORM BP:12-14). All club member conduct reports must be completed within sixty (60) days of the infraction and must be maintained in club records for a period of five (5) years.~~
- ~~b) If the offender is a club officer, the infraction must be brought to the attention of the Club Organization Committee for appropriate process and discipline.~~
- ~~c) A second infraction, also recorded on a club member conduct report (FORM BP:12-14), will be a written warning and a hearing conducted by the club's Executive Board, who may suspend the club member for a period of not more than sixty (60) days.~~
- ~~d) Further infractions, recorded on club member conduct reports (FORM BP:12-14), will generate additional hearings conducted by the club's Executive Board, who will recommend dismissal from the club or other appropriate discipline to Club Organization Committee. The Club Organization Committee will deliver the decision regarding the club member's discipline. Additional infractions by reinstated club members may be cause for permanent loss of club membership.~~
- ~~e) Any club member disciplined may submit a written request for an appeal to the RCSC Board of Directors, whose decision will be final.~~

18. CLUB RULES & REGULATIONS:

Each chartered club shall adopt rules and regulations, see [FORM BP:12-10\(a\)](#), not in conflict with the **RCSC** Articles, Bylaws or Board Policies. In the event a conflict should occur, the Articles, Bylaws and Policies, in that order, shall take precedence over club rules and regulations. Club rules and regulations must be approved by a majority of the members at a duly notified and called membership meeting with a quorum present in person. The club officers are responsible to submit their club's rules and regulations to the RCSC club office whenever additions, amendments or deletions are made along with the membership meeting minutes approving such. RCSC's club office will designate with date stamp that club rules and regulations have been officially recorded.

19. USE OF RCSC FACILITIES:

Chartered clubs are assigned temporary (*used only for a period of time by a club*) or dedicated (*used only by that club*) space. **The RCSC Board of Directors** has the authority and responsibility to direct similar clubs to merge or share dedicated space in order to provide efficient utilization of RCSC facilities.

All clubs shall be responsible for the appropriate use of RCSC facilities, also refer to Board Policy No. 11 for Use & Rental of RCSC Facilities & Property. Chartered clubs are not generally charged any fees for use or setup of RCSC facilities provided that the use is open to RCSC cardholders and their invited guests only and not the general public. Tape of any kind must not be used to attach signs or papers to painted surfaces. Items unrelated to club activities shall not be stored on or in RCSC property or facilities.

If a scheduled club event/meeting is cancelled and the RCSC club office is not given at least two (2) business days notice, the club may be charged for rental and/or setup fees. If a scheduled club event/meeting does not resume its activity within fifteen (15) minutes of its scheduled start time, the facility will be opened to all RCSC cardholders and their invited guests and the club shall lose its reservation of the facility.

Club activities or meetings can be preempted by RCSC. Whenever possible, adequate notification will be given to the club. RCSC will provide for relocation of the club activity whenever possible. Clubs may be required to cancel, relocate or consolidate activities with other like clubs for all or part of the summer as an energy savings effort.

20. CLUB SIGNAGE:

Permanent club signage, where applicable, will be approved by RCSC's Assistant General Manager and installed by RCSC personnel only. Signs will be attached to the outside of the building or in close proximity to the club room. Additional signs, with approval, may also be placed on a signpost or monument in close proximity to the building entrance. Permanent signs will not be allowed in parking lots, at the curb, or along-side the roadways. Temporary signage, not to exceed seven (7) days, must be requested in writing and approved by RCSC's Assistant General Manager in advance of placement.

21. EQUIPMENT, FURNITURE & FIXTURES:

All tools, equipment, fixtures and furniture are property of RCSC whether it is original equipment, replacement equipment or additional equipment purchased by or donated to the club. Each year on or before February 1, RCSC's corporate office will provide each club with an updated inventory reflecting last year's inventory and any and all submitted club acquisitions and disposals throughout the past year. Each club is responsible for verifying and submitting a completed written inventory ~~on the proper spreadsheet format provided directly to the clubs~~ of all equipment, furniture, and fixtures to RCSC's corporate **club** office by ~~March~~ **May** 15 of each year with an accumulative value of one thousand dollars (\$1,000) or more.

Clubs shall be responsible for the appropriate use of equipment and safety gear. Clubs shall provide necessary tools, equipment, safety gear, club specific furniture, and supplies from its own funds as well as repair and replacement thereof. No individual or club may lend, borrow or remove equipment, furniture, fixtures or supplies that are RCSC property. Temporary removal of equipment for club projects **or repair** is allowed.

Clubs are required to obtain written approval from RCSC's Assistant General Manager ([FORM BP:12-7](#)) prior to ordering or purchasing any new equipment. Clubs leasing any equipment must have prior written approval of RCSC's Assistant General Manager ([FORM BP:12-7](#)). Written requests shall include all pertinent information including equipment voltage, wattage, amperage, fuel type, overall size and placement location within the club room.

When items are purchased, traded, sold or destroyed they must be reported on the club acquisition/disposal form ([FORM BP:12-7](#)) and submitted to RCSC's **club** office, ~~Attn: Assistant General Manager~~. No equipment belonging to RCSC may be sold or disposed of without prior written approval of the Assistant General Manager. Re-arrangement requests for furniture or equipment shall be directed to the Center's Lead **Custodian** ~~Utility Worker~~ or the Center's Area Supervisor.

22. REPAIRS:

Electrical, structural or functional repairs or alterations made by club members to RCSC property or property belonging to a third party are strictly prohibited.

For repairs in or adjacent to clubrooms, the club shall notify the Center's Lead **Custodian** ~~Utility Worker~~ in writing. The Center's Lead **Custodian** ~~Utility Worker~~ will write the necessary work orders for correction of the problem. A copy of the work order will be provided to the club. If such request is an emergency and is not resolved by the above steps, the club should contact the Center's Area Supervisor and/or RCSC's **Centers Operations Manager** ~~Assistant General Manager~~.

23. IMPROVEMENTS & CHANGES:

Prior written approval must be obtained from RCSC's Assistant General Manager for facility changes, alterations, upgrades and improvements which may include floors, ceilings, walls, cabinets, shelving, doors, windows, electrical systems, plumbing systems, air conditioning and heating systems, or any other building or infrastructure related system or component. Clubs leasing any equipment must have prior written approval of RCSC's Assistant General Manager ([FORM BP:12-7](#)).

Requests for additional club space or dedicated space should be submitted in writing to RCSC's Assistant General Manager, ~~who shall review and make recommendations to RCSC's Club Organization Committee and/or Board of Directors~~.

Clubs may provide budget requests to the RCSC corporate office for club improvements. Such requests shall be reviewed and approved by RCSC's Assistant General Manager for inclusion in RCSC's operating and capital budget for the upcoming year. ~~Management's conclusions shall be reviewed by the Club Organization Committee for recommendation of any changes to the Board of Directors~~.

24. CHEMICALS:

All clubs shall provide Global Harmonization Safety Data Sheets ("SDS") and appropriate posting of all safety documents for all chemicals contained within club space and/or used by club members, visitors or guests. The SDS sheets inform users about personal protective equipment required, possible hazards and possible adverse reactions. SDS sheets can be requested from the supplier and must be kept in a three-ring binder easily accessible to club members and RCSC Management.

Adherence to the safety provisions of the Global Harmonization program are the responsibility of the club and their instructors.

25. INSURANCE:

The insurance provided by the RCSC covers equipment, tools, raw materials for sale to club members, and articles/items for sale if 100% of the sale goes to the club. The insurance provided by RCSC does not cover club members' clothing, tools, supplies, work in progress or finished goods held for sale by the club on a consignment basis. Also not covered are items unrelated to club activities stored in the club room. The insurance provided by the RCSC is subject to a deductible on a per loss basis. It is the sole discretion of the RCSC Board of Directors if the deductible is the responsibility of RCSC or the respective club ~~where the loss occurred~~. Chartered clubs and their members are additionally insured under the General Liability policy while acting in the capacity of a club officer or a member of the Executive Board.

26. CLUB ADVERTISING & MARKETING:

Club instructors may not advertise services being rendered in RCSC facilities. If clubs are advertising or marketing club events not open to the general public, they must state that the event is open to RCSC cardholders and their escorted guests only. All club advertising and marketing, including social media postings, must be approved in writing by the clubs office prior to publication.

Donations made by clubs to RCSC, excluding those made in lieu of rental or set up fees, may be used for the promotion and marketing of RCSC Chartered Clubs and their events and activities. Clubs may request financial assistance in promoting and marketing a club event or activity by making a request to RCSC's General Manager ([FORM BP:12-12](#)). Clubs should not expect to receive marketing assistance greater than their annual contribution to the RCSC.

RCSC shall provide for each chartered club one page featuring the club within RCSC's website www.suncityaz.org to promote and provide information about the club ([FORMS BP:12-16\(a\)](#) & [BP:12-16](#)). It is the responsibility of the club to ensure that the information on the RCSC website is accurate and up-to-date.

RCSC shall provide for each chartered club in RCSC's monthly SunViews newsletter the club listing, notice of any and all club activities or events ([FORM BP:12-18\(a\)](#)) and one feature article per year ([FORMS BP:12-17\(a\)](#) & [BP:12-17\(b\)](#)). It is the responsibility of the club to ensure that the club listing is accurate and up-to-date.

27. CLUB CONTRIBUTIONS & SALES:

Monetary contributions made by clubs to outside organizations shall not exceed the total contribution made to RCSC. Contributions made by clubs to an individual, including but not limited to club members or candidates for the RCSC Board of Directors, is prohibited.

The use of RCSC facilities by clubs is intended for the pursuit of hobbies and social welfare and shall not be used for the manufacture of articles to be sold by individuals for their sole profit. A club may sell items not produced in the club provided that all proceeds from such sales benefit the club only and not any individuals or other organizations. A club may sell items outside of RCSC facilities produced in whole or in part within RCSC facilities so long as the club benefits from such sales equally or greater than if the items were being sold within RCSC facilities. Clubs may submit a request to RCSC's Assistant General Manager to showcase items with the club name only outside their dedicated space on a temporary basis within RCSC's facilities.

Each club's rules and regulations must define the number of articles an individual club member may sell during any calendar year, the percentage the club will receive from each sale, how complaints are handled regarding sales, and the relationship between using the club facilities, consigning items for sale and volunteering time to perform necessary club duties. Items for which club members receive orders as a direct result of club activities shall be handled as club sales.

Vendors may be authorized by clubs to sell related materials and supplies within club facilities on a limited basis. Clubs are authorized to sell supplies and raw materials at reasonable rates to club members, visitors or guests.

28. RAFFLES:

Any club conducting an amusement gambling intellectual contest or event as defined in Arizona Revised Statute §13-3301 must comply with all laws regarding such.

29. CLUB FINANCES:

All chartered club's fiscal year shall be from January 1 through December 31. All chartered clubs shall file with the RCSC club office financial reports ([FORM BP:12-8](#)) for each calendar year on or before January 31 of the following year.

All monies collected must be reported on the club's financial report. The annual dues for each club shall be stated in its club rules and regulations, along with the payment schedule of how the dues are collected; i.e., annually, semi-annually, or quarterly.

Any club member or RCSC Board of Director will be given access to all financial records of the club upon written request within ten days of the request.

The RCSC Board of Directors, RCSC Management, Club Organization Committee or any club member may submit a request to the Board Office for the Budget, Finance & Auditing Committee to audit the club's finances. A report of the results of such audit shall be submitted to the requestor, the club's Executive Board, the club office and made a part of the club records.

30. DE-CHARTERING OF CLUBS

Club members may vote at a duly notified and held membership meeting of the club to de-charter the club at any time for any reason. Any club not in compliance with federal, state and local laws may be subject to being de-chartered. Any club not adhering to the RCSC Restated Articles of Incorporation, Corporate Bylaws and Board Policies (also known as the "Corporate Documents") may be subject to being de-chartered. A club that does not meet chartered club requirements may be subject to being de-chartered. Any club that has been unable to provide club officers or club monitors may be subject to being de-chartered. Any club may be subject to being combined with another like club and/or relocated, any club refusing to do so may be subject to being de-chartered.

If a club is at the risk of being de-chartered, a notice will be sent to the club in writing by RCSC's General Manager, with a copy sent to the Board of Directors and the Club Organization Committee, stating the nature of the problem(s) and providing for assistance in rectifying the situation, if possible. A club shall be given ninety (90) days to rectify all matters excluding membership, which shall have one year to rectify. Upon failure to rectify its issue the club shall be de-chartered by RCSC's Board of Directors.

When a club is de-chartered, equipment and supplies may be sold to other clubs, club members or outside sources with approval of the club's Executive Board, RCSC's Board of Directors and RCSC's Assistant General Manager. If the club cannot or does not wish to sell the equipment or supplies, it may donate them to similar chartered clubs with RCSC's Assistant General Manager's approval. The club may sponsor a final closing event for its members, after such, all assets will revert to the Recreation Centers of Sun City, Inc.

BE IT FURTHER RESOLVED that a copy of this resolution shall be posted on the RCSC website for members and shall be made available to members upon request at no cost.

Adopted and signed this ~~27th~~ 26th day of ~~April~~ October, 2017 at a duly called Board meeting by a majority (5) of the Recreation Centers of Sun City, Inc. Board of Directors.

ATTEST:

Rich Hoffer, Board President

Stella Van Ness, Secretary

RECREATION CENTERS OF SUN CITY, INC.

BOARD OF DIRECTORS MOTION/RESOLUTION

Date of Meeting: October 26, 2017	Proposed by: Director Alleman
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I MOVE THAT Board Policy Resolution No. 22, titled Refunds, as amended, be approved in its entirety and replace previous Board Policy Resolution No. 22 titled the same.

Note: Amendments shown as highlights with strikethrough for deletions (~~example~~) and highlights for additions (example).

Approved Defeated Postponed Withdrawn

BOARD POLICY RESOLUTION No. 22 (“BP 22”)

REFUNDS

WHEREAS Article IV, Section 7 of the Corporate Bylaws empowers the Board of Directors (“Board” or “Directors”) of the Recreation Centers of Sun City, Inc. (“RCSC” or “Corporation”) to adopt Policies (“BP” or “Policies”) not in conflict with the Restated Articles of Incorporation (“Articles”) or the Corporate Bylaws (“Bylaws”).

WHEREAS to minimize inconsistencies, misunderstandings and misinterpretations inherent in verbal instructions, rules and regulations, the Board of Directors has established Board Policies in written form. Such Policies shall be titled, numbered and indexed for easy reference and use.

WHEREAS the Restated Articles of Incorporation and the Corporate Bylaws shall take precedence over Board Policies and that the following Board Policy on Refunds shall provide instruction, direction and guidelines regarding such and shall remain in effect until such time it is amended or removed by the Board.

NOW, THEREFORE BE IT RESOLVED the Corporation shall adhere to the following refund policy:

Refunds issued as of October 1, 2011 will no longer be charged a service fee for processing, as determined by the Board of Directors. All refunds must be applied for at the Cardholder Services Office in the Lakeview Recreation Center no more than three (3) years after the event which may qualify for a refund. ~~There are no refunds on expired cards or annual passes/permits.~~ There are no refunds to Members not in good standing. Eligible refunds on estate properties are issued only upon the sale of the property.

Annual Property Assessments

To receive a refund for annual property assessments, the Member Card should be returned, if applicable. Refunds for annual property assessments are also defined in the Corporate Bylaws; please refer to Article II, Section 4.D for additional requirements regarding annual property assessment refunds.

UPON THE SALE OF PROPERTY, to receive a pro-rata refund, an application for a refund must be filed within three (3) years from the close of escrow. Closing documents showing the sale of the property must be presented at the time the application for a refund is submitted. Refunds will be prorated from the date of the sale to the next annual assessment due date.

IN THE EVENT OF DEATH, to receive a pro-rata refund, an application for refund must be filed within three (3) years from the date of death. A death certificate must be presented at the time the application for a refund is submitted. Refunds will be prorated from the date of death to the next annual assessment due date.

Excluding the aforementioned, no other refunds will be issued for any reason for annual property assessments.

Privilege Cards

To receive a refund for an annual Privilege Card, the Privilege Card must be returned. Refunds shall not be issued on Privilege Cards that were issued for a term of less than one year. Refunds for annual Privilege Cards are also defined in the Corporate Bylaws; please refer to Article II, Section 3.B for additional requirements regarding annual Privilege Card refunds.

UPON THE ACQUISITION OF A SUN CITY **AZ** PROPERTY to receive a pro-rata refund, an application for a refund must be filed within three (3) years from the **date of acquisition**

close of escrow. Closing Documents showing the purchase acquisition of a Sun City AZ property and Member eligibility requirements are met must be presented at the time the application for a refund is submitted. Refunds will be prorated from the date of purchase to the expiration date of the card. If the annual property assessments or other fees have not been paid on the Sun City AZ property purchased, the prorated refund amount will be applied towards those fees.

UPON UNDERAGE OWNER BECOMING ELIGIBLE FOR MEMBERSHIP to receive a pro-rata refund, an application for refund must be filed within three (3) years from the effective date the underage Owner became eligible for Membership. Documents showing that Member eligibility requirements have been met must be presented at the time the application for refund is submitted. Refunds will be prorated from the date of eligibility to the expiration date of the card. If the annual property assessments or other fees have not been paid on the Sun City AZ property, the prorated refund amount will be applied towards those fees.

IN THE EVENT OF DEATH, to receive a pro-rata refund, an application for refund must be filed within three (3) years from the date of death. A death certificate must be presented at the time the application for a refund is submitted. Refunds will be prorated from the date of death to the expiration date of the card.

Excluding the aforementioned, no other refunds will be issued for any reason for annual Privilege Cards.

Host Punch Cards

There are no refunds and no duplicate Host Punch Cards issued.

Annual Golf Passes/Permits

IN THE EVENT OF DEATH, to receive a pro-rata refund, an application for refund must be filed within three (3) years from the date of death. A death certificate must be presented at the time the application for a refund is submitted. To receive a refund, the Annual Golf Pass/Permit card must be returned. Refunds will be prorated from the date of death to the expiration date of the Annual Golf Pass/Permit. No extensions can be made on Annual Golf Passes/Permits.

If within 90 days of the purchase of an annual golf pass/permit the pass/permit holder becomes unable to golf due to medical reasons, which are validated in writing by a medical doctor, the pass/permit holder will be eligible for a 50% refund of their annual golf pass/permit. To receive a refund, the Annual Golf Pass/Permit card must be returned.

Excluding the aforementioned, no other refunds will be issued for any reason for Annual Golf Passes/Permits.

Green Fees

In the event of rain, rain checks for green fees may be issued as follows:

Four holes or less played – rain check for 100% of the green fee paid

Five to thirteen holes played – rain check for 50% of the green fee paid

Fourteen or more holes played – considered full round, no rain check issued

Preservation & Improvement Fees

A refund of the Preservation & Improvement fee may be available if:

- a. the sale/disposition/transfer of a previous primary Arizona residence in Sun City is made within one (1) year of the purchase/ acquisition/ transfer/ inheritance* of the other primary Arizona residence in Sun City;

- b. no Owners who paid the Preservation & Improvement Fee for the previous primary Arizona residence in Sun City retain an ownership interest in that property at the time of the sale/disposition/transfer;
- c. the purchaser(s) has/have been a RCSC Member Cardholder(s) in good standing;
- d. an application for a refund was made no more than three (3) years from the date of the last escrow closed;
- e. closing documents showing the sale and purchase of the Sun City AZ properties are presented at the time the application for refund is submitted; and
- f. the Member card(s) from the property sold are returned.

* The Preservation & Improvement Fee may be reimbursed to an heir, if the property is sold to another owner within one year of the inheritance, and the related property/special assessments and fees are current.

In no event will more than one refund be processed for any given Preservation & Improvement fee paid by the Owners of a property.

Access Fees

There are no refunds of Access Fees.

Transfer Fees

The Transfer Fee may be reimbursed to an heir, if the property is sold to another owner within one year of the inheritance, and the related property/special assessments and fees are current.

Otherwise, there are no other refunds of Transfer Fees.

All Other RCSC Fees

There are no refunds of any other fees charged by RCSC.

BE IT FURTHER RESOLVED that a copy of this resolution shall be posted on the RCSC website for members and shall be made available to members upon request at no cost.

Adopted and signed this ~~30th~~ 26th day of ~~January~~ October, ~~2014~~ 2017 at a duly called Board meeting by a majority (5) of the Recreation Centers of Sun City, Inc. Board of Directors.

ATTEST:

Rich Hoffer, Board President

Stella Van Ness, Secretary

RECREATION CENTERS OF SUN CITY, INC.

BOARD OF DIRECTORS MOTION/RESOLUTION

Date of Meeting: October 26, 2017	Proposed by: Director Wieland
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I MOVE THAT Board Policy Resolution No. 29, titled Hearing Procedures & Cardholder Suspensions, as amended, be approved in its entirety and replace previous Board Policy Resolution No. 29 titled the same.

Note: Amendments shown as highlights with strikethrough for deletions (~~example~~) and highlights for additions (example).

Approved Defeated Postponed Withdrawn

BOARD POLICY RESOLUTION BP No. 29 (“BP 29”)

HEARING PROCEDURES & CARDHOLDER SUSPENSIONS

WHEREAS Article IV, Section 7 of the Corporate Bylaws empowers the Board of Directors (“Board” or “Directors”) of the Recreation Centers of Sun City, Inc. (“RCSC” or “Corporation”) to adopt Policies (“BP” or “Policies”) not in conflict with the Restated Articles of Incorporation (“Articles”) or the Corporate Bylaws (“Bylaws”).

WHEREAS to minimize inconsistencies, misunderstandings and misinterpretations inherent in verbal instructions, rules and regulations, the Board of Directors has established Board Policies in written form. Such Policies shall be titled, numbered and indexed for easy reference and use.

WHEREAS the Restated Articles of Incorporation and the Corporate Bylaws shall take precedence over Board Policies and that the following Board Policy on Code of Conduct and RCSC Rules and Regulations shall provide instruction, direction and guidelines regarding such and shall remain in effect until such time it is amended or removed by the Board.

NOW, THEREFORE BE IT RESOLVED the Corporation shall adhere to the following policies regarding hearing procedures and Cardholder suspensions:

RCSC Cardholders may be subject to temporary or permanent suspension of all Cardholder privileges, including denial of use of any or all RCSC facilities, as determined by Sr. Management staff in the case of imminent danger to any person(s) or property or a Board Hearing Commission, made up of no less than three (3) Board of Directors, as appointed by the President. Prior to each Board Hearing, a Board Hearing Commission shall be appointed.

RCSC’s Sr. Management staff, i.e. General Manager, Assistant General Manager, ~~Director of Support & Services~~, Director of Golf & Grounds, Director of Member Services, Director of Bowling Operations, Director of Human Resources and Controller, have the authority to immediately and temporarily suspend for ten days all Cardholder privileges of a Cardholder or their guest that is deemed to be of any danger or is threatening to be of any danger to any person(s) or property. Such temporary suspension shall be reported to the Board of Directors who will set a Board Hearing within ten days.

RCSC Cardholders may be called for a Board Hearing for the following violations:

1. Owners who misrepresent someone as occupying (*Refer to BP 8*) their Sun City AZ property (dwelling unit) shall be subject to temporary or permanent suspension of all Cardholder privileges of the Owner(s) and any occupants, to include denial of use of any or all RCSC facilities, and may no longer be considered a RCSC Cardholder in good standing.
2. Owners who misrepresent themselves as occupying (*Refer to BP 21*) a Sun City AZ property (dwelling unit) shall be subject to temporary or permanent suspension of all Member Cardholder privileges of all Owner(s) of said property and any occupants, to include denial of use of any or all RCSC facilities, and may no longer be considered a RCSC Cardholder in good standing.
3. RCSC Cardholders who have had assault charges filed against them as a result of an alleged act committed on RCSC property shall be called to a hearing within ten days of the notice of such alleged assault. The Cardholder shall be immediately suspended from use of all RCSC facilities.
4. RCSC Cardholders who misrepresent someone as a qualified guest (*Refer to BP 9*) and/or who misrepresent their guest’s age (*Refer to BP 10*) shall be subject to temporary or permanent suspension of all Cardholder privileges, including denial of use of any or all RCSC facilities, and may no longer be considered a RCSC Cardholder in good standing.

5. RCSC Cardholders who repeatedly fail to comply or whose guests repeatedly fail to comply with RCSC's Board Policies and/or club rules and regulations the Code of Conduct and/or RCSC Rules & Regulations (Refer to BP 10) shall be subject to temporary or permanent suspension of all Cardholder and/or club privileges, including denial of use of any or all RCSC facilities, and may no longer be considered a RCSC Cardholder and/or club member in good standing.
6. RCSC Cardholders who fail to comply with the Restated Articles of Incorporation, Corporate Bylaws, Board Policies and/or their Facilities Agreement shall be subject to temporary or permanent suspension of all Cardholder privileges, including denial of use of any or all RCSC facilities, and may no longer be considered a RCSC Cardholder in good standing.
7. RCSC Cardholders who falsify documents in order to obtain a Member or Privilege Card for themselves or others shall be subject to temporary or permanent suspension of all Cardholder privileges, including denial of use of any or all RCSC facilities, and may no longer be considered a RCSC Cardholder in good standing.

RCSC Cardholders who have failed to cease and desist or whose guests have failed to cease and desist after receiving notification of such, shall be notified to appear at a Board Hearing unless such offense is of a nature that puts others at harm. In such a case, the Board Hearing Commission shall notify said RCSC Cardholder in writing of immediate temporary or permanent suspension of all Cardholder privileges without a Board Hearing, including denial of use of any or all RCSC facilities, and the Cardholder shall no longer be considered a RCSC Cardholder in good standing. The RCSC Cardholder has the right to appeal the decision to the entire Board of Directors.

RCSC Cardholders who have misrepresented or falsified information may be notified to appear at a Board Hearing, unless evidence of such is verified by written documents. In such a case, the Board Hearing Commission shall notify said RCSC Cardholder in writing of immediate temporary or permanent suspension of all Cardholder privileges without a Board Hearing, including denial of use of any or all RCSC facilities, and the Cardholder shall no longer be considered a RCSC Cardholder in good standing. The RCSC Cardholder has the right to appeal the decision to the entire Board of Directors.

Notice of Board Hearing:

1. Notice of a scheduled Board Hearing shall be provided in writing at least fourteen (14) business days prior to the hearing. The notice will inform the RCSC Cardholder/Club Executive Board member why and where the hearing will be instituted. Such notice shall include the following:
 - a. Charge being brought against the RCSC Cardholder/Club Executive Board member;
 - b. Board Hearing procedure (*a copy of this Board Policy*);
 - c. Date, time and place of hearing; and
 - d. Notice that all witnesses have the right to attend the hearing, and if unable to attend may provide written comments that will be read at the hearing and submitted to the Board Hearing Commission.
2. The RCSC Cardholder/Club Executive Board member may submit a written request to the Board Office ~~President or Vice President~~ to waive the hearing at least 24 hours prior to the commencement of the hearing.
3. The failure by a RCSC Cardholder/Club Executive Board member to appear at the time and place of the hearing shall result in the waiver of the RCSC Cardholder's/Club Executive Board member's right to a hearing on the charges. A refusal to attend the hearing will

require the Board Hearing Commission to use the information available to arrive at a decision.

Board Hearing Procedure:

1. The Board Hearing Commission shall preside and conduct the hearing. An opening statement from the Board Hearing Commission detailing the charge against the RCSC Cardholder/**Club Executive Board member**, outlining the Board Hearing procedure to be followed, and providing information as to when the RCSC Cardholder/**Club Executive Board member**, who has a charge against him/her, can expect a decision.
2. The RCSC Cardholder/**Club Executive Board member**, who has a charge against him/her, will not speak or provide comment until such time they are recognized by the Board Hearing Commission. The RCSC Cardholder/**Club Executive Board member** will be given ample opportunity to respond ~~to witnesses and testimony~~ and present his/her case and make comments which specifically relate to the charge under review.
3. The responsibility to secure witnesses rests with the RCSC Cardholder/**Club Executive Board member**. The Board Hearing Commission does not subpoena witnesses or compel testimony from witnesses.
4. Witnesses may be presented by both the Board Hearing Commission and the RCSC Cardholder/**Club Executive Board member**. Witnesses will remain outside the hearing room and will be called in one at a time to give testimony.
5. Information provided by all witnesses, whether in person or in writing, shall be reviewed and heard by the Board Hearing Commission. If a witness is reluctant to make their comments in the presence of the RCSC Cardholder/**Club Executive Board member** who has a charge against him/her, they will be allowed to do so in front of the Board Hearing Commission only. If the incident involves RCSC personnel, the Director of Human Resources or their appointee shall attend the hearing.
6. The RCSC Cardholder/**Club Executive Board member** may address the Board Hearing Commission and may call and question their witnesses. The Board Hearing Commission may ask questions and/or address the RCSC Cardholder/**Club Executive Board member** and all witnesses.
7. Neither the Board Hearing Commission nor the RCSC Cardholder/**Club Executive Board member** is bound by technical rules of evidence and/or court procedure in conducting the hearing.
8. All discussions and testimony between the Board Hearing Commission and the RCSC Cardholder/**Club Executive Board member** shall be conducted in a polite and respectful manner without harassment or intimidation.

Board Hearing Decision:

~~If, after the hearing, the Board Hearing Commission determines that the conduct charges against the RCSC Cardholder have been substantiated, then the Board Hearing Commission shall notify the RCSC Cardholder, in writing by certified mail, of any action affecting the RCSC Cardholder.~~ **The Board Hearing Commission will notify the RCSC Cardholder/Club Executive Board member/club member in writing of the results of their hearing.**

Although the Board Hearing Commission has full authority to suspend RCSC Cardholders/**Club Executive Board members** for any length of time, including permanently and on any basis, the following are minimum suspensions for the following offenses:

- a. Owners who misrepresent other's occupancy of a Sun City residence – 6 months minimum
- b. Owners who misrepresent their occupancy of a Sun City residence – 6 months minimum
- c. RCSC Cardholders who falsify documents – 12 months minimum
- d. RCSC Cardholders who misrepresent the age or qualifications of a guest – 6 months minimum
- e. RCSC Cardholders or their guests who ~~repeatedly~~ fail to comply with Code of Conduct – 3 months minimum
- f. RCSC Cardholders/**Club Executive Board members** or their guests who ~~repeatedly~~ fail to comply with RCSC **or Club** Rules & Regulations–3 months minimum
- g. RCSC Cardholders/**Club Executive Board members** or their guests who fail to comply with the Restated Articles of Incorporation – 3 months minimum
- h. RCSC Cardholders/**Club Executive Board members** or their guests who fail to comply with the Corporate Bylaws – 3 months minimum
- i. RCSC Cardholders/**Club Executive Board members** or their guests who fail to comply with the Board Policies – 3 months minimum

Board Hearing Appeal:

A club member may appeal the action taken by the Club's Executive Board as per BP12, Section 17. RCSC's President will appoint a Board Hearing Commission who will follow the Notice of Hearing, Board Hearing Procedure and Board Hearing Decision outlined above when a club member appeals the Club Executive Board's decision. The club member may subsequently appeal the action taken by the Board Hearing Commission as outlined below.

A RCSC Cardholder/**Club Executive Board member/club member** may appeal the action taken by the Board Hearing Commission. The appeal will be in writing and submitted within ten (10) business days to the entire Board of Directors for a review of the findings. **The Board of Directors may watch the recorded hearing conducted by the Board Hearing Commission.** The Board of Directors will then notify the RCSC Cardholder/**Club Executive Board member/club member**, in writing ~~by certified mail~~, of its evaluation of the appeal. The decision on the appeal will be final.

BE IT FURTHER RESOLVED that a copy of this resolution shall be posted on the RCSC website for members and shall be made available to members upon request at no cost.

Adopted and signed this ~~19th~~ **26th** day of **October** ~~December~~, ~~2013~~ **2017** at a duly called Board meeting by a majority (5) of the Recreation Centers of Sun City, Inc. Board of Directors.

ATTEST:

Rich Hoffer, President

Stella Van Ness, Secretary

RECREATION CENTERS OF SUN CITY, INC.

BOARD OF DIRECTORS MOTION/RESOLUTION

Date of Meeting: October 26, 2017	Proposed by: Vice President DeLano
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I MOVE THAT the Corporate Bylaws, as amended, be approved in its entirety and replace any previous versions of the Corporate Bylaws.

Note: Amendments shown as highlights with strikethrough for deletions (~~example~~) and highlights for additions (example).

Approved Defeated Postponed Withdrawn

RECREATION CENTERS OF SUN CITY, INC.

CORPORATE BYLAWS

Amended February ~~23, 2017~~ **October 26, 2017**

WHEREAS Article VIII, Section 3 of the Restated Articles of Incorporation (“Articles”) provides that the Board of Directors (“Board” or “Director(s)”) of the Recreation Centers of Sun City, Inc. (“RCSC” or “Corporation”) may adopt Corporate Bylaws (“Bylaws”) not in conflict with the Restated Articles of Incorporation.

NOW, THEREFORE, BE IT RESOLVED the Corporation shall adhere to the following Bylaws:

ARTICLE I – OFFICE AND RCSC FACILITIES

The principal corporate office for the transaction of business of the Recreation Centers of Sun City, Inc. is located in Sun City, Maricopa County, Arizona.

Smoking shall be prohibited and banned inside all buildings of the Recreation Centers of Sun City, Inc. and also throughout and around RCSC facilities and per Federal and Arizona State law. Electronic cigarettes are not permitted within and on RCSC facilities except in designated smoking areas.

ARTICLE II – MEMBERSHIP, CARDHOLDERS, ASSESSMENTS AND FEES

For purposes of clarification, the following definition shall be used: (a) Property: Any land, building or structure or portion of any building or structure which is, has been or is intended to be, for use and occupancy as a dwelling unit, real property in Sun City, Arizona as defined by these Corporate Bylaws; and (b) Deeded Real Estate Owner(s): Any individual or entity holding or owning a current ownership interest in Property as defined in these Corporate Bylaws.

SECTION 1: MEMBERS, MEMBERSHIP AND MEMBER CARDS

Members shall be Deeded Real Estate Owners (“Owner(s)”) of property located in the area entitled "Sun City General Plan, Maricopa County, Arizona," as prepared by the Del E. Webb Development Company and dated July 1972, November 1974, August 1975, and September 1978 with subsequent amendments thereto. Owners who meet the following qualifications shall be entitled to a Member Card and therefore considered as the Membership of the Corporation, as long as they are Members in good standing:

- A. A Member must be an Owner 55 years of age or older and occupy the Sun City **AZ** property as his/her primary Arizona residence unless his/her other Arizona residence is farther than seventy-five (75) miles from Sun City **AZ** in which case the Owner(s) must provide proof that he/she occupies the Sun City **AZ** residence as well.
- B. If a spousal Owner is under 55 years of age, he/she may be a Member, provided:
 - (i) he/she is not under 19 years of age;
 - (ii) he/she occupies the Sun City **AZ** property as his/her primary Arizona residence unless his/her other Arizona residence is farther than seventy-five (75) miles from Sun City **AZ** in which case the Owner(s) must provide proof that he/she occupies the Sun City **AZ** residence as well; and

ARTICLE II – MEMBERSHIP, CARDHOLDERS, ASSESSMENTS AND FEES (Cont.)

SECTION 1: MEMBERS, MEMBERSHIP AND MEMBER CARDS (Cont.)

- (iii) that one spousal Owner is 55 years of age or older and occupies the property at the same time.

Continued Membership by an underage spousal Owner, because of the death or long term medical relocation of the Owner meeting the age requirement, shall continue only as long as the spousal Owner does not change the ownership and his/her occupancy status of the property.

- C. If there are more than two Deeded Real Estate Owners per property who meet the above qualifications for Membership and a Member Card, such Owners must decide which two of the Deeded Real Estate Owners shall be classified as Members. Up to two Member Cards may be provided for each property, provided there are two persons who meet the qualifications of Article II, Sections 1.A and 1.B of these Corporate Bylaws. Additional Owners who meet the above qualifications must purchase a Privilege Card in order to use RCSC facilities. An Owner who does not occupy a Sun City AZ property may purchase a Host Punch Card. The Host Punch Card gives such Owner the privilege of using the RCSC facilities while temporarily (14 days or less) in Sun City AZ, subject to being signed in by a valid Member or Privilege Cardholder.
- D. If the Deeded Real Estate Owner is a Trust, no more than two of the Grantors / Trustors / Settlers, or if deceased, no more than two remainder beneficiaries of the Trust may be deemed to be Members, provided that they meet the individual Member qualifications of Article II, Sections 1.A and 1.B of these Corporate Bylaws. If none of the above meet said qualifications, no person(s) will be eligible for a Member Card. Remainder, contingent or non-vested beneficiaries of a trust will not be considered Owner(s) and are not eligible to be Members, unless the Grantors / Trustors / Settlers are deceased. Those granted lifetime use of a property are not eligible to be Members.
- E. If the Deeded Real Estate Owner is a Corporation, LLC, Partnership, LLP, or any other entity (“Company”) that may represent non-individual ownership other than Trusts, the Company may select two of its shareholders or partners to be Members, provided that they meet the individual Member qualifications of Article II, Sections 1.A and 1.B of these Corporate Bylaws; and further provided that said individuals have an ownership interest in said Company. If none of the individuals meet said qualifications, no person(s) will be eligible for a Member Card.
- F. Each individual qualified as a Member shall be issued no more than one Member Card, regardless of whether more than one Sun City AZ property is owned and assessments and fees are paid. A multiple property Owner is not considered to occupy more than one property at a time. Each individual qualified as a Member is entitled to only one vote on each matter voted on by the Members.
- G. Member Cardholders in good standing may vote, serve on the Board or Committees, and use all available RCSC facilities, subject to the Restated Articles of Incorporation, Corporate Bylaws, Board Policies, Cardholders and Guest Code of Conduct, and any Rules and Regulations of the Corporation and Chartered Clubs. A Member whose annual property assessments are not paid in full is not considered a Member in good standing.

ARTICLE II – MEMBERSHIP, CARDHOLDERS, ASSESSMENTS AND FEES (Cont.)

SECTION 1: MEMBERS, MEMBERSHIP AND MEMBER CARDS (Cont.)

- H. Member Cardholders in good standing may become members of the Chartered Clubs and participate in the activities of said Clubs, subject to the Restated Articles of Incorporation, Corporate Bylaws, Board Policies, Cardholders and Guest Code of Conduct, and any Rules and Regulations of the Corporation and Chartered Clubs.
- I. Member Cardholders in good standing may participate in Board/Member exchanges and speak at Board meetings, subject to the Restated Articles of Incorporation, Corporate Bylaws, Board Policies, Cardholders and Guest Code of Conduct, and any Rules and Regulations of the Corporation and Chartered Clubs.
- J. Guests of Members in good standing may use RCSC facilities for a fee, as determined by the Board, and subject to the Restated Articles of Incorporation, Corporate Bylaws, Board Policies, Cardholders and Guest Code of Conduct, and any Rules and Regulations of the Corporation and Chartered Clubs and guests must be signed in by a valid Member or Privilege Cardholder.
- K. No Member may be denied the use of any RCSC facilities furnished by the Corporation as long as he/she is in compliance with the Restated Articles of Incorporation, Corporate Bylaws, Board Policies, Cardholders Guest Code of Conduct, any Rules and Regulations of the Corporation and Chartered Clubs and is a Member in good standing. A Member whose annual property assessments **and/or other fees** are not paid in full is not considered a Member in good standing.
- L. A Member or group of Members, whether or not sponsored by a Chartered Club, or any other person or persons, must not behave in a manner which jeopardizes the rights and privileges of other Cardholders, their guests or any other person or persons. A Cease and Desist Order may be issued by the Board or Management against said Member(s) for such behavior and, upon failure of said Member(s) to comply with said Order, denial of the future use of RCSC facilities by said Member(s) may be ordered by the Board, which may include denied attendance at any and all corporate meetings.
- M. A Member may be suspended or expelled from RCSC facilities or property by the Board, after a hearing by the Board, for non-compliance by said Member within the provisions of the Restated Articles of Incorporation, Corporate Bylaws, Board Policies, Cardholders and Guest Code of Conduct, and any Rules and Regulations of the Corporation and Chartered Clubs. Any Member who is suspended or expelled is not considered to be a Member in good standing.
- N. Written application for reinstatement may be filed with the Board after the suspension or expulsion has been in effect for a minimum of thirty (30) days. During the period of suspension or expulsion, said Member shall not be entitled to any privileges of Membership or use of RCSC facilities or property and shall remain obligated to pay assessments and fees.

ARTICLE II – MEMBERSHIP, CARDHOLDERS, ASSESSMENTS AND FEES (Cont.)

SECTION 2: UNDERAGE DEEDED REAL ESTATE OWNERS

Underage Deeded Real Estate Owners (“Owner(s)”) of property located in the area entitled "Sun City General Plan, Maricopa County, Arizona," as prepared by the Del E. Webb Development Company and dated July 1972, November 1974, August 1975, and September 1978 with subsequent amendments thereto, are subject to the following:

- A.** An Owner under 55 years of age, who is not eligible for the spousal Owner exemption as stated in Article II, Section 1.B of these Corporate Bylaws, may be issued an annual Privilege Card for a fee, as determined by the Board, provided the Owner, who is under 55 years of age:
 - (i) is not under 19 years of age, and;
 - (ii) occupies a Sun City **AZ** property as his/her primary Arizona residence unless his/her other Arizona residence is farther than seventy-five (75) miles from Sun City **AZ** in which case the Owner(s) must provide proof that he/she occupies the Sun City **AZ** residence as well; and
 - (iii) provided further that there is verifiable proof of at least one person 55 years of age or older occupying the property at the same time.

- B.** An Owner, who is under the age of 55, but over the age of 19, and who does not occupy a Sun City **AZ** property as his/her primary Arizona residence, is entitled to purchase a Host Punch Card. The Host Punch Card gives such Owner the privilege of using the RCSC facilities while temporarily **(14 days or less)** in Sun City **AZ**, subject to being signed in by a valid Member or Privilege Cardholder.

SECTION 3: NON-OWNERS AND PRIVILEGE CARDHOLDERS

Non-Owners, renters, tenants, lessees, occupants, those granted lifetime use (“Non-Owner(s)”) of property located in the area entitled "Sun City General Plan, Maricopa County, Arizona," as prepared by the Del E. Webb Development Company and dated July 1972, November 1974, August 1975, and September 1978 with subsequent amendments thereto and who meet the following qualifications may be entitled to a Privilege Card:

- A.** A Non-Owner may be issued an annual Privilege Card for a fee, as determined by the Board, provided:
 - (i) at least one Owner or Non-Owner who occupies the property is 55 years of age or older;
 - (ii) the Non-Owner occupies the Sun City **AZ** property as his/her primary Arizona residence unless his/her other Arizona residence is farther than seventy-five (75) miles from Sun City **AZ** in which case the Non-Owner(s) must provide proof that he/she occupies the Sun City **AZ** residence as well;
 - (iii) the Non-Owner is not under 19 years of age, and;
 - (iv) the property assessments and fees, where such Non-Owner resides, are current.

ARTICLE II – MEMBERSHIP, CARDHOLDERS, ASSESSMENTS AND FEES (Cont.)

SECTION 3: NON-OWNERS AND PRIVILEGE CARDHOLDERS (Cont.)

- B. Annual Privilege Card fees are not refundable except:
- (i) in the event of death of the Privilege Cardholder, or;
 - (ii) upon the acquisition of a Sun City, Arizona property, by the Privilege Cardholder, provided the Privilege Cardholder has met the related Facilities Agreement obligations, **or;**
 - (iii) upon a Privilege Cardholder who is an underage Owner becoming eligible for RCSC Membership.
 - (iv) All refunds shall be on a pro-rata basis and may be subject to a service charge.
 - (v) Refunds shall not be issued if the property assessments and fees, where such Privilege Cardholders occupied, are not current.
 - (vi) Refunds shall not be issued on privilege cards that were issued for a term of less than one year.
- C. Privilege Cardholders in good standing may use all available RCSC facilities, subject to the Restated Articles of Incorporation, Corporate Bylaws, Board Policies, Cardholders and Guest Code of Conduct, and any Rules and Regulations of the Corporation and Chartered Clubs. If the annual property assessments are not current on the property the Privilege Cardholder occupies, they will be denied use of RCSC facilities. Privilege Cardholders cannot vote or hold corporate office and may not be entitled to participate in corporate meetings.
- D. Privilege Cardholders in good standing may become members of the Chartered Clubs and participate in the activities of said Clubs, subject to the Restated Articles of Incorporation, Corporate Bylaws, Board Policies, Cardholders and Guest Code of Conduct, and any Rules and Regulations of the Corporation and Chartered Clubs.
- E. Guests of Privilege Cardholders in good standing may use RCSC facilities for a fee, as determined by the Board, and subject to the Restated Articles of Incorporation, Corporate Bylaws, Board Policies, Cardholders and Guest Code of Conduct, and any Rules and Regulations of the Corporation and Chartered Clubs and guests must be signed in by a valid Member or Privilege Cardholder.
- F. No Privilege Cardholder may be denied the use of any RCSC facilities furnished by the Corporation as long as he/she is in compliance with the Restated Articles of Incorporation, Corporate Bylaws, Board Policies, Cardholders and Guest Code of Conduct, and any Rules and Regulations of the Corporation and Chartered Clubs and is a Cardholder in good standing except if the annual property assessments are not current on the property the Privilege Cardholder occupies.
- G. A Privilege Cardholder or group of Privilege Cardholders, whether or not sponsored by a Chartered Club, or any other person or persons, must not behave in a manner which jeopardizes the rights and privileges of other Cardholders, their guests or any other person or persons. A Cease and Desist Order may be issued by the Board or Management against said Privilege Cardholder(s) for such behavior and, upon failure of said Privilege Cardholder(s) compliance with said Order, denial of the future use of RCSC facilities or property by said Privilege Cardholder(s) may be ordered by the Board.

ARTICLE II – MEMBERSHIP, CARDHOLDERS, ASSESSMENTS AND FEES (Cont.)

SECTION 3: NON-OWNERS AND PRIVILEGE CARDHOLDERS (Cont.)

- H. A Privilege Cardholder may be suspended or expelled from RCSC facilities or property by the Board, after a hearing by the Board, for non-compliance by said Privilege Cardholder with the provisions of the Restated Articles of Incorporation, Corporate Bylaws, Board Policies, Cardholders and Guest Code of Conduct, and any Rules and Regulations of the Corporation and Chartered Clubs. Any Cardholder who is suspended or expelled is not considered to be a Cardholder in good standing.
- I. Written application for reinstatement may be filed with the Board after the suspension or expulsion has been in effect for a minimum of thirty (30) days. During the period of suspension or expulsion, said Privilege Cardholder shall not be entitled to any privileges or use of RCSC facilities or property, nor receive any reimbursement of Privilege Card fees.

SECTION 4: ASSESSMENTS AND FEES

Each and every Deeded Real Estate Owner (“Owner(s)”) of property located in the area entitled "Sun City General Plan, Maricopa County, Arizona," as prepared by the Del E. Webb Development Company and dated July 1972, November 1974, August 1975, and September 1978 with subsequent amendments thereto shall join in a Facilities Agreement. Each Owner shall be responsible for the payment of assessments and fees.

- A. Owners must execute a Facilities Agreement in the form required by the Corporation, obligating property Owners to pay property assessments when due. The Facilities Agreement shall obligate Owners to pay assessments whether or not Owners occupy the property or use RCSC facilities.
- B. Assessments and fees shall be determined by the Board and shall be payable by property Owners pursuant to the Facilities Agreement.
- C. Late fees and penalties, as determined by the Board, shall be imposed on all property assessments and fees which are in arrears. Legal action to secure payment may be taken, as authorized by Arizona State Law, including but not limited to additional fees, liens and the enforcement of the same. Any Owner whose assessments and/or fees are in arrears is not considered a Member in good standing.
- D. Property assessments are not refundable except:
 - (i) in the event of death of an Owner, or;
 - (ii) upon the sale of the Owner’s Sun City, Arizona property, provided the Owner has met the obligations as described in the Facilities Agreement and ~~the purchaser(s) have executed~~ said Facilities Agreement **has been executed by the new Owners**, or;
 - (iii) in the event of death of an Owner resulting in an estate property; however, no refund shall be issued until the sale of such Sun City, Arizona estate property, provided all annual assessments and fees are then current.
 - (iv) All refunds shall be on a pro-rata basis and may be subject to a service charge.

ARTICLE II – MEMBERSHIP, CARDHOLDERS, ASSESSMENTS AND FEES (Cont.)

SECTION 4: ASSESSMENTS AND FEES (Cont.)

- E. A Preservation and Improvement Fee, as determined by the Board, shall be imposed on the purchase, acquisition, transfer, inheritance, gift or any change in ownership of legal or beneficial interest in the title to Property located in Sun City, Arizona (a) pursuant to any deed, contract for sale, will or other instrument or document transferring an interest in such property, so long as the original payor of said Preservation and Improvement Fee no longer retains a majority ownership interest in the property; or (b) following the death of the last original Grantor / Trustor / Settlor under a Trust which holds title to the Property.
- F. A Transfer Fee, as determined by the Board, shall be imposed on the purchase, acquisition, transfer, inheritance, gift or any change in ownership of legal or beneficial interest in the title to Property located in Sun City, Arizona (a) pursuant to any deed, contract for sale, will or other instrument or document transferring an interest in such property, so long as the original payer of said Transfer Fee no longer retains a majority ownership interest in the property; or (b) following the death of the last original Grantor / Trustor / Settlor under a Trust which holds title to the Property.
- G. A onetime Access Fee per property, as determined by the Board, shall be paid by the builder, owner or developer desiring to have access to the RCSC facilities for future property owners. Said builder/owner/developer must execute a Facilities Agreement with the Corporation. Purchasers of individual properties are also required to execute a Facilities Agreement and pay a Preservation and Improvement Fee.

ARTICLE III - MEETINGS

SECTION 1: ANNUAL MEMBERSHIP MEETING

An annual meeting of the Members shall be held each year.

Written notice stating the place, day and hour of the annual meeting of the Members shall be posted in RCSC facilities and/or published in the RCSC newsletter (*SunViews*) and/or on the RCSC website (www.sunaz.com www.suncityaz.org), not less than ten (10) days, nor more than fifty (50) days before the date of the meeting.

With respect to amendments to the Corporate Bylaws, notice of any proposed amendment shall be given by written notice to the Board of Directors and posted in RCSC facilities and/or on the RCSC website (www.sunaz.com www.suncityaz.org) at least ten (10) days prior to a Board meeting at which these changes shall be considered.

With respect to amendments to the Restated Articles of Incorporation, notice of any proposed amendment shall be posted in RCSC facilities and published in the RCSC (*SunViews*) newsletter and/or on the RCSC website (www.sunaz.com www.suncityaz.org) at least thirty (30) days prior to a Membership meeting at which these changes shall be considered. Such notice shall include the proposed changes to the Restated Articles of Incorporation.

ARTICLE III – MEETINGS (Cont.)

SECTION 2: SPECIAL MEMBERSHIP MEETINGS

Special meetings of the Members may be called by the Board of Directors, President of the Corporation or by petition of the Members having at least one-tenth (1/10) of the votes entitled to be cast according to the Corporation's records as of the preceding July 1. The reason for the meeting shall be stated in such call and petition. After receiving the petition and validating the signatures thereon, the President shall set a date for such meeting, which shall be held within sixty (60) days after validation of the signatures is completed.

With respect to a special meeting called by petition of the Members for the purpose of amending the Restated Articles of Incorporation or the Corporate Bylaws, the Board, after validation of the petition, shall set a special meeting. A written notice shall be posted in RCSC facilities and/or published in the RCSC newsletter (*SunViews*) and/or on the RCSC website (www.sunaz.com www.suncityaz.org) not less than ten (10) days, nor more than fifty (50) days before the date of the meeting.

With respect to a special meeting of the Members called by the Board of Directors or the President of the Corporation, a written notice shall be posted in RCSC facilities and/or published in the RCSC newsletter (*SunViews*) and/or on the RCSC website (www.sunaz.com www.suncityaz.org) not less than ten (10) days, nor more than fifty (50) days before the date of the meeting. Notice shall include information concerning the purpose for the special meeting.

SECTION 3: MEMBERSHIP QUORUM

A quorum for any Membership meeting shall consist of not less than one thousand two hundred fifty (1,250) Members in good standing. A quorum shall be presumed in the absence of a challenge. If, however, such quorum shall not be present or represented at any meeting of the Members, the Members entitled to vote at such meeting shall have the power to adjourn the meeting without notice other than announcement at the meeting, until a quorum is present.

Once a quorum has been established for any meeting, appropriate business may be conducted and decided by a majority vote of Members present unless otherwise required by the Restated Articles of Incorporation or the Arizona Revised Statutes.

SECTION 4: MEMBERSHIP MEETING RULES AND REGULATIONS

The laws of the State of Arizona, the Restated Articles of Incorporation, Corporate Bylaws, Board Policies, Cardholders and Guest Code of Conduct, and any Rules and Regulations of the Corporation and Chartered Clubs shall govern procedure at all meetings of the Corporation, and Robert's Rules of Order, when applicable, shall apply, provided they are not inconsistent with the aforementioned. The President may appoint a parliamentarian to serve during his/her term of office.

Proposals or matters relating to the conduct of the business affairs of the Corporation, if brought before a Membership meeting shall be referred to the Board for study. Such matters, being solely within the powers delegated to the Board in accordance with the laws of the State of Arizona, the Restated Articles of Incorporation, and these Corporate Bylaws will be considered only as a recommendation to the Board.

ARTICLE III – MEETINGS (Cont.)

SECTION 4: MEMBERSHIP MEETING RULES AND REGULATIONS (Cont.)

If the disposition of these proposals or matters is determined by the Board not to be in the best interest of the Corporation, the Board shall announce its decision and such proposal or matter shall not be considered further. The Members may, by petition signed by at least ten percent (10%) of the total membership of the Corporation as of the first day of the preceding July, bring the proposal or matter before the Membership for a majority vote of the Members present at a duly called and noticed Annual or Special Membership meeting.

ARTICLE IV - BOARD OF DIRECTORS

SECTION 1: FISCAL YEAR

For all purposes, financial and otherwise, the calendar year January 1 - December 31, shall be synonymous with the term “fiscal year” of the Recreation Centers of Sun City, Inc. (RCSC).

SECTION 2: COMPENSATION OF DIRECTORS

The Board of Directors (“Board”) shall receive no compensation of any kind for his/her service as a Board of Director (“Director”) or Officer or from any group using RCSC facilities. Furthermore, a Director cannot serve on any Chartered Club Boards during their term in office.

SECTION 3: INSTALLATION OF DIRECTORS

At the first regular Board meeting after a Director has been newly-elected or newly-appointed, the President of the Corporation shall formally install the new Director(s) specifying when their term of office commences.

SECTION 4: ELECTION OF OFFICERS

The Board shall meet on the first business day after January 1 for election of Officers. At this organizational meeting, the Board shall select from their own number, by ballot, the Officers listed in Article V of these Corporate Bylaws who shall serve for the term of one year, to end at the election of Officers in the following year.

A Director may be re-elected to consecutive terms as an Officer if he/she receives the majority approval **vote** of the Board of Directors.

ARTICLE IV - BOARD OF DIRECTORS (Cont.)

SECTION 5: LENGTH OF TERMS AND VACANCIES

The term of office for an elected Director shall be three (3) years. At the annual election, three (3) Directors shall be elected. One, two or three-year elected terms enter into the six (6) year limit set forth in the Restated Articles of Incorporation. In the event more than three (3) vacancies exist as of the deadline for turning in the petitions, those vacancies shall also be filled at the annual election as follows:

- (i) The candidate receiving the highest number of votes, after the three (3) three-year terms are filled, shall fill the next longest vacant term.
- (ii) If a candidate is elected to a Board position and, prior to the beginning date of the term for which he/she has been elected, declines or is unable to assume the office (“declining candidate”), then the term of the declining candidate(s) shall be filled with the unsuccessful candidate(s) receiving the next highest number of votes, based on the vote totals of the candidates in the last annual Directors’ election. A candidate receiving less than one hundred (100) votes shall not be eligible to fill any vacancies.
- (iii) The Balloting Committee (hereinafter referred to as the “Election Committee”) will determine the order of placement in the event of a tie vote. The method shall be a simple drawing of the names of the candidates involved in the tie vote.
- (iv) Vacancies occurring on the Board during the year (January 1 through December 31) may be filled by appointment of the Board. A majority vote of the Board is required for said appointment. An appointment ends on December 31 of the year appointed. An appointed term does not enter in the six-year limit set forth in the Restated Articles of Incorporation.

SECTION 6: MEETINGS OF THE BOARD

Regular monthly meetings of the Board of Directors shall be held on the day or days as designated by the Board. The Board may elect to delete summer meetings. The President or his/her appointee shall preside at all meetings. Six (6) Board of Directors shall constitute a quorum.

The regular meetings of the Board of Directors, with a prepared agenda, shall be open to the Members and the press. At each of these meetings, a specified time may be allotted for the Members to make comments in regards to corporate matters.

Special meetings of the Board of Directors may be called by the President or upon the written request of three (3) or more of the Board of Directors. The purpose of the meeting shall be stated in the call. Except in cases of emergency, at least seventy-two (72) hours notice shall be given.

The Board may meet in an Executive Session (closed meeting) to discuss confidential matters such as; litigation; matters relating to formation of contracts with third parties; Member or Privilege Cardholder discipline and personnel matters. Before going into Executive Session, the Chair must state such and all matters discussed thereafter shall remain confidential. Executive Sessions may be called during any work session or regular, special or emergency meeting of the Board and/or the Membership. The Board has the authority to take final action in Executive Session and is not required to make public those decisions that are of a confidential nature. Minutes may or may not be taken of Executive Sessions. If they are recorded, they are retained as a part of the confidential records of the Corporation.

ARTICLE IV - BOARD OF DIRECTORS (Cont.)

SECTION 7: BOARD AUTHORITY

The Board of Directors shall have the authority to employ the General Manager; to hold and administer corporate assets, and direct, control, manage, and supervise the business and financial affairs of the Corporation without limitation, except as set forth in the Restated Articles of Incorporation.

The Board of Directors shall have authority to establish, change, and/or delete Board Policies, Cardholders and Guest Code of Conduct, and any Rules and Regulations of the Corporation as deemed necessary and within the authority as outlined in the Restated Articles of Incorporation and these Corporate Bylaws.

ARTICLE V – OFFICERS

SECTION 1: OFFICERS OF THE CORPORATION

The Officers of the Corporation shall be President, Vice-President, Secretary, and Treasurer and shall be elected pursuant to Article IV, Section 4 of these Corporate Bylaws.

SECTION 2: PRESIDENT

The President shall be Chair and shall preside at and conduct all meetings by a formal order of business. The President shall have general supervision and direction of the affairs of the Corporation in accordance with the Restated Articles of Incorporation, these Corporate Bylaws, Board Policies, and any Rules and Regulations of the Corporation. The President shall have authority to administer all matters not otherwise expressly delegated, and shall call special meetings of the Membership and/or Board.

After approval by the Board, he/she may execute bonds, investments, debts, and other contracts requiring a seal, under the seal of the Corporation, except where required or permitted by law to be otherwise signed and executed, and except where the signing and execution thereof may be expressly delegated by the Board to some other Officer or Agent of the Corporation.

SECTION 3: VICE-PRESIDENT

The Vice-President shall perform such duties as assigned by the President and in the absence or incapacity of the President; shall perform the duties of the President.

SECTION 4: SECRETARY

The Secretary shall adhere to the duties of the Secretary as outlined in Robert's Rules of Order and shall assure that the Corporate Board of Directors records of the Corporation are maintained and in order.

ARTICLE V – OFFICERS (Cont.)

SECTION 5: TREASURER AND ASSISTANT TREASURER

~~The Treasurer shall issue financial statements when required and perform such other duties as ordinarily pertain to that office.~~ The Treasurer shall ensure that financial records and cash/investment handling procedures are audited after the close of each fiscal year by a Certified Public Accountant, as selected by the Board. The Treasurer shall make certain that annual income tax returns and other required corporate filings have been filed as required. The Treasurer shall require safeguards to protect corporate assets. Any indebtedness issued in the name of the Corporation shall be signed by the Treasurer **or other Board Officer** after such indebtedness is approved by a majority of the Board of Directors.

~~The Board of Directors may appoint an Assistant Treasurer and who shall in the absence or incapacity of the Treasurer, have the duties and the responsibilities of the Treasurer, but shall receive no compensation therefor. An appointed Assistant Treasurer must be a Member in good standing. In the event of the absence of the Treasurer, any appointee who has been designated by the Board to countersign checks may become a signatory.~~

SECTION 6: THEFT, DISHONESTY AND LIABILITY INSURANCE

The Officers of the Corporation shall ensure that an Employee Dishonesty Insurance Policy, as determined by the Board, is in place to insure the Corporation against losses relating to theft or mishandling of assets by Employees, Directors or Corporate Agents. The Corporation shall provide Directors and Officers liability insurance for all Directors and Officers and their spouses.

SECTION 7: REMOVAL OF BOARD OFFICERS

A Board Officer who is unwilling or incapable of satisfactorily performing the responsibilities of his/her office, may be removed from his/her office by a ballot vote of a majority of the Board of Directors. An Officer so removed shall be eligible to continue as a Director. The Restated Articles of Incorporation addresses removal of any elected or appointed Director from the Board.

A new election of the Officer by the Board of Directors for the vacated position(s) shall be held within fifteen (15) days after removal. In the case of a vacancy in the President's office, the Vice President will perform the duties of the President until a new President is elected.

SECTION 8: INDEMNIFICATION

Recreation Centers of Sun City, Inc., its successors and assigns, hereby agree to protect, defend, indemnify and hold harmless its Directors and their spouses, Officers, Management and Employees ("Agents") from and against any and all claims, demands, actions, damages, loss, and judgments arising out of or occurring in connection with any act or omission of such, including reasonable attorney fees and court costs. Such indemnification of said Agents of the Recreation Centers of Sun City, Inc. shall exclude any such liability caused by gross negligence or willful misconduct.

ARTICLE VI – COMMITTEES

The Board shall be empowered to create or eliminate committees as they may deem necessary to properly and effectively carry on the affairs of the Corporation. A standing committee is a small group of Members, subordinate to the Board of Directors, which is organized to assist the Board in specific areas as assigned. Ad hoc committees are formed for a specific task or objective and dissolved after the completion of the task or achievement of the objective. RCSC Cardholders may present specific concerns and issues to the appropriate committee for review and recommendation to the Board. Committees have no decision making authority, ~~excluding the Club Organization Committee who has limited powers according to Board Policy Resolution No. 12.~~ Committees are limited to presenting ideas and recommendations to the Board of Directors and Management. All committees shall have a Board of Director as Chair and Co-Chair who shall be approved by the Board of Directors in January each year. A Board Chair or Co-Chair who is unwilling or incapable of satisfactorily performing the responsibilities may be removed from his/her position as Chair or Co-Chair by a ballot vote of a majority of the Board of Directors. All committees shall attempt to have no less than five (5) members. Members of committees shall be selected from the Membership at large who must meet the following requirements: (a) Must be an RCSC Member Cardholder in good standing; (b) Must not be related to any other member of the committee by marriage or birth unless committee members are selected by election or appointment to another position; i.e., green committee members, association officers, and/or Club Presidents; and (c) Must agree to adhere to RCSC's Articles, Bylaws, Board Policies, and any and all rules and regulations of the Corporation.

Committee members are expected to attend all committee meetings, review materials in advance of the meetings, participate in meetings, and meet as frequently as necessary to discharge properly the committee's responsibilities. Committee members may be suspended or expelled by a majority vote of the Board of Directors for the following reasons: (a) Failure to adhere to RCSC's Articles, Bylaws, Board Policies, or any rules and regulations of the Corporation; (b) For any good and sufficient cause which is contrary to the highest moral or sportsman like principles; (c) For being unwilling or incapable of satisfactorily performing the responsibilities of a committee member; or (d) Failure to attend three (3) committee meetings in a row.

ARTICLE VII - CHARTERED CLUBS

A group of Cardholders interested in a particular hobby, avocation or field of interest may join together for the purpose of pursuing said interest and may request the Board to certify them as a Chartered Club. Duties, responsibilities and requirements of such Clubs are outlined in the Board Policies. The Restated Articles of Incorporation, Corporate Bylaws, Board Policies, Cardholders and Guest Code of Conduct, and any Rules and Regulations of the Corporation shall take precedence over any and all Chartered Club or individual club rules and regulations. The Chartered Club facilities are to be used solely for the purpose of leisure recreational hobbies and not as a profit making endeavor.

ARTICLE VIII - NOMINATION AND APPOINTMENT PROCEDURES

SECTION 1: PRESENTATION OF CANDIDATES

The Chair of the Elections Committee shall present to the Board, at a Board meeting no later than October 31 of each year, a list of candidates for Director position(s) to be filled at the coming annual election. The election shall be held in accordance with Article IX of these Corporate Bylaws.

SECTION 2: RECRUITMENT OF CANDIDATES

On or before July 1 each year, by appropriate notice to the Membership at large, Members shall be invited to become candidates. In the event additional candidates are needed, the Elections Committee shall begin recruiting to provide the required number.

If a member of the Election Committee desires to become a Board of Director candidate, he/she must resign from the Committee prior to becoming a candidate.

SECTION 3: PETITION AND APPLICATION OF CANDIDATES

A Member who is eligible, as per Article VIII, Section 4 of these Corporate Bylaws, to become a candidate for election to the Board of Directors shall provide to the Chairperson of the Election Committee on any date specified or no later than October 15 the following:

- (i) A written petition on the official form required with valid signatures from at least one-hundred (100) Member Cardholders in good standing;
- (ii) An application on the official form required, to include a resume and list of goals; and,
- (iii) Nominee shall make himself/herself available to RCSC for a photograph.

SECTION 4: CANDIDATE REQUIREMENTS

An eligible candidate for election to the Board of Directors shall satisfy all the following requirements and a candidate for appointment to the Board shall satisfy all except number seven (vii) below:

- (i) Must be at least fifty-five (55) years of age;
- (ii) Must not be related by marriage or birth to any other member of the Board, Sr. Management Staff, or Board Candidate;
- (iii) Must be a Deeded Real Estate Owner of property in Sun City, Maricopa County, Arizona as well as a resident of Sun City **AZ**;
- (iv) Must be a Member in good standing;
- (v) Must reside in Sun City, Arizona and be available at least ten (10) months of the year;
- (vi) Must meet the requirement to hold an Arizona liquor license;
- (vii) Must be eligible and available to serve a three (3) year term; and
- (viii) Must attend Board Candidate Orientation(s).

A Board Candidate that withdraws from his/her candidacy for any or no reason may not elect to reestablish candidacy in the same election year.

ARTICLE IX - ELECTION OF DIRECTORS

SECTION 1: POLLING PLACES, TIMES AND DATES

- (i) Election of Directors shall be held on the second Tuesday in December each year.
- (ii) The Board may schedule earlier voting dates.
- (iii) The Board shall select the number of polling places, their locations and times of operation for voting within Sun City, Maricopa County, Arizona.

SECTION 2: VOTES

The person or persons receiving the highest number of votes shall be elected to the vacancy or vacancies for which the election is held.

SECTION 3: RECALL ELECTION

- (i) In a recall election, a Director shall be deemed recalled if a majority of the votes cast by Membership ballots are for his/her removal, provided further that the total number of votes received for the recall is not less than one hundred (100).
- (ii) The person receiving the highest number of votes cast by Membership ballots to replace the recalled Director shall be deemed elected to fill the unexpired term of said Director.
- (iii) The Board, or its designated representative, may use the services of a neutral entity such as the Maricopa County Election staff and adopt their procedures, as desired, to ensure a fair election process.
- (iv) The Board, or its designated representative, may exercise the flexibility to negotiate technical and routine matters with the neutral entity conducting the election at the Board's request and to make any necessary arrangements or revisions, as the need arises.

ARTICLE X –VOTING PROCEDURES AT MEMBERSHIP MEETINGS

SECTION 1: NON-BALLOT VOTING

Voting shall be by ballot of the eligible Members present at any meeting of the Members.

SECTION 2: BALLOT VOTING

The following procedures shall apply for ballot voting:

- (i) Voting shall proceed under supervision of the Election Committee.
- (ii) At least two (2) members of the Election Committee shall be in attendance at all times during voting and they **along with their assigns**, shall determine eligibility of all voters, issue all official ballots, and witness the casting of the ballots. ~~and~~
- (iii) Ballot boxes shall remain sealed until all votes are cast. Votes shall be tabulated in the presence of at least three (3) members of the Election Committee. Any Member may be present as an observer at the tabulation of the votes. Upon completion of the tabulation of ballots, the results shall be certified by the Election Committee Chairperson to the Board and posted on the corporate website (www.sunaz.com www.suncityaz.org) and **or** in RCSC facilities.

ARTICLE X – VOTING PROCEDURES AT MEMBERSHIP MEETINGS (Cont.)

SECTION 3: LIMITATION PERIOD

No Membership election or vote, initiated by petition of the members, shall be held on an issue which is the same as, or substantially similar to, any issue which has been voted upon by the Membership within the current calendar year or any of the past three (3) calendar years (hereinafter referred to as the "Limitation Period"). The Board of Directors shall determine, in its sole discretion, whether the issue proposed to be voted upon by the Membership is the same as, or substantially similar to, an issue previously voted upon by the Membership during the Limitation Period. In the event a Membership election or vote is not required to be held due to the provisions of this section, then the Board of Directors shall not set, call, notice or post the proposed Membership election or vote or any Membership meeting in connection therewith, or take any other action normally associated with a Membership election or vote or a Membership meeting. This section shall not apply to the election or removal of Directors.

BE IT FURTHER RESOLVED that a copy of these Corporate Bylaws shall be posted on the RCSC website for members and shall be made available to members upon request at no cost.

Adopted and signed this ~~23rd~~ 26th day of ~~February~~ October, 2017 at a duly called Board meeting by a majority (5) of the Recreation Centers of Sun City, Inc. Board of Directors.

ATTEST:

Rich Hoffer, President

Stella Van Ness, Secretary