

CONSTITUTION AND BY-LAW OF THE SANS SOUCI TENNIS CLUB

BY-LAW NO. 20211

“AMENDMENTS TO COMPREHENSIVE OPERATING BY-LAW”

WHEREAS AT THE SPECIAL MEETING OF THE SANS SOUCI AND COPPERHEAD TENNIS CLUB ON DECEMBER 15, 2021, THE FOLLOWING BY-LAW, being BY-LAW NO. 20211, WAS APPROVED, AMENDING THE OPERATING BY-LAW APPROVED AT THE ANNUAL GENERAL MEETING ON AUGUST 13, 2011 (the “BY- LAW”) AS FOLLOWS:

The By-law is hereby repealed and replaced with the following:

PURPOSE: The former Sans Souci and Copperhead Association Tennis Club, hereinafter to be named and referred to as the **Sans Souci Tennis Club** (the “Club”), is a not-for profit community organization formed in 1994 for the purpose of maintaining and operating a recreational tennis facility located on Frying Pan Island, in the Township of the Archipelago, Georgian Bay (the “Tennis Facility”), for the use and enjoyment of its members resident in the adjacent cottage community.

1) Income and Payments:

- (a) *Application of Income*: All the Club's profits (if any), other income and property, however derived, must be applied only to promote its purpose.
- (b) *No Dividends, Bonus or Profit Paid to Members*: None of the Club's profits, other income or property may be paid or transferred to the Members, directly or indirectly, by way of dividend, bonus or otherwise, provided, however, that nothing in this Bylaw will prevent the reimbursement to a Member of the Member’s Initial Fee as provided for in and in accordance with the Operational Bylaw.
- (c) *Payments in Good Faith*: Paragraph (b) of this Section 1(a) does not prevent the payment in good faith, on commercial terms, to an officer or Member of the Club, or to a legal entity or business of

which an officer or Member of the Club is a partner, an officer, director or a shareholder (or otherwise associated):

- (i) of remuneration for services to the Club;
- (ii) for goods supplied to the Club in the ordinary course of business;
- (iii) of interest on money borrowed from them by the Club at a rate not exceeding the rate fixed for the purposes of this paragraph (c) by the Club in a meeting of the Members; or
- (iv) of reasonable rent for premises leased by them to the Club.”

MEMBERSHIP

a) The total Membership of the Club is to be limited to 120 current Members. The terms Member, Members and Membership are used interchangeably in this section and this By-law, unless otherwise stated.

b) Memberships are granted upon invitation from the Club, through its Executive, and payment of all initial charges and dues by the Member. Memberships will continue thereafter unless or until terminated, resigned or transferred as permitted or set out herein.

c) A Membership in the Club is in the nature of a collective family Membership. The Membership family is defined to include direct family members only, being parents, their children and grandchildren and spouses thereof, and is the collective “holder” of the Membership. The holder of the Membership is entitled to booking privileges for use of the Tennis Facility only in accordance with this By-law and in such manner as determined by the Tennis Executive from time to time. Membership may continue with future generations of that Membership family, but is not otherwise transferable except as set out in this By-law.

d) All Memberships in the Club are conditional upon being a member in good standing of the Sans Souci and Copperhead Association (the “Association”). Only members of the Association may be a Member of the Club.

e) A Member may acquire more than one membership in the Club, however, any such subsequent application must be made in the same manner as a new member application, both as to payment of fees and dues and priority on any

waiting list, if a waiting list should exist. Additional Memberships may be dealt with severally by the Member, including the ability to book the Tennis Facility, vote at any meeting or other matter or deal with the individual Membership in any manner permitted by this By-law.

FEES AND DUES

a) Annual dues are to be paid by each Member in each and every calendar year of membership (the "Annual Dues"). New Members of the Club are also required to pay an initial fee as a one-time charge upon commencement of the membership (the "Initial Fee"), together with the Annual Dues for that calendar year. Should the Member later resign or transfer the membership to a third party upon sale, a portion of the Initial Fees may be refunded, but only as set out and calculated in accordance with the repayment schedule attached as Schedule "A" hereto.

b) The amounts of the Initial Fee and Annual Dues (collectively the "Fee(s)") will be established by the Tennis Executive (as defined herein) from time to time in such amounts as they determine to be reasonably necessary, in accordance with prudent standards of management of a recreational facility, to ensure the effective use, enjoyment, operation, maintenance and long-term viability of the Club and Facility.

c) Any Fee increase proposed by the Tennis Executive shall take effect only upon approval of the increase by majority vote of the Members in accordance with the provisions of this By-law.

d) Fees may not be increased by any means more than once per calendar year.

e) If a Member does not pay the Annual Dues on or before July 1st of each calendar year (the "Due Date"), the Tennis Executive, after prior written notice to the Member, may thereafter institute and include an additional amount as penalty for late payment and suspend the Member's privileges until such time as the Annual Dues, including any penalty, are paid in full. If the Annual Dues, together with any penalty, remain unpaid by June 30 of the following calendar year, the Membership shall be deemed to be terminated and at an end and no portion of the Initial Fee shall be returned to the former Member. In exceptional or extenuating circumstances, however, the Tennis Executive may grant relief

from this provision or approve alternate arrangements for payment, in their sole discretion.

f) Any failure by a Member to pay annual dues owing to the Sans Souci & Copperhead Association shall be treated in the same manner and invoke the same sanctions, save for the addition of a penalty, as a failure to pay the Annual Dues.

WAITING LIST

If the Club membership is fully subscribed, a prospective member may submit an application for membership to the Club Secretary in the prescribed form and a waiting list will be maintained. At such time as a current membership is resigned or terminated, a Club membership will then be offered to applicant(s) on the waiting list in accordance with the priority in which the applications were received. A prospective member will have ten business days from receipt of notice of the availability of a membership in which to accept or decline the offer. If the offer is not accepted, the applicant's name will be removed from the waiting list. The applicant, however, may request a one-time deferral, in which case his or her name will be placed at the bottom of the waiting list. The new membership will not become active until the prospective member has paid the Initial Fee and Annual Dues at the rates in effect at the time the membership is offered

If those amounts are not paid within thirty days of acceptance of the offer, the offer of membership will be deemed to be declined and the name removed from the waiting list.

WITHDRAWAL OR TRANSFER OF MEMBERSHIP

a) Transfer on Sale: Memberships are not transferrable to an unrelated third party, save and except upon the sale of the Member's cottage property. Upon written notice to the Club by the Member, the purchaser of the property, upon payment by them of the Initial Fee and Annual Dues then in effect, may become a member of the Club in substitution for the Member, whether or not a waiting list for membership then exists. Upon such payment, the original Member's membership shall then be deemed to be resigned and a portion of the Initial Fee, if any, will be repaid to him or her in accordance with the provisions set out in Schedule "A" attached. A Member, however, may retain membership in the Club,

notwithstanding the sale of the property, if he or she chooses not to exercise the above transfer option. No membership would then pass with the property.

b) Resignation: Memberships may be resigned by a Member at any time upon written notice to the Tennis Executive. A portion of the Initial Fee paid by the Member upon joining, if any, will be repaid to him or her in accordance with the re-payment provisions of Schedule "A" attached. Although calculated at the time of receipt of such notice, the amount, if any, will not be repaid to him or her until such time as a new member joins the Club in his or her full place and stead. The Club is entitled to deduct or offset any other amounts owed to the Club by the Member from this amount prior to repayment. Further, no portion of the Annual Fees will be returned to the Member or pro-rated upon resignation.

c) Marital Dissolution: In the event of marital dissolution between a Member and his or her spouse, the Membership may be dealt with or transferred as part of either a lawful agreement between the parties or final Court Order.

MEMBERSHIP PRIVILEGES

a) Each Membership in good standing is entitled to pre-book one tennis court for one hour of play only per calendar day, regardless of the number of members of that family or the identity or membership of the other participants in play. A member of the Membership family must be a participant in play during the time booked.

b) The manner and method of all court bookings, whether to be electronic or otherwise, shall be determined by the Tennis Executive prior to the opening of the Facility and shall be communicated to the membership in writing and posted at the Facility on or before June 1 of each and every year. The booking policy shall remain at the discretion of the Tennis Executive. It shall, however, be formulated so as to ensure access to the Facility to all Members in a fair, equitable and efficient manner.

c) A Member may invite up to three guests to play during the time booked by him or her, but must accompany them at all times and will be solely responsible for the actions of their guest(s), including as to any loss, damage or personal injury incurred or caused by the guest(s) while at the Facility.

d) A tenant of a Member's property may not use the Facility or exercise any privileges except as a guest of the Member and subject to the provisions set out above.

e) The Tennis Executive may suspend a Member's privileges for a period of time in the event of contravention of the booking policy or other rules of the Club or this By-law, after appropriate notice to the Member. Any such suspension applies to the whole of the Membership.

f) The Tennis Executive may permit use of the Tennis Facility from time to time by members of the Sans Souci & Copperhead Association.

GOVERNANCE

a) Executive

The Club shall be operated by an appointed executive committee (consisting of a President, Vice-President, Past-President, Secretary and Treasurer and four members at large, at least one of whom must be a member of the Sans Souci and Copperhead Association Board) (the "Tennis Executive"). The President, Vice-President and Past President will hold office for a term of two years. Other members of the Tennis Executive may serve terms of up to three years, but which terms may be extended or renewed at the discretion of the Tennis Executive. The Tennis Executive shall be responsible for all matters pertaining to the operation and business of the Club, including finance, membership, bookings, and maintenance, replacement and repair of the Tennis Facility and related property matters and shall be authorized to make such decisions and take such action in that regard as may be necessary from time to time. Decisions, however, pertaining to change the number of Memberships permitted, substantial change to the Tennis Facility or changes to the Initial Fee and Annual Dues, including as to repayment thereof, shall be approved by the Members by majority vote at the Annual General Meeting, unless otherwise expressly provided herein.

b) Nominations/Election

A nominating committee, to be chaired by the Past President, will be struck, including the President, Vice-President and one other member of the Tennis Executive selected by the Past President. The nominating committee shall submit

a slate for the next year's Tennis Executive, to the extent any position is to become vacant, for the approval and ratification by the Members at the Annual General Meeting. If the recommendations of the Nominating Committee are not approved by majority vote at the meeting, the position(s) may be filled by election by the Members in a manner to be determined by the Nominating Committee.

c) Annual General Meeting

An Annual General Meeting (the "AGM") of the membership of the Club is to be held during the month of August each calendar year at a date to be determined by the President. Notice of the time and date of the AGM shall be provided to the Members either by regular and/or electronic mail at least four (4) weeks in advance. An agenda of matters to be discussed and/or voted on shall also be circulated by the Club Secretary in the same manner at least four weeks prior to the AGM. Any Member may request that additional matters be included on the agenda upon prior written notice to the President, which matters shall be heard at the discretion of the President. Each Membership, provided that it is in good standing with all Fees paid, is allowed one vote in respect of each matter upon which a vote is taken. A quorum for any general vote of the Members shall consist of at least twenty (20) Members either in attendance at the meeting physically or by delivery of written vote in absentia or proxy, as set out herein (a "Quorum"), inclusive of the Tennis Executive. Amendments to the operating By-law of the Club shall require a Quorum, exclusive of the Tennis Executive.

d) Special Meeting

Should a matter require consideration and vote by the Membership prior to the next scheduled AGM, the President, in his or her sole discretion, may either:

- i) convene a special meeting for such purpose on appropriate notice to the Membership in the same manner as the AGM; or,
- ii) submit such matter to the Membership for approval by vote in writing, for which a meeting or attendance in person of the Membership is not required, providing reasonable time is allowed for inquiries and vote by return mail. In such circumstances, a Quorum shall be deemed to be a return of at least twenty votes in reply from Members in writing, exclusive of the Tennis Executive.

e) Notice

i) Save as expressly set out herein, the nature and type of notice required for any matter shall be at the discretion of the President. All such notices may be by either regular or electronic mail except for notices terminating or suspending playing privileges or membership, which shall be in writing and delivered by registered and regular mail.

ii) Unless advised otherwise in writing, the address of record for the Member as set out in the Sans Souci & Copperhead Association Yearbook shall be deemed to be sufficient for purposes of providing notice.

f) Votes in Absentia

A Member may vote at the AGM or Special Meeting on any or all matters set out in the Agenda or Notice by express and specific prior written direction addressed to the President, which form may be communicated in writing by regular mail or electronically, but must be submitted prior to the commencement of the AGM or Special Meeting. In the event of any ambiguity or question of validity for such votes so made, however, the President is entitled to disregard same in his or her sole discretion.

g) Proxy Vote

A Member may appoint and authorize a proxy to vote on his or her behalf at the AGM or Special Meeting provided that an original, written proxy, substantially in the form attached and described as Schedule "B" hereto, is duly executed and submitted to the President prior to the commencement of the AGM or Special Meeting. In the event of any ambiguity or question of validity for such votes so made, the President is entitled to disregard same in his or her sole discretion.

h) Minutes

The Club Secretary shall record and circulate or make available to all Members minutes of any meeting of the Club membership within a reasonable time thereafter.

Winding Up of The Club

The Club may be wound up and dissolved upon the authorization of,

- a) a majority of the votes cast at a Special Meeting of the Members of the Club duly called for the purpose; or
- b) the consent in writing of all the Members entitled to vote at such Special Meeting.
 - (i) If, on the winding up or dissolution of the Club, and after satisfaction of all its debts and liabilities (including by the assumption of those debts and liabilities by an entity to which the Club's remaining property is being transferred), any property remains, that property must be given or transferred to another entity:
 - (ii) having a purpose similar to that of the Club; and
 - (iii) whose constitution or articles of incorporation (if a corporation) prohibits the distribution of its income and property among its members to an extent at least as great as is imposed under this Bylaw.
 - (iv) That entity is to be determined by the Tennis Executive at or before the time of dissolution or, failing that determination, by a judge who has or acquires jurisdiction in the matter."

INTERPRETATION

All provisions of this By-law and decisions made in accordance herewith shall be made, interpreted, and implemented in acknowledgment that the Club is a community-based volunteer organization operating the Facility for the use and recreational and social enjoyment of its Members.

- a) Capitalized words and phrases used in this Bylaw No. 20211 will have the same meanings given to them in Bylaw No. 22011 unless otherwise defined in this Bylaw.

SCHEDULE "A" TO BY-LAW NO.2-2011

AMORTIZATION SCHEDULE FOR REPAYMENT OF INITIAL FEE

In accordance with Sections 3 and 5 of this By-law only, the Initial Fee shall be returned to the Member in the amount paid upon commencement of the Membership, less ten percent (10%) of that original amount deducted for each

and every year of Membership thereafter until the date of termination of the Membership.

For example, if the Member paid an Initial Fee of \$8,000, and subsequently resigned or transferred the Membership, the following amounts would be returned to him or her upon replacement of the Membership, calculated as follows:

After Year 1: \$7,200

After Year 2: \$6,400

After Year 3: \$5,600

After Year 4: \$4,800

After Year 5: \$4,000

After Year 6: \$3,200

After Year 7: \$2,400

After Year 8: \$1,600

After Year 9: \$800

After Year 10: *nil payment*

After ten years of Membership, no repayment of the Initial Fee would be made to the Member.

SCHEDULE "B" TO BY-LAW NO. 2-2011

MEMBERSHIP PROXY

For Annual General or Special Meeting of the Sans Souci Tennis Club

I, _____, on behalf of the (insert surname here) Membership, hereby appoint _____, if personally present, at the Annual General/Special Meeting of the SSTC to be held on _____, 20____, as the proxy of the undersigned with full Authority to act on behalf of the undersigned at the Meeting and with authority to vote at the said proxyholder's discretion (or except as specified herein) with respect to any matters referred to in the Notice of Meeting/and or Agenda and with respect to other matters that may properly come before the Membership at the Meeting.

DATED at _____, the ____ day of _____, 20__

_____ (Print Name)