

Regency Estates Swim Club, Inc.
P.O. Box 341913 • Bethesda, MD 20827-1913

Membership Certificate Policy

Certificate Rules and Procedures approved by RESC BOD, updated March 2014

Preface

The Regency Estates Swim Club, Inc. (Club) is a non-profit, private community swim club. According to the Club's bylaws, each regular Member must hold a Membership Certificate, the face value of which is determined by the Club's Board of Directors (BOD) and the General Membership. Your Certificate, when fully paid and when all other dues and fees are also paid in full, grants you one vote at Membership Meetings and access to Club facilities for your approved cardholders.

The Certificate is an investment for you and an important financing tool for the Club. This policy addresses both the Club's obligations and your responsibilities related to your Certificate, including rules for the transfer or redemption of Certificates.

This policy applies to all Club members except those who hold a Certificate of Senior Membership.

I. Membership Responsibilities: Active Members

Membership dues and fees must be paid in full and on time each year by the Member to maintain active Club membership in good standing. Failure to do so can lead to loss of membership privileges and a reduction in the value of your Certificate.

A. Resignation of Membership

Members who want to resign from the Club must:

1. Notify the BOD in writing of your intent to terminate/resign your membership via mail to:

RESC
PO Box 341913
Bethesda, MD 20827-1913

or e-mail to: rescpool@gmail.com.

2. Upon receipt of your resignation, the Club will provide you with a Final Membership Statement, which will include the current value of your Certificate, and any credits or outstanding dues or fees owed to the Club. Outstanding amounts will be deducted from the value of your Certificate.

3. If your resignation is received before the dues deadline for any given year, no deduction will be taken against your Certificate for that year's dues, unless you intend to "swim off" your Certificate (see Section I.B.2.b below).

B. Certificate Transfer and Redemption

If a Final Membership Statement shows that a Certificate's value has been reduced below the original face value, the Certificate may not be transferred or re-issued until its face value has been restored by payments made to the Club either by the departing Member, the incoming new Member, or both as they may agree prior to the transfer.

1. If the Club is at Full Membership

- a. For the Club to transfer your Certificate, you must mail your Certificate, with your signed Final Membership Statement, to RESC, PO Box 341913, Bethesda, MD 20827-1913. If you cannot find your original Certificate, return your Final Membership Statement along with a note indicating your request and specifying that your Certificate is lost and not recoverable. The BOD will verify your status and then process the transfer, voiding your lost Certificate.
- b. The Club will transfer your Certificate to the next new Member on the waiting list, or the next new Member if there is no one on the waiting list. The value of your Certificate, based on your Final Membership Statement, will be refunded to you as soon as the new Member's Certificate has been issued.
- c. You have the right to transfer your own Certificate, if you choose, but only under one of these two conditions:
 - i. the Certificate is transferred to a member of your immediate family, or
 - ii. the Certificate is transferred to the new homeowner in conjunction with the sale of your residence.

In either case, you must notify the Club of your intentions prior to the transfer. Following this, your Certificate should be turned in to the Club at address above, accompanied by the Final Membership Statement signed by both you as the departing Member and the new Member. If the Club does not have such proof of the transfer, the Certificate becomes invalid. (The Club reserves the right to reject the transfer of a Certificate if the transfer does not follow the Club's bylaws and rules.)

In these cases, the Club will not refund the Certificate value to the resigning member. The financial transaction is a private matter with the resigning Member and the new purchaser.

2. If the Club is Not at Full Membership

- a. The Club makes no promise of a refund or redemption for your Certificate, and thus it is your responsibility to find a purchaser for your Certificate. When you find a new purchaser who wants to join the Club, you, as the resigning Member, should mail your Certificate and the Final Membership Statement signed by both you and the new Member to: RESC, PO Box

341913, Bethesda, MD 20827-1913. Once the Club has verified the transaction and has received any necessary payments to restore the Certificate to its face value, a Certificate will be issued to the new Member. In this case, the financial transaction is a private matter between the resigning Member and the new purchaser. The resigning Member is selling the Certificate to the new purchaser and the Club will not refund the resigning Member.

- b. Alternately, you can choose to “swim off” your Membership in one season using the value of your Certificate in lieu of paying Dues for the season. This will reduce or eliminate any residual value of your Certificate. While swimming off your Certificate, you are allowed to access Club facilities but lose voting privileges as a regular Member. If the required Dues exceed the value of your Certificate, you must pay the difference.
- c. If you resign and cannot find a purchaser, choose not to “swim off” your Certificate, and have provided the appropriate notice to the Club, you will be placed on a waiting list in order of resignation date for the future redemption of your Certificate. At such time as the Club reaches full membership, your Certificate will be transferred to a new member in the order your Certificate appears on the list. Then the value of your Certificate as noted on your Final Membership Statement will be refunded to you.

II. Membership Responsibilities: Inactive Members

Members who wish to move to Inactive status may do so with permission of the BOD as described in the Club’s bylaws. You should contact the BOD in writing (to the Club address by mail or e-mail as noted above before the Dues deadline) to request Inactive status. If permission is granted by the BOD, you must pay the Inactive Status Dues by the Dues deadline to maintain Inactive status. Members who wish to remain Inactive must request permission from the BOD on an annual basis and pay the Inactive Dues before the Dues deadline. Inactive members do not have access to Club facilities, but do retain the value of their Certificate.

III. Membership Responsibilities: Delinquent and Terminated Members

If you do not notify the Club of your intention to resign or request Inactive status, AND you do not pay the yearly membership dues by the Dues deadline, your membership will be considered delinquent. If Dues, Late Fees, and any other outstanding fees remain unpaid beyond 30 days after you are invoiced for the overdue amount, you may be suspended and denied access to Club facilities. You will then be notified by certified mail of your suspension. If no action is taken by you to pay your membership dues or to notify the BOD of your intent to resign or request Inactive status within 15 days of the notification mailing and making the appropriate payments due, the value of your Certificate will be decreased by the amount of dues owed plus any associated late fees and your Membership will be revoked. If dues and fees devalue your Certificate to zero, the Club will consider the Certificate null and void and your membership will be terminated. Once terminated, a former member who requests to reactivate their membership will be responsible for paying all fees associated with joining the Club (including applicable Certificate, Capital Improvement Fee, etc.) as a new member without regard to any previous membership status.