



Sun City Vistoso Community Association, Inc.

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June 11, 2009

Dear Club Presidents and Group Leaders:

Attached is the proposed revised Club Rules. The proposed changes to the Rules have been incorporated as a result of input from the Board Members, club presidents, various homeowners and staff.

The proposed rules are being sent to you at this junction to give you and your clubs/group members an opportunity to review the proposed Rules and provide input. Although no deadline has been established to submit your suggestions, it would be appreciated if you would forward your input prior to the next Board of Directors Study Session which will be held on July 9th so the suggestions can be discussed at that meeting. If it is not possible to provide your comments by then, there will be further opportunity as there is at least one public forum planned to discuss the revisions and there will be additional discussion at the July Board Meeting and possibly subsequent Board Meetings.

In regard to the suggestions submitted, please keep in mind that the greatest effort will be to take into consideration and include your thoughts. However, as you can imagine there will very likely be conflicting recommendations in which case choices must be made and not all suggestions can be incorporated in the Rules.

Thank you in advance for your participation and we look forward to receiving your thoughts.

Sincerely,

Bob Mariani
General Manager

It's More Than Living... It's A Lifestyle!



Sun City Vistoso Community Association, Inc.

CHARTERED CLUBS

RULES, REGULATIONS AND PROCEDURES

Revised and Restated: January 25, 1993, March 23, 1999, August 26, 2003, April 27, 2004,
May 23, 2006, June.....2009

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GENERAL INFORMATION

INTRODUCTION

Chartered clubs are formed and recognized by the Sun City Vistoso Community Association, Inc. (hereinafter referred to as SCVCAI) Board of Directors to provide an opportunity for all members to pursue common interests in hobbies, recreational and cultural endeavors.

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It is the purpose of this booklet to provide both guidance and structure to the chartered club system and enable the regular membership to fully enjoy the programs and facilities provided.

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THESE RULES AND REGULATIONS ARE SUBJECT TO CHANGE BY THE SCVCAI BOARD OF DIRECTORS, AS THE BOARD DEEMS CHANGES ARE WARRANTED.

Chapter I

GENERAL INFORMATION

1. **Authority:** The authority for charter clubs rests with the SCVCAI Board of Directors. All rules, regulations and procedures outlined herein are in consonance with the SCVCAI governing documents.
2. **Responsibilities:**
 - a. The SCVCAI General Manager is responsible for coordinating and implementing policy for chartered clubs and assisting with operational/financial concerns.
 - b. The Programs and Facilities Director reports to the General Manager and is responsible for assisting clubs with facility scheduling, special programs and publicity/promotion. The Programs and Facilities Director is the coordinator for all club matters that take place in the SCVCAI facilities.
3. **Prerequisite for Club Formation:** Specific procedures and guidelines pertaining to the acquisition of a club charter are identified in Chapter II. Applications will be considered only when proposed clubs have a minimum of 20 members. Variance to this requirement may be granted by the General Manager. Once a charter has been granted, membership must remain at or above the minimum in order to retain charter as indicated in the club annual report. Clubs in existence prior to the last revised date of these Rules and Regulations must maintain their membership level to the minimum standard under which they were formed.
4. **Club Forms:** To assist clubs in the administration of their programs, and to provide SCVCAI with essential statistical data, forms have been created. Usage of these forms for club functions is mandatory. A summary of these is shown in the appendix to this booklet. Forms will be available through the Programs and Facilities Director upon request.
5. **Conformity:** All existing and current Chartered Club Bylaws must conform to the rules and regulations found herein.
6. **Waivers from Rules:** A chartered club may solicit a waiver of any section of these rules by completing and submitting to the SCVCAI Board of Directors a Request for Exemption for Chartered Clubs form. The Board will act upon such a request at their next regular meeting following receipt of the request where proper notice can be made.
7. Room Rental: Chartered Clubs will have use of facilities at no charge. Non-chartered groups will be charged at the rate for room rental. Room rental for short-term classes may be waived. All other room reservation requests will be considered Association or Association sponsored, residents or commercial.

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Chapter II

ESTABLISHING A CLUB

1. **Charter:** A written charter approved by the Board of Directors is the formal authorization granting official status to a club of SCVCAI. Clubs having such designation will have priority for facility use, as available, except when needed for an Association sponsored event/meeting.

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- a. Membership in chartered clubs must be open to all bona fide Members of SCVCAI without discrimination as to sex, race, religion, color, ethnic culture, marital status (other than a club established for singles only) or national heritage.

(Note: The formation of desirable segregated activities for male and female Members of SCVCAI may be permitted as long as both genders are provided with an equal opportunity to pursue common interests; e.g. men/ladies sport clubs.)

- b. Charters may be revoked following a decision by the Board of Directors. Reasons for revoking a club's charter include, but are not limited to: membership decline below minimum number; non-compliance with the SCVCAI governing documents, irreconcilable membership conflict creating a situation that places the clubs and/or SCVCAI in an undesirable or embarrassing position, or violation of Federal, State, or local government statutes and ordinances.

- c. Groups of national, international, state or area status, political parties, civic or religious organizations.

Deleted: Charters will not be granted to groups whose purpose is similar to and/or compatible with existing clubs using the same common facility, g

2. **Procedures:**

- a. Determine that the proposed club will be in compliance with the "Chartered Clubs Rules, Regulations and Procedures" and the SCVCAI governing documents.

- b. Complete Application for Charter.

(1) Obtain the necessary charter membership signatures.

(2) Develop proposed Charter that outlines the purpose and operation of the club or develop club Bylaws using the model provided.

- c. Submit the Application for charter and the proposed Bylaws to:

Sun City Vistoso Community Association, Inc.
Attn: Programs and Facilities Director
1565 E. Rancho Vistoso Blvd.
Oro Valley, AZ 85755

Deleted: Note: *Certain Bylaw provisions are mandatory, while others are optional and depend entirely on the extent of operating detail required by the club.*

- d. The submittal will be reviewed and, when all requirements are satisfied, will be submitted to the SCVCAI Board of Directors for approval. Processing time to obtain a Charter normally required 60-90 days.

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Chapter III

MEMBERSHIP AND OPERATION

1. Membership:

- a. Regular membership in a chartered club is open to any resident having a current SCVCAI membership card or SCVCAI renters' activity card. Special note: non-residents who have purchased a non-resident annual golf pass will be allowed to join one or more of the four golf leagues as a regular member. Deleted: , and limited
- b. Members who are abusive, project an undesirable or inappropriate image, or who unnecessarily and blatantly create turmoil, disruption and dissension among club members, other clubs or SCVCAI in general, may have their club membership suspended or revoked. Club officers and/or the Board of Directors shall initiate such action, with right of appeal to the SCVCAI Board of Directors.
- c. All club members and their guests agree to indemnify and hold harmless SCVCAI, its Board, Officers and Staff, for all actions and activities associated with their club.
- d. Non-resident membership: Clubs are allowed to have non-resident members that comprise no more than 20% of the club membership and only if the non-resident membership does not preclude a resident from membership in the respective club. Non-resident members of any club, other than golf clubs, will pay an annual fee per club and/or sub-club to the SCVCAI equal to 10% of the annual homeowner's fee that is in place at the time. Non-residents may not hold office in a club. Due to liability exposure and/or other factors, non-residents may not be members of clubs that use specialized equipment and/or a specialized facilities including but not limited to swimming pools, bocceball, pickleball, genealogy research lab, tennis, craft complex, computer learning center, billiards, fine arts, photography and library. (Non-resident club members are denied guest privileges)
- e. Renters may hold membership in Chartered Clubs but may not hold office. Deleted: clubs
- f. Club members who are not physically able to properly use specialized equipment and/or facilities must be asked not to use such equipment and/or facilities. Situations such as noted must be reported to the Association by an officer or chairperson of the club. If determined by the General Manager that an individual is not physically able to properly use specialized equipment and/or facilities that club member may be restricted from using such equipment/facilities. This restriction may be appealed to the Board of Directors. Deleted: and/or s

2. Guests:

- a. Once a club is chartered, the club may establish rules and regulations concerning guest visitation, which fits their respective mode of operation provided that such rules do not conflict with rules outlined elsewhere in this document or other Association governing documents. All guests will be treated equally, but in a

manner so as not to infringe on the rights of Members of SCVCAI. Procedures for guest usage should emphasize safety.

- b. Resident Guest: A resident guest is a resident of Sun City Vistoso and has a current "Community Association" membership or renters' activity card, and has not joined the respective club. Resident guests are entitled to participate in club activities as a guest, subject to availability.

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- c. Non-resident Guest: Whenever practical, clubs may extend program hospitality to authorized non-resident guests. Sponsoring resident or club is responsible for guests at all times.

Deleted: Non-resident guests are not qualified to join a chartered club.

- (1) Household Guest – Household guests are those individuals who temporarily reside with a Sun City Vistoso resident during an area visit. These individuals may use Recreation Center facilities if accompanied by a member sponsor or via a member-purchased guest card provided they meet all respective club requirements for safety, training, attire and individual decorum.

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- (2) Community Guest – Community guests are those individuals who reside in the neighboring communities and are occasionally invited to participate in chartered club programs by a chartered club member. Members must accompany this category of guest in usage of club facilities. It is the responsibility of the officers of chartered clubs and their members to see that such invitations are not abused. Individuals who attend chartered club programs as Community Guests are limited to participation in three (3) programs per club per year. This limitation may be waived by written permission of the General Manager if attendance by a particular guest at a club function is essential for that function to be properly conducted.

- d. All chartered clubs and their members are to assure all rules and regulations of SCVCAI and club membership are followed.

3. Use of Facilities:

- a. Club members or other residents may use SCVCAI equipment and facilities under the supervision and control of a club, only in accordance with approved club rules.

- b. Clubs may engage in fund-raisers for specific purposes such as the purchase of, or payment for club equipment and supplies, speakers, parties, etc. Club fund raisers that involve purchase of equipment that will become SCVCAI property or will in some way directly impact SCVCAI are to be approved according to SCVCAI Board Policies.

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- c. For safety reasons, where applicable, equipment will be made available for use only under the supervision of a monitor or instructor designated as such by the club.

- d. Clubs may charge for the use of equipment, supplies, and/or services under club control. (Note: A notice to this effect must be posted in the club's room.)

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e. Any club must prohibit use by those individuals unable or unwilling to use equipment safely or correctly. Such individuals may be restricted to activities that they are capable of or willing to work at in accordance with club safety rules, or as determined by the Monitor on duty.

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f. When the demand for equipment usage exceeds availability, clubs will establish procedures to equitably limit the time allowed for equipment use, including reasonable usage by non-club members.

4. **Participation Data:** Clubs will be required to provide a membership list at any time upon request by SCVCAI and at the beginning of the club's fiscal year.

Deleted: All clubs are required to provide a monthly count of participation to the Activities Director.

5. **Program Supervision and Safety:**

a. **Facility Monitor** – During all operating hours, a monitor must be provided by a club with dedicated space, to ensure that all established safety and equipment procedures are followed. In the event a monitor is not present when required, the working area of the club will be closed.

b. **Open Work Time** – All clubs with space dedicated for club use will schedule a minimum of 25% of their operating time for use by the general membership of SCVCAI for open work shop/general use time. This time will not be hindered by meetings, instructional classes, or other planned courses, but must be under the direction of a club monitor if applicable. No member who would otherwise qualify for membership in a particular club shall be denied the use of any facility furnished to a club by the Association, even though he/she does not hold a membership in any Chartered Club. And no Chartered Club shall have any rules or regulations except those for the health, welfare and safety of persons and/or protection of property, prohibiting the use of any facility by such member.

c. **Operating and Safety Rules – Operating and safety rules must be posted in a conspicuous location for member and guest convenience.**

(1) **Safety** – Clubs are responsible for providing the Programs and Facilities Director with a copy of, and any subsequent changes to safety rules. As a minimum, the written rules will explain the safe operating policies for all equipment, and identify safety awareness signs and accessory equipment required for the work area; e.g., safety goggles.

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(2) **Incidents** – All incidents involving personal injury, conflict, abusive behavior and other violations of the SCVCAI governing documents occurring in SCVCAI facilities will be reported to the administration staff or Association monitor on duty within 24 hours of the incident using an Incident Report form.

(3) **Club Monitors** – Monitors are given the responsibility of supervising a dedicated club facility and the use of equipment within that facility. Club officers will ensure that monitors are qualified in the use of equipment, and trained in related safety awareness measures. Monitors have the authority to deny the use of equipment to any individual who is either unable or unwilling to abide by stated safety rules.

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- d. Hours of Operation – Dedicated club facilities will have a posted scheduled of operating hours on the door or window of the facility.
- e. Election/Appointment of Offices – As a minimum, clubs must have a chairperson that will serve as a contact person for SCVCAI or clubs may have a President/Chairman, Vice-President/Vice Chairman and Secretary/Treasurer if the club has developed bylaws.
- f. Business Communications – Any club matter requiring action on the part of SCVCAI" management or the SCVCAI Board of Directors will be submitted in writing over the signature of the club president. The SCVCAI Board of Directors will not involve itself in any matter referred by a club unless it has been duly reviewed by the SCVCAI General Manager.
- g. Professional Counsel – Clubs are not authorized to engage outside professional counsel in tax matters, legal issues, financial practices, engineering, architectural or construction for issues/projects that concern SCVCAI without obtaining advance written approval from the SCVCAI General Manager.
- h. Alcoholic Beverages – The sale of alcoholic beverages is prohibited in all SCVCAI facilities except as provided by the SCVCAI liquor license. As a matter of convenience, SCVCAI will allow chartered clubs to transport and dispense (NOT SELL) alcoholic beverages on SCVCAI property during club-sponsored functions. For this purpose, SCVCAI property includes all titled property covered under the SCVCAI liquor license.

Deleted: Any voting member of a Club's Governing Body must be elected by the regular membership. Clubs will complete a New Club Officers form and forward to the Activities Director within 14 days of any change.

If chartered clubs/residents wish to have alcoholic beverages provided for sale, a request to do so must be made to the **Programs and Facilities Director**. There is a sixty (60) day time frame (minimum) for obtaining approval to have the liquor license extended to other SCVCAI property for the purpose of a one time event wherein the SCVCAI will provide the goods and labor and charge for each drink served. There is no guarantee that an extension of license will be granted, as it must be approved by the town of Oro Valley, Oro Valley Police Department and the State of Arizona Department of Liquor Licenses and Control.

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- i. Gambling – Games of chance (gambling) conducted in a SCVCAI facility are to be conducted in accordance with Arizona State Statutes and approved in advance in accordance with SCVCAI Board Policy.

6. **Facility Scheduling and Publicity:**

- a. Responsibility: The responsibility for scheduling SCVCAI recreation facilities, coordinating special events, and publicizing SCVCAI programs rests solely with the **Programs and Facilities Director**.
- c. Facility Reservations:
 - (1) Regular Facility Use: Chartered clubs shall submit an annual master Calendar to the **Programs and Facilities Director** in June of each year of the pending July-June program year. The Master Calendar will identify regularly scheduled club activities, meetings, and fund-raising events. The term "regularly" is defined as those activities and meetings that are

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consistently held on the same day(s) of the week/month/quarter throughout the calendar year.

- a) Once approved, club schedules will be posted in the "Tipster."
- b) Based on facility availability, clubs may request a change in their regular schedule at any time by submitting an updated Master Calendar to the Programs and Facilities Director.
- c) All clubs are subject to the Facilities Rental Fee Schedule of SCVCAI.

(2) Allocation of Facility Space: The allocation of space in SCVCAI facilities is dependent upon availability. As space allows, clubs are provided with regular meeting/activity space, and promotion of the same without charge. The Programs and Facilities Director reserves the right to pre-empt club space if the needs of SCVCAI demand. In such situations, the Programs and Facilities Director will provide as much advance notice as possible to minimize inconvenience to club members.

(3) Special Activities or Events: Clubs desiring use of a facility for a special event must submit a request to the Programs and Facilities Director. In case of a conflict in requests from two different categories of authorized users, the time of receipt of the request by the Programs and Facilities Director will determine the order of assignment. SCVCAI membership and chartered clubs will receive priority over other non-affiliated groups.

7. Work Shop: The General Manager and Programs and Facilities Director shall meet with the presidents/chairpersons of all chartered clubs at least once a year. These sessions are held to update policies, clarify procedures, schedule fund-raisers and discuss mutual concerns.

8. Club Files: Each club will maintain its own files and will provide copies of the following documents to SCVCAI.

- a. Original Application for Charter and Charter Membership Roster.
- b. Approved initial Charter or Bylaws. All amendments must be submitted to the Programs and Facilities Director for SCVCAI files.

(Note: In case of conflict between SCVCAI files and club files, dated and signed SCVCAI file copies will take precedence over any other "unofficial" versions.)

- c. Club operating rules and/or safety programs.

Deleted: The official club files will be kept by the SCVCAI administration office. The files will include the following:

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Deleted: Copies of minutes of the annual club meeting and treasurer's annual report.

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Chapter IV

FINANCIAL

1. **IRS - Internal Revenue Service Requirements:**

- a. Chartered clubs may apply for a federal employer identification number by completing and filing IRS Form SS-4.
- b. According to IRS requirements, if a chartered club generates annual gross revenues of \$5,000 or more, it must apply for a tax exemption certificate by completing and filing IRS package 1024.
- c. According to IRS requirements, if a chartered club generates annual gross revenues of \$25,000 or more, it must file a federal tax return by completing and submitting IRS Form 990 and 990T as applicable.
- d. Assistance in preparing and submitting these forms, as well as the forms themselves, can be obtained through the SCVCAI administration office. However, these forms must be submitted by the respective clubs.

2. **Nonprofit Status/Tax Exemption:** If a club wishes to be officially recognized as a tax-exempt organization, it must file an application and receive a favorable ruling with the Internal Revenue Service. The outline describing the application process is available in the SCVCAI administration office.

3. **Insurance:**

As with any activity that takes place on SCVCAI property, SCVCAI has liability and property insurance that will cover club members if SCVCAI is found liable. However, SCVCAI does not carry insurance that will cover club members, guests or other parties for any activities that take place outside of the SCVCAI property. Further due to the complete lack of control and authority that SCVCAI has over any club activity that takes place outside of the SCVCAI property, SCVCAI assumes no responsibility and assumes no liability for any incident or occurrence that may take place during a club activity that takes place outside the SCVCAI property.

Deleted: All club members, officers and monitors are provided liability insurance coverage for activities, including on and off premises, through the provisions of SCVCAI insurance. However, club members need to be cognizant of their risks of personal injury in participation in club activities and should be aware that although they do have liability coverage through the Association for injuries to third parties, they remain responsible for injuries to themselves.

4. **Accountability and Records(recommended practices to assure club financial records are properly maintained):**

- a. Club Treasurer – This individual will be responsible for securing and properly recording club revenues and expenses.
- b. Records and Policies:
 - (1) Operating Procedures – Club Bylaws and/or operating instructions, should specify the necessary procedures to protect basic financial transactions including:
 - a) Check and balance procedure precluding a single individual from ordering, receiving, inventorying, and disbursing merchandise.

Deleted: Clubs intending to include travel outside of Sun City for club activities during their fiscal year must have participant's sign a release of liability on the form provided by SCVCAI. Forms are available through the Activities Director's office.

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b) Cash control procedures, which require dual signatures on club checks over \$1,000, unless the club through its bylaws or operating procedures is more restrictive.

c) Requirement for periodic inventory of retail and fixed assets, reconcile results to source document, and report findings to membership.

d) Money received should be duly recorded. All disbursements should be made by check or from a petty cash fund, with backup documentation including invoice or signed receipt as applicable.

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e) All funds in the club treasury at SCVCAI fiscal year end should remain the property of the club.

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(2) Bank Accounts – All bank accounts should be in the name of the club and continue through succeeding administrations.

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(3) Financial Records – All financial transactions should be recorded in the treasurer's records, and such records must be retained for a period of 7 years plus current year.

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a) Annual Financial Statement – Clubs should complete and keep on file annual financial statements in the club's records as required by IRS regulations.

Deleted: Clubs are required to submit an annual financial statement to the Activities Director by July 15 of each year.

b) Contributions – Club income should be set to cover all club expenses (operating and capital).

(4) Contracts – Any individual or group solicited by a club to perform a specific service on the SCVCAI property for a charge must be engaged through a written contractual agreement. The SCVCAI form for Contract for Services must be used for this purpose.

a) The purpose of a contractual relationship is to establish the fact that the club neither intends, nor implies, that an employer-employee relationship exists.

b) Copies of all contracts for services to be performed on SCVCAI property between a chartered club and a contractor must be submitted to the Programs and Facilities Director for approval.

5. Property and Equipment: Clubs may charge users for the purchase, replacement, repairs and/or maintenance of equipment that is dedicated for club use as indicated herein.

Deleted: <#>Club members with highly specialized skills, including certification, pertinent to the club's activities, may contract for services to a club if it is determined by the club's Board of Directors that a qualified non-member cannot be secured at a reasonable cost.¶

a. Purchase of New Equipment: Clubs desiring to purchase new equipment with an estimated unit cost of \$500 or more that will become property of SCVCAI must submit a "Request for Purchase of Equipment" form to the SCVCAI General Manager.

Once approved, and the item purchased, a copy of all purchase documentation must be forwarded to the SCVCAI accounting office. All purchase documents will be used for accountability and insurance requirements.

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b. Equipment Replacement: Developer provided and SCVCAI purchased equipment dedicated for club use only, may be replaced according to the Asset Replacement Schedule as determined by the General Manager.

c. Inventories:

- (1) All personal property and capital equipment initially provided to a club or subsequently purchased for a club by SCVCAI or the club shall remain the property of SCVCAI. An inventory of all such items shall be maintained by SCVCAI and updated annually by each club and filed with the SCVCAI Programs and Facilities Director each June 30.
- (2) Clubs should also maintain simplified inventory records for portable equipment, resale consignment items, resale supplies, or any other asset of significant value. The actual inventory requirement rests with the chartered clubs.

d. Repairs & Maintenance to Equipment and/or Facilities:

- (1) Requests for remodeling, repair or correction of facility deficiencies will be evaluated by the SCVCAI General Manager for program need and funds availability.
- (2) Maintenance and repairs to equipment under club control shall be the responsibility of each club. Clubs may also charge the cost of damage to equipment resulting from careless or improper use ~~to~~ the individual(s) responsible. Such charges may be appealed to the SCVCAI Board.

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e. Equipment Rental: Any equipment borrowed or rented from an outside source by a club is done so at the expense of the club. Clubs do not have the authority to loan any equipment or supplies belonging to SCVCAI, except to another SCVCAI club.

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Chapter V

SALES POLICIES IN ARTS AND CRAFTS FACILITIES

1. **Purpose:** Arts and Crafts facilities are intended for use by SCVCAI members for the express purpose of pursuing and encouraging hobbyist activities. The use of these facilities is NOT intended to promote or enhance commercial gain.

All chartered clubs and individuals are subject to the Gift Shop Rules and Regulations.

2. **Club Sales:** In no case will clubs or individuals engage in direct advertising or merchandise sales of products produced in whole or in part with club equipment except through the Gift Shop.
3. **Hobbyist Supplies:**
 - a. Clubs may sell hobbyist supplies to members at reasonable rates as long as any profit derived is returned to the club. Individual club members are not allowed to engage in internal resale activities (including hobbyist supplies) which result in personal monetary gain.
 - b. Hobbyist supplies for resale may be displayed in the shops as a convenience to members, but they will not be displayed openly to the general public; i.e., Gift Shop or club-display windows.