

BY-LAWS FOR THE MIDDLETOWN SWIM CLUB

ARTICLE I: NAME

The name of this organization shall be Middletown Swim Club.

ARTICLE II: OBJECT

The objects of this organization shall be to teach swimming, tennis, basketball, etc. and provide education on water safety, tennis, basketball, etc. also, provide group sports and recreation for its members; to promote the spirit of clean sportsmanship and high ideals in the participation in such groups sports and recreation; to acquire such property, real and personal as shall be deemed necessary in order to carry out the purposes herein set forth; and to construct; operate and maintain such facilities (including, but not limited to swimming pools and playgrounds) as shall be deemed necessary in carrying out the purposes herein contained. Said organization shall be operated on a strictly nonprofit incidental or otherwise, shall inure to the benefit of its member.

ARTICLE III: GOVERNMENT

Section 1. This organization shall be managed by a Board of Directors which shall be composed of nine (9) members in good standing.

Section 2. At each annual meeting of the members of this organization three Directors shall be elected from among the membership in good standing, to serve for a term of three years or until their successors are elected.

Section 3. Any member of the Board of Directors who shall cease to hold membership in this organization shall automatically cease to be a member of the Board of Directors.

ARTICLE IV. BOARD OF DIRECTOR AND OFFICERS

Section 1. In addition to all the powers and duties conferred on it by law, the Board of Directors shall have the following powers and duties:

- (a) To transact all Club business and make and amend rules for the regulation of the use of organization property. It may appoint and remove such officers, clerks, agents and servants and employees as it may deem necessary and may fix their duties and compensation.
- (b) Elect members to the organization.
- (c) Fix, impose and remit penalties for violations of these By-Laws and the Rules of the Club.
- (d) Constitute and appoint committees and define the posers and duties of same.
- (e) Fill any vacancy in the Board to serve until the next annual meeting of the membership.
- (f) To borrow such money as it shall deem necessary for the proper construction, maintenance and operation of the Club facilities.

Section 2. The Board of Directors shall cause the books of this organization to be audited annually by auditors selected by the Directors, officers or employees of this organization, and shall make said audit report available to all members at all times.

Section 3. The Board of Directors shall annually elect from its own members the following officers of the organization: President, Vice-President, Secretary, Treasurer and such other officers or assistant officers as the Board shall deem appropriate. In the Board's discretion the Secretary and Treasurer may be one and the same person. The Secretary or Treasurer need not be a member of the Board.

Section 4. The President shall preside at the meeting of the Board and of members. He shall be the administrative officer of the Club. He shall be, ex-officio, a member of all Committees.

Section 5. The Vice-President shall perform all the duties of the President in the absence of the President.

Section 6. The Secretary shall be sworn to the faithful performance of his duties. He shall attend all meetings of the Directors and members and keep a detailed record of all votes and business transacted thereat in a book to be kept for that purpose, and of which he shall have custody, but which shall be at all times open to inspection by any of the Board of Directors. He shall conduct the correspondence of the Club and shall give notice of all meetings of the membership and of the Board of Directors. He shall receive all requests for application for membership, and notify the Board of Directors of such applications. He shall notify the Board of Directors when a vacancy exists, and submit the applications in the same order in which received, in order that the Board may fill the vacancy. He shall perform such other duties as the Board of Directors may prescribe or may be imposed upon him by law.

The Secretary shall be exempt from the regular annual dues.

In case of absence or disability of the Secretary, the President may appoint a temporary Secretary.

Section 7. The Treasurer shall have general charge of the financial affairs of the Club, subject to the supervision and control of the Board of Directors, with authority in the name and on behalf of the Club, to collect all fees, dues, and other accounts due to the Club; to pay all bills on such approval as may be directed by the Board and to borrow money upon the vote of the Board and to execute and delivery the Club's notes or other evidence of indebtedness therefore; he shall keep regular books of accounts of the Club whenever requested to do so by the Board and at each annual meeting. He shall give bond for the faithful performance of his duties if the Board may so require in such form and in such sum and with such sureties as the Board may determine. He shall have custody of all financial records and documents and seal of the Club, provided, however, that in the event a bond is required by the Board of the Treasurer, such bond shall be kept by the Secretary.

The Treasurer shall be exempt from annual dues.

In case of absence or disability of the Treasurer, the Board may appoint a temporary Treasurer.

Section 8. Meetings of the Board of Directors.

- (a) Regular meetings of the Board of Directors will be held each month at a time and place designated by the Board.
- (b) Notice of Directors' meetings. Notice of all meetings of the Board of Directors shall be given to each member of the Board as hereinafter provided, except when notice is waived. Notices may be given orally or in writing at least forty-eight hours before the time of the meeting. Any meeting shall be legal without notice when five or more of the members are present or waive notice either before or after the meeting by a written note filed with the records of the meeting.
- (c) Quorum. Five members of the Board shall be necessary at any meeting for a quorum for the transaction of business, but less than a quorum may vote to adjourn.

ARTICLE V: MEMBERSHIPS

Section 1. Memberships in this organization shall consist of the following types of classes:

- (a) Senior Membership: This type shall consist of a single, family or special membership when one of the members attains the age of 62 and has had 20 years of continuous membership in good standing. Dues will be waived and the member will be posted to the Senior Membership roles. This membership is not transferable.

(b) Family Membership: A family shall consist of a domestic group of people, typically affiliated by birth or marriage, or by analogous or comparable relationships --- including domestic partnership, cohabitation, or adoption. This type of membership shall consist of two adults and all children, under the age of twenty-two (22) years as of December 31 of each year living at the same permanent address. Other children from previous relationships not living at the same permanent address will be permitted access to the club facilities as guests of the members and will be charged the current price for daily guests.

(c) Unmarried Family Membership: This type shall consist of a family as defined as two individuals acting as parents or stepparents who are not married and all unmarried children under the age of twenty-two (22) years of as of December 31 of each year, living at the same permanent address. Other children from this type of relationship not living at the same permanent address will be permitted access to the club facilities as guests of the members and shall be charged the current price for daily guest.

(d) Single Membership: This type shall consist of one (1) person only and shall entitle on the named person to participate in the activities and use the facilities of the club.

(e) Special Membership: The Board of Directors shall have the power to create other classes of membership, as it shall deem advisable.

Section 2. Any member of this organization may withdraw at any time subject to the provisions of Article VI herein, provided however no dues shall be refunded upon such withdrawal.

Section 3. Any member of any class, or any individual included in any of the types of membership in which more than one person is included, may, for cause shown and after having been given the opportunity for a hearing before the Board, be suspended for a period established at the discretion of the Board, or if the Board sees fit, permanently, provided however, three-fourths of the members of the Board vote in favor of such suspension.

Section 4. (a) All classes of memberships shall be accorded the facilities of the Club subject to the rule and regulations for use of same adopted by the Board. These rules and regulations shall be posted at all times in the locker room.

(b) A card shall be issued by the Treasurer upon the payment of dues to every member.

(c) The Board, at its discretion, may extend the privileges of the Club to any person or persons.

(d) The Board shall by rule, fix the term and conditions upon which guests of members may use the facilities of the Club.

(e) Any property of the Club broken or damaged by a member or his guest shall be promptly paid for by such member.

(f) This organization assumes no responsibility, and members or their guests can have no claim against the organization or it's Board, officers or employees, for property of members or guests brought upon organization premises.

(g) No intoxicating beverages shall be sold or consumed on organization premises.

(h) This organization assumes no responsibility, and members or their guests can have no claim against the organization, its officers or employees, for any incident or injury to any person while on organization premises.

ARTICLE VI: DUES AND FEES

Section 1. The Board shall establish annual dues in such amounts as it shall deem advisable and necessary. Dues and income shall be sufficient to for the necessary operating expenses of the Club and the proper maintenance, improvement of its property, future development and amortization of indebtedness. All dues shall be payable by April 1st of each year.

Section 2. No dues nor part thereof shall be refunded in the event that Club facilities shall cease operation or be suspended for any reason.

Section 3. The Board shall be authorized to raise capital by selling stock in the Club to members said capital to be used for the construction of Club facilities. Any person who purchases a minimum of stock in the following amounts shall be considered eligible for election to membership and such purchase shall be a prerequisite of membership plus an initiation fee of not more than \$25.00, the exact amount to be determined by the Board. The initiation fee shall be used solely for capital expenditures;

Family Membership --- \$240.00

Single Membership ---- \$120.00

Special Membership as the Board shall determine.

The organization shall issue to said stockholder a stock certificate which shall be nontransferable, non-interest bearing, nonassessable and which shall be paid at such times and in such amounts (subject to the following sections) as the Board shall determine.

Section 4. Except for payment as hereafter provided, each stock certificate shall become null and void upon the date that the holder thereof ceases to be a member for any cause. The time and manner in which the holder shall be paid the value of his stock shall be determined by the Board, provided however, that each stock certificate shall be redeemed in the chronological order in which the memberships terminate, and not before payment of the membership is received from a new member replacing the retired member.

Section 5. In the event of the dissolution of the organization in any manner or for any cause, and in no other event, stock certificates shall be a lien upon the proceeds of the sale of the property of the organization after the payment of all its just debts and obligations, to the extent of the then value of the stock, subject to set off of all debts, dues and obligations owed by the holder to the organization.

Section 6. Any member failing to pay dues or indebtedness before the 1st day of the month following that in which a statement of his indebtedness shall have been sent to him by the Treasurer shall be notified that, if such indebtedness shall not be paid within fifteen days thereafter, the delinquent may be suspended by the Board. Any persons thus suspended shall immediately be notified in writing by the Secretary of his suspension, and if his indebtedness shall not be paid within fifteen days after sending of such notice, he shall cease to be a member. The Directors may reinstate any member upon request and repayment of all indebtedness to the Club.

Section 7. Upon cessation of membership for any cause, all indebtedness owing to the Club by the member shall be a lien upon and charged against his stock certificate, and the stock may be taken over by the Club to satisfy such indebtedness. In the event of the Club being unable to obtain possession of the stock, it may be cancelled on the books of the Club. In case of the enforcement of a lien, as above provided, neither the signature of the holder nor the delivery of the stock shall be requisite to perfect the transfer to the Club.

Section 8. Members shall be responsible for payment of all charges or liabilities that may be imposed upon or incurred by members of their family, and for all charges and liabilities imposed upon or incurred by guests introduced by them.

Section 9. All fees and other charges mentioned herein are exclusive of taxes imposed by Federal, State and other agencies, which taxes shall be paid by the individual member.

ARTICLE VII: MEETINGS

Section 1. The annual meeting of the membership of the Club shall be held during the month of January in each year, at such time and place as the Board shall determine. Said meeting shall be

for the purpose of electing Directors, presenting committee reports and the transaction of such other business as may be brought before it.

Section 2. Notice of the annual meeting shall be given by mail to the members at least ten (10) days prior thereto. The notice of the annual meeting shall include the names of candidates nominated by the Nominating Committee. Special meetings of the Club may be held on ten (10) days notice by mail to all members. The notice shall state the purpose for which the special meeting is called.

Section 3. Twenty (20) members in good standing, present in person, shall constitute a quorum at all membership meetings.

Section 4. Whenever by these By-Laws notice to members is required, the mailing of such notice to the last known address of members shall constitute notice.

ARTICLE VIII: NOMINATIONS

Section 1. Not less than sixty (60) days prior to the annual meeting of members, the President shall appoint a Nominating Committee composed of five (5) members in good standing, who shall not be members of the board, Officers, or employees of the corporation. The Nominating Committee shall nominate the candidates for the vacancies in the Board, and shall submit not less than twice as many nominees as there are vacancies to be filled. The Nominating Committee shall report their nominations to the Secretary not less than twenty (20) days prior to the annual meeting.

Section 2. Nominations may be made from the floor for the annual meeting, however any nomination made in such manner shall not be valid unless it receives at least two seconds to the nomination.

ARTICLE IX: MISCELLANEOUS

Section 1. Each person who acts as Director, Officer or employee of the club shall be indemnified by the Club against expenses actually and necessarily incurred by him in connection with the defense of any action, suit or proceeding in which he is made a party by reason of his being or having been a Director, Officer, or employee, except in relation to matters as to which he shall be adjudged in such action, suit or proceeding to be liable for gross negligence or willful misconduct, and except any sum paid for the Club in settlement of an action, suite or proceeding based on gross negligence or willful misconduct in the performance of duties. The right to indemnification provided herein shall inure to each Director, Officer or employee, whether or not he is such at the time such costs or expenses are imposed or incurred, and in the event of his death shall extend to his legal representative.

Section 2. Any question as to the meaning or proper interpretation of any of the provisions of these By-Laws shall be determined by the Board, whose decision in such matters shall be final.

Section 3. Roberts Rules of Procedure shall govern the procedure to be followed at all meetings of this organization.

Section 4. These By-Laws may be amended by a 2/3 vote of the members in good standing, present in person at any meeting at which ten (10) days written notice of the amendment has been given by mail to all members.