

CONSTITUTION

AND

BYLAWS

OF THE

SUNNY WILLOW SWIM CLUB

SUNNY WILLOW SWIM CLUB

CONSTITUTION

ARTICLE I

NAME

This Corporation shall be known as the SUNNY WILLOW SWIM CLUB. It shall be hereinafter referred to as the "Club".

ARTICLE II

PURPOSE

This Club, a non-profit corporation organized and existing under the laws of Pennsylvania, is formed to promote, finance, lease, own, operate and maintain recreational and educational facilities of all kinds, including primarily swimming and skating facilities.

ARTICLE III

MEMBERSHIP CERTIFICATE HOLDERS

Section 1

The Club shall consist of three hundred and fifty (350) membership certificate holders, hereinafter referred to as "certificate holders".

Additional certificate holders may be accepted into the Club if authorized by an amendment to this Section.

Section 2

The membership certificate shall be non-assessable, non-negotiable, non-profit sharing, non-interest bearing, and shall not represent an obligation of the Corporation. A certificate may not be held jointly except by husband and wife, as tenants by the entireties; and no more than one certificate may be held by one person or by a husband and wife. A husband and wife, holding a certificate jointly, shall be considered as one certificate holder, but either may act for both.

Section 3

The price at which membership certificates shall be offered for sale shall be fixed from time to time by the certificate holders upon recommendation of the Board of Directors.

Section 4

Upon the death of any certificate holder, his certificate shall be transferred on the transfer book to his legatees or lawful heirs, but such transferee shall not be entitled to admission to Club property or the use of Club facilities and membership privileges, including the right to vote, unless such transferee has been approved for membership in the Club as hereinafter provided.

If a certificate is held by husband and wife jointly, no transfer shall be necessary if one dies, but said death shall be noted on the Club's transfer book.

Section 5

A certificate holder desiring to sell his certificate shall first offer it to the Club, which shall have the option to purchase the certificate at the amount previously fixed for the sale of certificates in accordance with Section 3 above, less any dues and other charges owed by the certificate holder to the Club. If the Club does not exercise its option within ninety (90) days, the certificate holder shall have the right to sell his certificate to any person approved by the Club in accordance with its rules on membership, such transfer being subject to all dues and other charges owed by the certificate holder to the Club.

Section 6

The Board of Directors may revoke the membership and cancel the certificate of any certificate holder who is delinquent in dues or other charges, or who fails to comply with lawful and reasonable rules, regulations, and requirements duly enacted by the Club for the government of its members, or who has otherwise so conducted himself as to give cause for revocation of membership. No membership shall be revoked and certificate cancelled except upon ten (10) days notice to the certificate holder concerned to attend a hearing before the Board of Directors.

A decision to revoke may be appealed to the membership at the next regular or special meeting, provided notice of such intention is given in writing to the Board of Directors within ten (10) days of receipt of the decision. Pending the ultimate disposition of the appeal, the revocation shall remain in full force and effect.

Final revocation of a membership shall constitute an "offer" to sell under the terms of Section 5 above, and shall thereupon entitle the Club to the same option to purchase the cancelled certificate as prescribed in Section 5.

Section 7

A certificate holder must be over twenty-one (21) years of age or married. All applicants must be proposed by three (3) voting members in good standing, fill out the necessary application forms, and be interviewed by member(s) of the Membership Committee (who shall make inquiries concerning them). The Membership Committee shall report from time to time to the Board of Directors on such applicants, giving the Board its recommendations, whereupon the Board, in its absolute discretion, shall approve or disapprove such applicants for membership, provided there are vacancies.

ARTICLE IV

VOTING RIGHTS

Section 1

Each certificate holder of record in the Club transfer book on the 21st calendar day in advance of any regular or special meeting of certificate holders shall be entitled to one vote at such meeting, provided he is in good standing with the Club, and not delinquent in dues or other charges. Jointly held certificates shall entitle the holders to only one vote, but either holder may cast the vote for both.

Section 2

Those persons entitled to vote shall cast their vote in person, by mail, or otherwise as stipulated in the official call or notice of the meeting. There shall be no voting by proxy.

ARTICLE V

DISSOLUTION

Section 1

The Club may be dissolved by action of the certificate holders in the same manner and with the same vote as prescribed for amendments to this Constitution.

Section 2

In the event of dissolution or liquidation of the Club, after payment of all liabilities, the assets of the Club shall be divided among the certificate holders, share and share alike.

ARTICLE VI

BY-LAWS

The certificate holders may adopt By-laws for the government of the Club, provided that the provisions thereof shall not be inconsistent with the provisions of this Constitution.

ARTICLE VII

AMENDMENTS

Amendments to this Constitution must be initiated (1) by the Board of Directors, or (2) by a petition signed by five (5) certificate holders and presented to the Board of Directors for study at least ninety (90) days (unless waived by the Board of Directors) prior to the annual or semi-annual meeting of the Club. In either case the Board of Directors shall give written notice to the membership of the proposed amendment at least ten (10) days prior to said meeting, or prior to such special meeting as the Board of Directors may designate. A two-thirds (2/3) affirmative vote of those present and voting, provided is a quorum of forty percent (40%) of the certificate holders of record, shall be required to pass the amendment.

Adopted June 6, 1971

SUNNY WILLOW SWIM CLUB

BY-LAWS

Section 1 - Membership

- (a) The members of the Club shall consist of senior members, who shall be the certificate holders, and such subordinate or special members as the Board of Directors shall determine from time to time. Senior members only shall have the right to hold elective office.
- (b) Senior members' children under twenty-one (21) years of age shall be entitled to the use and privileges of the Club facilities. Senior members' children, who attained the age of twenty-one (21) years during any calendar year, shall also be entitled to the use and privileges of the Club facilities during said year. Such aforementioned children shall be classified into such categories of subordinate membership as the Board of Directors may decide. Exceptions to the above general rule shall be enacted at the sole discretion of the Board of Directors.
- (c) Special members shall include such persons as the Board of Directors may from time to time decide, and shall be entitled to such use and privileges of the Club facilities as shall be determined by the Board of Directors,
- (d) The Board of Directors may make such regulations as they deem appropriate to govern the grant and exercise of guest privileges, including fees, number of guests, qualifications, frequency and days of admission.

Section 2 - Dues

- (a) The Board of Directors shall assess annual dues against senior members, which dues shall be in such amount and computed in such manner as the Board of Directors may decide from time to time, having due regard for the number of persons in each member's family or household. The senior members themselves are responsible for the payment of all dues calculated on the basis of the members of their families or household or special members admitted under their sponsorship.
- (b) The dues shall be payable by a date fixed each year by the Board of Directors, which date shall in no event be less than sixty (60) days prior to the opening of the pool. Dues shall be payable regardless of whether the senior members, or the junior members of their family, intend to or do use the Club facilities, except to the extent specifically exempted by the Board of Directors. Dues shall be assessed for the season on the basis of membership status as of the date dues are declared payable.
- (c) Senior members shall be given notice of the amount of dues no less than fifteen days prior to the due date fixed.
- (d) Senior members, who are delinquent for dues or other charges of any kind fifteen (15) days after being notified in writing by an officer of the Club, shall be declared suspended by the President, and he shall forthwith report such suspension to the Board of Directors so that it may determine whether membership should be revoked.
- (e) No one who has been suspended for delinquency in dues or other charges, and no members of his family or household, or special members admitted through his sponsorship, shall be entitled to the use and privileges of the Club facilities during such suspension.

Section 3 - Meetings of Members

(a) The annual meeting of the senior members shall be held each year on a date to be set by the Board of Directors, provided that such meetings occur not earlier than August 15 and not later than Labor Day.

(b) The President shall call special meetings of the senior members upon his own motion, upon direction of a majority of the Board of Directors, or upon written request of at least ten percent (10%) of the certificate holders of record. Such meetings shall be called as soon as practicable after the receipt of such request by the President.

(c) Written notice of every meeting of senior members shall be given to them at least ten (10) days prior to the meeting.

(d) The lesser of ten percent (10%) of the certificate holders of record or thirty-five (35) certificate holders shall constitute a quorum to transact business.

(e) All business laid before the meeting must be decided by a majority vote of the certificate holders present and voting.

(f) In any provision of these By-Laws where the term "certificate holders" is used, joint certificate holders shall be considered as one, but either may act for both.

(g) The right to vote shall be as set forth in the Constitution.

Section 4 - Directors

(a) The government of the Club shall be vested in a Board of Directors consisting of fifteen (15) elected members. The Board may include one ex officio member, who shall be the Immediate past-President if his term of office as a director has ended.

(b) At each Annual Meeting, five (5) directors shall be elected to serve for a term of three (3) years.

(c) Nomination for the office of director shall be made by a Nominating Committee appointed by the President. A list of the persons nominated by the Committee shall be sent to all members along with the written notice of the Annual Meeting. Nominations may also be made from the floor at the Annual Meeting.

(d) The Board of Directors shall hold regular meetings at such times as they shall decide, and special meetings at the request of any officer or any two (2) directors. At least twenty-four (24) hours notice (written or oral) shall be given of any special meeting.

(e) A majority of the directors in office shall constitute a quorum for the transaction of business, and the acts of a majority of the directors present and voting shall be the acts of the Board of Directors; provided, that if all the directors shall consent in writing to any action, such action shall be as valid as though it had been authorized at a meeting of the Board of Directors. The Directors present at a duly organized meeting can continue to do business until adjournment, notwithstanding the withdrawal of enough directors to leave less than a quorum, but in no event less than five (5) directors.

(f) Vacancies in the Board of Directors shall be filled by a vote of a majority of the remaining members of the Board, and each person so elected shall serve for the balance of the unexpired term.

(g) A director may be removed from office by vote of a majority of the membership upon recommendation of the Board of Directors. The director concerned shall be given at least ten (10) days written notice of the presentation of the Board's recommendation to the membership.

(h) The Board of Directors shall have the following powers and duties in addition to those otherwise provided herein, in the Constitution, or By-Laws;

(1) Make or authorize all purchases and disbursements necessary or desirable for the operation, maintenance and expansion of the Club, subject to the limitations hereinafter imposed on borrowing

(2) Fix the classification and salary schedule of employees, and authorize their employment.

(3) Prescribe rules and regulations for the management and use of Club facilities.

(4) Supervise all committees, with power to direct their activities and to alter or amend any rules or decisions made by any committee.

(5) Fix guest fees.

(6) Adopt an annual budget.

(7) Prepare an Annual Report for presentation to the membership, setting forth the state of membership and finances, and summarizing the important activities of the past year.

(i) Directors shall serve without compensation.

(j) The Board of Directors shall at Club expense secure the fidelity of the Treasurer, and any other officers, assistant officers or employees as the Board shall deem fit, by bond in such amount as shall be deemed appropriate.

(k) At the conclusion of each season's operations, an audit of the accounts of the Club shall be made by a committee to be appointed by the President. This committee shall consist of at least three (3) senior members, one of whom shall be a certified public accountant. At the discretion of the President, or by direction of the Board of Directors, independent accountants may be engaged in lieu of such an auditing committee. The report of the auditors shall be submitted to all certificate holders.

(l) The Board of Directors may borrow money for a term of not more than one (1) year for the operation and maintenance of existing Club facilities, which loan may be secured by a note, mortgage or other encumbrance upon Club property. However, the amount of such loan shall not exceed twenty-five per cent (25%) of the annual dues payable for the year in which the money is borrowed.

(m) The Board of Directors shall not incur any indebtedness for major additions to, or expansion of, Club property or facilities unless authorized by the membership.

(n) The Board of Directors shall secure for the protection of the Club such public liability, property damage and other forms of insurance as they may deem appropriate,

Section 5 - Officers

(a) The Board of Directors shall elect from their body a President, Vice President, Secretary and Treasurer, all of whom shall serve for one (1) year. The election shall be held at the first meeting of the Board following the Annual Meeting of the membership. Any vacancies occurring shall be filled by the Board, and the successor so chosen shall serve for the balance of the term.

(b) The President shall preside at all meetings of the Board of Directors and the members; sign all contracts and papers relating to the affairs of the Club, together with the Secretary or Treasurer; make all committee appointments, other than standing committees; be an ex officio member of all committees; and perform all other acts properly belonging to his office, including executive supervision of all activities of the Club and its employees.

(c) The Vice President shall assist the President and perform his functions in his absence. In the event the office of President becomes vacant, the Vice President shall serve as Acting President until the vacancy is filled by the Board of Directors.

(d) The Secretary shall make and keep minutes of all meetings of the Board of Directors and of the members; maintain, or supervise the maintenance of, the membership certificate book and a membership record, including the names and addresses and such other data concerning membership as may be deemed appropriate; keep all other corporate records except the financial records; conduct all official correspondence; issue all notices for meetings; issue, or supervise the issuance of membership cards; have custody of the corporate seal; attest the signature of corporate officers when required; and perform such other functions as may be appropriate to his office.

(e) The Treasurer shall maintain, or supervise the maintenance of, records of all financial transactions of the Club; be responsible for the receipt of all moneys due the Club and deposit same in bank accounts or other places of deposit approved by the Board of Directors, except to the extent that the Board of Directors may authorize the delegation of this responsibility to employees or duly constituted committees, the ultimate responsibility, however, at all times remaining with the Treasurer; and perform such other functions as may be appropriate to his office.

The Treasurer on his own authority may advance not more than Two Hundred Dollars (\$200.00) to any other officer, director or any chairman who is required to expend cash for Club purposes, upon receipt of a signed voucher therefor. An accounting from the person receiving such cash shall be required by the Treasurer.

All checks shall be signed by any two of the following officers: President, Secretary and Treasurer, except as otherwise provided in Section 6(c) hereunder.

Section 6 - Committees

(a) There shall be four standing committees, appointed each year by the Board of Directors, as follows: Finance, Operating, Membership, and Planning and Improvements. Only directors may be chairmen of the standing committees. Each standing committee shall consist of two or more directors and any number of Members who are not Directors, provided that the majority of the members of each committee shall be directors.

(b) The Finance Committee shall be chaired by the Treasurer. and shall prepare and submit to the Board of Directors, before the first day of March each year, an annual budget, providing for all anticipated expenditures of the Club for the year. In addition, from time to time it shall make recommendations to the Board of Directors on all fiscal matters. The Committee shall also perform such other functions as may be assigned to it by the Board of Directors.

(c) The Operating Committee shall be responsible for the employment and supervision of qualified pool attendants and other personnel required for the safe and proper management of the Club facilities and conduct of the Club activities, subject to the approval of the Board of Directors.

It may make expenditures for operations as authorized by the Board, and shall account to the Treasurer for all receipts and expenditures.

The Operating Chairman shall be authorized to co-sign with any one of the President, Secretary, or Treasurer, checks drawn against the operations account in an amount not to exceed an amount otherwise provided herein.

Subject to the approval of the Board of Directors, it shall make and enforce rules and regulations governing the use and operation of the Club facilities, including the date and time of opening and closing, and the conduct of members, guests and employees. The chairman of the committee shall have the right to suspend membership privileges of any member who conducts himself improperly, which suspension shall remain in full force and effect until reviewed by the Board of Directors. This suspension shall apply only to the individual member concerned.

In addition to the foregoing, the Operating Committee shall do all necessary things for the safe and proper maintenance and operation of the Club property, facilities and equipment. It shall also perform such other functions as may be assigned to it by the Board of Directors.

(d) The Membership Committee shall receive and process applications from prospective members, interview such members, and from time to time submit to the Board of Directors the recommendations of a majority of the committee, so that the Board of Directors may act on such recommendations. The Committee shall also perform such other functions as may be assigned to it by the Board of Directors.

(e) The Planning and Improvements Committee shall be chaired by the chairman of the Operations Committee and shall also include the Treasurer. It shall assume the initial responsibility for planning all major changes in, additions to, and improvements of Club property, facilities and equipment, and from time to time shall submit plans, estimates and recommendations to the Board of Directors. It shall also perform such other functions as may be assigned to it by the Board of Directors.

(f) The Board may establish one or more other committees to consist of two or more directors and any number of members who are not directors, provided that each committee shall be chaired by a director and that the majority of the members of each committee shall be directors.

Section 7 - Amendments

Amendments to these By-Laws must be initiated (1) by the Board of Directors, or (2) by a petition signed by five (5) certificate holders and presented to the Board of Directors for study at least ninety (90) days (unless waived by the Board of Directors) prior to the annual meeting of the Club. In either case the Board of Directors shall give written notice to the membership of the proposed amendment at least ten (10) days prior to said meeting, or prior to such special meeting as the Board of Directors may designate. A two-thirds (2/3) affirmative vote of those present and voting, provided there is a quorum of twenty percent (20%) of the certificate holders of record, shall be required to pass the amendment.

Adopted June 6, 1971; amended July 4, 2005