

CODE OF BY LAWS

OF

NASSAU SWIM CLUB, INC.

Revised June 2003

Code of By Laws of Nassau Swim Club, Inc.

Article I **Membership**

Section 1 Membership Certificates

As provided by law, each member of the Corporation shall be entitled to a stock certificate of membership signed by the President or Vice-President and attested to by the Secretary or Assistant Secretary, stating that he or she is a member of the Corporation, and designating the class, if any, of such a member. As such member he or she shall be entitled to all of the rights and privileges to participate therein, subject to the Articles of Incorporation, By Laws, and rules and regulations of the Corporation.

The form of such certificate shall be prescribed by resolution of the Board of Directors. Such stock certificate shall not be transferable.

Section 3 Fees **Membership Fee**

Each new member shall pay the sum of Three Hundred Dollars (\$300.00) to the Corporation as an initial Membership Fee. Upon payment of this fee, the Stock Certificate of Membership shall be issued.

Stock Redemption

A Member may relinquish membership by notifying the Board of Directors in writing of their wish to do so. This notice shall be accompanied by the Stock Certificate of Membership and a request to redeem the Stock. Stock shall be redeemed for not more than the full amount of the original Membership Fee. A single check shall be issued by the Corporation to the Stock owner as indicated on the Stock Certificate. Redemption shall be subject to the approval of the Board of Directors and shall be processed at such time and under such conditions as the Board of Directors deems advisable.

Initiation Fee

Each new member shall pay the sum of One Hundred Twenty Five Dollars (\$125.00) as a one-time, nonrefundable Initiation Fee.

Assessment Fee

Each new member shall pay the sum of One Hundred Fifty Dollars (\$150.00) as a one-time, nonrefundable Assessment Fee. The purpose of this fee shall be to retire the debt.

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Annual Dues

The Board of Directors shall, by resolution, set the Annual Dues and Fees for Active and Inactive Members. Annual Dues and Fees shall become due and payable in accordance with the resolution adopted. Any increase in dues in excess of Fifty Dollars (\$50.00) over the previous year shall be submitted for approval to a vote of the entire membership; for which purpose a special meeting may be called.

Late Fees

A late fee of Twenty Five Dollars (\$25.00) shall be assessed against any Active stockholder who pays dues after the established due date but not more than one calendar month late. If Annual Active Dues are not paid within one calendar month following the original due date, an additional fee of Twenty Five (\$25.00) shall be assessed and the stockholder's status will be set to Inactive. When a stockholder's status has been set to Inactive due to late payment, the stockholder may return to Active status by paying the full amount of Active dues plus an additional reinstatement fee of Twenty Five Dollars (\$25.00). The assessment for Late Fees shall not apply to Inactive members. [Resolution passed by the General Membership at the annual meeting and approved by the Board of Directors on September 15, 1983.]

An Inactive stockholder who has not paid Annual Inactive Dues within sixty (60) days of the established due date may be dropped as a stockholder and their stock redeemed.

Sitters & Grandparents

Sitters must be registered if the sitter is not already a Club member. The Club charges members \$25 per year to register a sitter. Registered, non-member sitters are only allowed to access the pool when they are working and the children are in attendance. Members who are grandparents may bring their visiting out-of-town grandchildren to the pool for free.

Summary of New Member Fees

The following table summarizes a new Member's financial obligations to the Corporation at the time they join the Club.

Membership Fee	\$300.00
Annual Active Dues	275.00
Assessment Fee	150.00
Initiation Fee	<u>125.00</u>
Total	\$850.00

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Payment Plan

With the approval of the Board of Directors a new member may choose the Payment Plan option for paying new member fees. Fees shall be paid using the following schedule. All payments must be made by post-dated checks submitted with the Membership Application. If a new member fails to make any of the payments on time, the Payment Plan will be voided and the Board of Directors shall require full payment of the balance due within 30 days. If full payment is not made within 30 days the membership shall be voided and stock redemption procedure executed.

<u>Fee Description</u>	<u>Fee</u>	<u>Notes</u>
Annual Dues and Initiation Fee	\$400.00	Due with Application. Must be paid by due date for Annual Dues. All other payments in the form of post-dated checks are also due at this time.
One-half Membership Fee	\$150.00	Due not later than one calendar month following Annual Dues due date.
One-half Membership Fee	\$150.00	Due not later than two calendar months following Annual Dues due date.
Assessment Fee	\$150.00	Due not later than three calendar months following Annual Dues due date.

Inactive Member

Inactive members forfeit all privileges to the pool. Inactive members may use the pool up to five (5) times each year and must pay the Five Dollar (\$5.00) guest fee established by the Board of Directors. Inactive members must come to the pool with an active member. Swimming lessons are not provided for inactive members.

If Inactive dues are not paid by the established due date for Annual Dues, the member's stock will be reduced by \$25.00 to pay the Inactive Dues. This procedure may continue annually until the stock value reaches "\$0". This was voted on by the board on May 21, 2003, and is retroactive.

Section 3 Active Members

The membership of NASSAU SWIM CLUB, INC. shall be limited to 375 active members. An active member is defined as one who has been approved for membership and has paid his or her membership fee, initiation fee, any assessments, and yearly dues. (As amended by the Board of Directors on July 20, 1994.)

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Section 4 Divorce of Members

In the event of a final divorce (including annulment) of married members who jointly held a certificate of membership the Board of Directors shall recognize either of two options:

- Option 1** The jointly held membership may be surrendered for redemption. The Board will redeem the stock per the the procedures defined in Article 1, Section 3, Membership Fee. This option is recommended if Neither party wishes to continue as a Member.
- Option 2** Upon receiving a court decree or similar official document verifying legal ownership of the membership, the Board will cancel the joint certificate and, upon its surrender, reissue a new membership certificate in the name of the legal owner of the Membership. The second party shall be permitted to apply, within thirty (30) days, for a separate membership and said application shall be placed in the first position on the waiting list to be granted membership, upon payment of new-member fees, at the earliest opportunity. If the divorce occurs after Annual Dues have been paid for the current year, and during the open season of the Corporation's facilities, and there is no opening available for new memberships, the second party shall be permitted to continue use of the facilities until the earlier of either the end of the season or until there is an opening available.

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Article II ***Meeting of Members***

Section 1 ***Place of Meetings***

As provided in the Articles of Incorporation, meetings of the members of the Corporation shall be held at such place, either within or without the State of Indiana, as may be specified in the respective calls, notices of waivers of notice thereof.

Section 2 ***Annual Meetings***

The annual meeting of the members of the Corporation shall be held at the principal office of the Corporation on the second Sunday in August of each year time as may be designated in the notice or waiver of notice thereof, or at such other time or place as the President of the Corporation may otherwise notify the members not less than ten (10) days nor more than sixty (60) days prior to the date of such scheduled meeting.

Section 3 ***Special Meetings***

Special meetings of the members may be called by the President, by a majority of the Board of Directors, or by written petition signed by at least one tenth (1/10) of the then members of the Corporation.

Section 4 ***Notice of Meetings***

Written notice stating the place, day and hour of any meeting of members and, in the case of special meetings or then otherwise required by law, the purpose for which any such meeting is called, shall be delivered or mailed by the Secretary of the Corporation, or by the officers of persons calling the meeting, to each member of record entitled to vote at such meeting, at such address as appears upon the records of the Corporation and at least ten (10) days before the date of such meeting.

Section 5 ***Waiver of Notice***

Notice of any meeting may be waived in writing by any member if the waiver sets forth in reasonable detail the time and place of the meeting and purposes thereof. Attendance at any meeting, in person or by proxy, if the proxy sets forth in reasonable detail the purposes of such meeting, shall constitute a waiver of notice of such meeting.

Section 6 ***Voting Rights***

Each member of the Corporation shall have such voting rights as are specified in the Articles of Incorporation of the Corporation; provided,

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however, that any member whose dues or assessments are unpaid on the date of any meeting of members shall not be entitled to vote at such meeting.

Section 7 *Voting by Proxy*

A member entitled to vote at any meeting of members may vote either by person or by proxy executed in writing by the member. No proxy shall be voted at any meeting of members unless the same shall be filed with the Secretary of the meeting at the commencement thereof.

Section 8 *Voting Lists*

At all times, the Secretary shall keep a complete list of all of the members entitled to vote at any meeting of members arranged in alphabetical order, with the address of each member; and, such list shall be kept on file at the principal office of the Corporation and shall be subject to inspection by any member at any time during usual business hours.

Section 9 *Quorum*

At any meeting of the members a majority of those members entitled to vote, represented thereat in person or by proxy shall constitute a quorum, and a majority vote at such quorum shall be necessary for the transaction of any business by the meeting. **HOWEVER A LESSER AMOUNT PRESENT MAY ADJOURN THE MEETING TO A FUTURE TIME, NO LATER THAN 7 DAYS THEREAFTER AT WHICH DATE A QUORUM SHALL BE PRESENT AND BUSINESS MAY BE TRANSACTED.**

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Article III ***Board of Directors***

Section 1 Duties and Qualification

The business and affairs of the Corporation shall be managed by a Board of Directors, at least a majority of whom, as provided by law, shall be citizens of the United States and all of whom shall be members of the Corporation.

Section 2 Numbers and Terms of Office

There shall be ten (10) directors of the corporation who shall be elected in the manner hereinafter set forth, and who shall serve until her or her successor is elected and qualified. At each annual meeting three (3) directors, except in every third year four (4), shall be elected by the members to serve for a term of three (3) years or until his or her successor shall be elected and qualified. If the annual meeting of the members is not held at the time designated in these by the laws, such failure shall not cause any defect in the existence of the Corporation, and the Directors then in office shall remain until their successors shall be elected and qualified. (As amended by the Board of Directors at the General Membership meeting of October 1990.)

Section 3 Vacancies

Any vacancy in the Board of Directors caused by death, resignation, or otherwise, except by increase in number of Directors and except as provided in Section 4 of this Article, may be filled by a majority vote of all the remaining members of the Board of Directors. Vacancies on the Board of Directors occasioned by and increase in the number of Directors shall be filled by a vote of the members entitled to vote therefor at an annual or special meeting thereof. The term of office of any Director so elected because of increase in the number of Directors shall be for a period of one, two, or three years, as designed by the members. Each new director shall serve for said period and until his successor is elected and qualified.

Section 4 Removal of Directors

At any special meeting of members called for such purpose, any member of the Board of Directors may be removed from such office either for or without cause by an affirmative vote of a majority of the members entitled to vote at an election of Directors, and successor may be elected at the same meeting for the unexpired term of the Director removed. Failure to elect a Director at such meeting to fill the unexpired term of any Director so removed shall be deemed to create a vacancy on the Board of Directors which may be filled by the remaining Directors in accordance with Section 3 of this Article.

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Section 5 Annual Meetings

Unless otherwise agreed upon, the Board of Directors shall meet each year, immediately following the annual meeting of members, at the place where such meeting of members was held, for the purpose of organization, election of officers of the Corporation and consideration of any other business which may be brought before the meeting. No notice shall be necessary for the holding of this annual meeting.

Section 6 Other Meetings

Additional meetings of the Board of Directors may be held regularly, pursuant to a resolution of the Board of Directors to such effect, or may held upon the call of the President or of any two (2) members of the Board and upon forty-eight (48) hours notice specifying the time, place and general purposes of the meeting, given to each Director either personally or by mail, telegram or telephone. No notice shall be necessary for any regular meeting, and notice of any other meeting may be waived in writing or by fax. Attendance at any such meeting shall constitute waiver of notice of such meeting.

Section 7 Quorum

Seven (7) members of the Board of Directors shall be necessary to constitute a quorum for the transaction of any business, except the filling of vacancies, and the act of the majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, unless the act of a greater number is required by law, the Articles of Incorporation, or this Code of By Laws. A Director shall be deemed to be present at a meeting for the purpose of constituting a quorum and transacting business thereat if, at the time of such meeting, he or she shall participate by telephone in the transaction of the business thereof and if such Director shall subsequently approve and sign the minutes of such meeting.

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Article IV ***Offices***

Section 1 ***Offices and Qualifications Therefore***

The Officers of the Corporation shall consist of a President, Vice President, Secretary, Assistant Secretary, and a Treasurer, and such assistant officers as the Board of Directors shall designate. All officers shall be chosen from among the Directors, and any two (2) or more offices may be held by the same person, except the duties of the President and the Secretary shall not be performed by the same person.

Section 2 ***Terms of Office***

Each officer of the Corporation shall be elected annually by the Board of Directors at its annual meeting and shall hold office for a term of one (1) year until his successor shall be duly elected and qualified.

Section 3 ***Vacancies***

Whenever any vacancies shall occur in any of the offices of the Corporation for any reason, the same may be filled by the Board of Directors at a special meeting thereof, and any officer so elected shall hold office until the next annual meeting of the Board of Directors and until his or her successor shall be duly elected and qualified.

Section 4 ***Removal***

Any officer of the Corporation may be removed at the pleasure of the Board of Directors whenever a majority of such Board shall vote in favor of such removal.

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Article V ***Powers and Duties of Officers***

Section 1 ***President***

Subject to the general control of the Board of Directors, the President shall manage and supervise all the affairs and personnel of the Corporation and shall discharge all of the usual function of the chief executive officer of a not-for-profit corporation. He or she shall preside at all meetings of members and Directors and shall have such other powers and duties as this Code of By Laws or the Board of Directors may prescribe.

Section 2 ***Vice President***

The Vice President shall assume the duties of the President in his or her absence, and shall have other powers and duties as the Code of By Laws or the Board of Directors may prescribe. In addition thereto, the Vice President shall be responsible, subject to the approval of the Board of Directors, for hiring and staffing the pool and facilities thereat. Further, the vice President shall automatically become chairman of the Operations Committee of the pool.

Section 3 ***Secretary***

The Secretary shall attend all meetings of members and of the Board of Directors, shall keep, or cause to be kept, in a book provided for the purpose, a true and complete record of the proceedings of such meetings. He or she shall attend to the giving and serving of all notice of the Corporation required by this Code of By Laws, shall have custody of the books, (except books of account records) and the Seal of the Corporation, and in general shall perform all duties pertaining to the office of Secretary and such other duties as this Code of By Laws or the Board of Directors may prescribe.

Section 4 ***Treasurer***

The Treasurer shall keep correct and complete records of account, showing accurately at all times the financial condition of the Corporation. He or she shall have charge and custody of, and be responsible for, all funds, notes, securities and other valuables, which may from time to time come into the possession of the Corporation. He or she shall deposit, or cause to be deposited, all funds of the Corporation with such depositories as the Board of Directors shall designate. He or she shall furnish at the meetings of the Board of Directors, or whenever requested a statement of the financial condition of the Corporation, and in general, perform all duties pertaining to the office of Treasurer and such other duties at this Code of By Laws or the Board of Directors may prescribe.

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Section 5 Assistant Officers

Such Assistant Officers as the Board of Directors shall from time to time designate and elect shall have powers and duties as the officers whom they are elected to assist, shall specify and delegate to them and such other powers and duties as this Code of By Laws or the Board of Directors may prescribe.

Section 6

Subsection A Executive Committees

The Board of Directors may appoint from among members of the Corporation one or more executive committees. Each committee shall consist of not less than two nor more than seven members. The President of the Board of Directors shall be a member of said committee ex-officio. Each committee shall be chaired by a member of the Board of Directors. The Board of Directors reserves to itself alone the power to issue stock, recommend to shareholders any action requiring their approval, change the membership of any committee at any time, fill vacancies therein, and discharge any committee either with or without cause at any time. Subject to the foregoing, the executive committee shall possess the powers and duties as shall from time to time be prescribed by the Board of Directors.

Section 6

Subsection B Rules and Procedures of Committees

A majority of any committee may form the rules of procedure of said committee. Each committee shall elect a secretary, whose duty it shall be to record the minutes of the meetings of the committee and their actions taken. All actions of said committee shall be reported to the Board of Directors and such shall be subject to revisions, alteration, and approval of the Board.

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Article VI

Section 1 Corporate Seal

The seal of the Corporation shall be circular in form with the name of the Corporation around the top of its periphery, the word "Indiana" around the bottom of its periphery, and the word "Seal" through the center.

Section 2 Execution of Contracts and Other Documents

Unless otherwise ordered by the Board of Directors, all written contracts and other documents entered into by the Corporation shall be executed on behalf of the Corporation by the President or a Vice President. If the Corporate seal is required to be affixed thereto. It shall be affixed and attested by the Secretary or an Assistant Secretary.

Article VII

Section 1 Fiscal Year

The fiscal year of the Corporation shall begin on the first day of December of each year and end upon the last day of November of each year.

Article VIII

Amendments

Section 1 Amendments of By Laws

Subject to law and the Articles of Incorporation the power to make, alter, amend or repeal all or any part of this Code of By Laws is vested in the Board of Directors. The affirmative vote of a majority of all members of the Board shall be necessary to effect any such changes in this Code of By Laws.

By Laws brought up to date and revised June 2003.