

NORWOOD SWIM CLUB, INC.

By-Laws amended as of March 14, 2018

ARTICLE I – OFFICES

Section 1 – The principal office of the Corporation shall be located in the Borough of Norwood, County of Bergen, State of New Jersey.

Section 2 – The Corporation shall have and continuously maintain a registered office within the Borough of Norwood, at which shall be located a resident agent upon whom process may be served. The registered office may be, but need not be, identical with the principal office. The address of the registered office and/or the name of the resident agent may be changed from time to time by the Board of Trustees.

Section 3 – The Corporation may have such other offices within the Borough of Norwood as the Board of Trustees may deem necessary for the administration of its affairs.

ARTICLE II – ADMISSION OF MEMBERS

Section 1 – The Board of Trustees shall have full power to determine the number of members in the Club and all other matters relating to membership.

Section 2 – The Club may have one or more classes of members. A member shall be that particular person who has applied for membership, who has been formally admitted to membership in accordance with this Article, and upon whom dues and assessments are imposed. A membership may not be held in any form of joint ownership, except in the case of family unit.

Section 3 – The Board of Trustees shall appoint from its members a Membership Committee to process and record applications.

Section 4 – Applicants choosing to become bonded members must pay a one time or two time bond payment (2 payments in 2 consecutive years) in addition to the yearly membership fee. Applicants can become bonded members regardless of whether or not they are Norwood residents, however bonded non-Norwood residents are limited to a maximum of 40 families.

ARTICLE III – RIGHTS AND DUTIES OF MEMBERS

Section 1 – If and when the Board determines that a matter needs to be voted on, each Bond Holder shall be entitled to one vote.

Section 2 – The Board of Trustees shall have the power to establish rules and regulations, including the charging of fees, with respect to the use of the Club’s facilities by other persons who may reside in a member’s home or who are guests of a member.

Section 3 – If the Corporation is dissolved, any assets which may remain after the discharge of all liabilities shall be distributed equally among all Bond Holders.

Section 4 – Each member shall pay promptly all dues and assessments which may be imposed. The Board of Trustees shall have the power to impose suspension or other disciplinary action on delinquent members.

Section 5 – Each member shall abide by the rules and regulations established by the Board of Trustees and shall undertake no activity which is inconsistent with the best interests of the Club.

ARTICLE IV – TERMINATION OF MEMBERSHIP

Section 1 – Except as otherwise provided by this Article, memberships are not transferable, and must be surrendered to the Club upon termination.

Section 2 – A bonded member may voluntarily resign from the Club at any time by submitting a written resignation to the Board of Trustees. Such resignation shall not relieve the member so resigning of any obligation to pay dues or assessments previously imposed or accrued. In order to receive the return of the Member’s bond money, a written resignation letter must be dated and received before the date of the annual bond holder’s meeting. The bond must be signed as issued on the back and returned along with the resignation letter. If the bond is lost, the member must submit a notarized letter in lieu of the bond requesting resignation. Failure to pay dues will result in the termination of a membership and the forfeiture of the bond money.

Section 3 – Upon the death of a bond holder, the bond will remain with the family member listed on the bond. Yearly dues must be paid to retain membership.

Section 4 – A member may be suspended or expelled from the Club for good cause shown, after an appropriate hearing and after a two-thirds vote of all Trustees at any regular meeting of the Board. Guests, for good cause shown, may similarly be forbidden use of the Club facilities indefinitely or for a period of time which, in the sole discretion of the Trustees, shall be necessary.

Section 5 – A bonded member, whose membership is terminated for any reason, shall be entitled to receive from the Club the full amount paid for the bond. If there is no replacement membership, the Club will pay to the terminated member the full price of the bond out of a reserve fund designated for this purpose within 180 days after termination. If at such time no reserve funds are available, the Club shall be obligated to make such payments to former members in chronological order of their membership termination as soon as either such reserve funds are available or replacement memberships are obtained. The Board of Trustees may, in its discretion, provide additional reserve

funds other than from the annual dues for operations. Withdrawing members shall not have the right to exercise remedies otherwise available to creditors.

ARTICLE V – MEETING OF MEMBERS

Section 1 – An annual meeting of the Bond Holders shall be held at a date selected at the discretion of the Board in each year for the purpose of any business which may come before the meeting.

Section 2 – Special meetings of the Bond Holders may be called at any time by the President, by a majority of the Board of Trustees, or by the written request of not less than ten percent of the members. No business other than that described in the notice as required by Section 3 of this ARTICLE shall come before a special meeting.

Section 3 - Notice of all meetings of the Bond Holders shall be received not less than ten or more than thirty days prior to the day of the meeting. This notice shall state the place, date and hour of the meeting and shall contain a brief description of the matters which will be submitted to the Bond Holders. A notice addressed to the member at his last home address or email address appearing on the records of the Corporation shall constitute full compliance with this Section.

Section 4 – At any meeting of the Bond Holders, a Bond Holder may vote either in person or by proxy. Only another Bond Holder of the Club may act as a Bond Holder’s proxy, and no Bond Holder shall act as proxy for more than two other Bond Holders except the President or Secretary. No proxy shall be valid unless executed in writing and filed with the Secretary no later than the day before the meeting. A proxy shall clearly specify the meeting, or adjournment thereof, for which it is to be effective, and it shall be effective for no other meeting.

Section 5 – All matters voted upon by the Bond Holders shall be decided by the majority vote.

ARTICLE VI – BOARD OF TRUSTEES

Section 1 – The affairs of the Corporation shall be managed by a Board of Trustees composed of not less than 3 and not more than 15 persons. All powers of the Corporation, except those specifically granted or reserved to the Bond Holder by law or by these By-Laws shall be vested in the Trustees.

Section 2 – All Trustees shall be elected for a period of one year.

Section 3 – In the election of Trustees, each Trustee shall have one vote for each office. The candidates receiving the largest number of votes are thereby elected to the office.

Section 4 – A Trustee shall lose office upon the filing with the Secretary of his written voluntary resignation or upon the termination of his Club membership. A trustee may be removed from office by a two-thirds vote of the other Trustees for good cause shown.

Section 5 – Any vacancy which occurs before the end of a Trustee’s term shall be filled by a majority vote of the remaining Trustees. A Trustee so elected shall serve for only the unexpired term of his predecessor in office.

Section 6 - All members of the Board of Trustees must attend 75% of meetings per year to receive the Trustee discount of 25% off the yearly membership fee. All Trustees are expected to volunteer at swim club functions.

ARTICLE VII – MEETINGS OF THE BOARD OF TRUSTEES

Section 1 – All meetings of the Board of Trustees shall be held within the Borough of Norwood if possible. Alternate meeting locations outside the Borough of Norwood are acceptable in the event a meeting location within Norwood is not available.

Section 2 – A regular annual meeting of the Board of Trustees shall be held without notice and at the same place as the annual meeting of the Bondholders. At each regular meeting, the Board of Trustees shall fix by resolution the time and place of the next regular meeting. No notice other than such resolution shall be required.

Section 3 – Special meetings of the Board of Trustees may be called at any time by the President or by any three Trustees. Notice of such special meetings must be given not less than four days, either in person, phone, e-mail or text. No business other than that communicated by the notice shall be considered at a special meeting.

Section 4 – Fifty percent (50%) of the Trustees shall constitute a quorum at any meeting. If a quorum is not present at any meeting of the Trustees, a majority of those Trustees present may adjourn the meeting from time to time without further notice.

Section 5 – Except as otherwise required by law or by these By-Laws, the act of a majority of the Trustees present at any meeting at which a quorum is present shall be the act of the Board of Trustees.

ARTICLE VIII – COMMITTEES OF THE BOARD OF TRUSTEES

Section 1 – At its regular annual meeting the Board of Trustees shall designate from among its members persons to serve on any committee which is required by these By-Laws.

Section 2 – The Board of Trustees may at any time establish other committees to which may be delegated its authority in the management of the Corporation. Bond Holders of such committees need not be Trustees, but there shall be at least one Trustee among the members of each committee. The designation of such committees and the delegation thereto of authority shall not operate to relieve the Board of Trustees or any individual Trustee, of any responsibility imposed upon it, or him, by law.

Section 3 – The Board of Trustees may at any time discontinue any committee established under Section 2 of this ARTICLE. The Board of Trustees may also effect any change in the membership of any committee.

Section 4 – Meetings of committees shall be governed, whenever applicable, by the same rules which apply to meetings of the full Board of Trustees.

ARTICLE IX – OFFICERS

Section 1 – At its regular annual meeting, the Board of Trustees shall elect from its members a President, Vice-President, Treasurer and Secretary. Each officer shall serve for the ensuing year.

Section 2 – The Board of Trustees shall have the power to remove any officer at will. An officer shall also lose office if at any time he/she ceases to be a Trustee or if he resigns his membership with the Club. The Board of Trustees may appoint to any vacant office a successor who shall serve for a period not extending beyond the next regular annual meeting.

Section 3 – The President shall be the principal executive officer of the Corporation. He/she shall preside at all meeting of the Board of Trustees. He/she must be ex officio a member of all committees appointed by the Board of Trustees and shall have custody of the Corporate Seal. He/she shall supervise and control the business and affairs of the Corporation, and he/she shall see that all orders and resolutions of the Board of Trustees are executed. The President shall have all powers vested in his office by law or custom and he/she shall perform all duties ordinarily incident to his/her office.

Section 4 – The Vice-President, in the absence or in the event of the disability of the President, shall act in his place. The Vice-President shall perform any other duties which may be assigned to him/her by the President or by the Board of Trustees.

Section 5 – The Secretary shall keep in the corporate books minutes of the proceedings at all meeting of the Bondholders and of the Board of Trustees. He/she shall see that all notices are duly given in accordance with these By-Laws or in accordance with law. He/she shall have custody of all correspondence, and of all corporate records except those properly in the custody of another officer. The Secretary shall perform all duties assigned to him/her by law, by these By-laws, by the President, by the Board of Trustees, or by custom.

Section 6 – The Treasurer shall have custody of and be responsible for all corporate funds and securities. He/she shall receive all monies for the Corporation, and he/she shall deposit them in the name of the Corporation in any depository which may be selected by the Board of Trustees. He/she shall disburse funds of the Corporation in accordance with the instructions of the Board of Trustees, and he/she shall secure and retain proper vouchers in support of such disbursements. He/she shall keep a full account and shall submit monthly reports to the Board of Trustees. He/she shall submit a yearly budget and profit and loss statements at the first meeting of the year as well as at the annual meeting. The

Treasurer shall perform any other duties which may be assigned to him/her by law, by these By-Laws, by the President, by the Board of Trustees or by custom.

Section 7 – The Board of Trustees may also appoint any assistants to any of the officers specified in Section 1 of this ARTICLE. An assistant officer shall perform, under the supervision of the officer whom he assists, any duty which may be delegated to him/her. An assistant officer must be a Bond Holder of the Club, but he/she need not be a Trustee.

ARTICLE X – PROCEDURES FOR HANDLING RECEIPTS AND DISBURSEMENTS

Section 1 – Only one account may be used for all receipts and all expenditures of the Club, and it shall be known as an “Operating Account”. The Board of Trustees has the right to change banking institutions at any time.

Section 2 – Securities may be purchased upon unanimous approval at a meeting of the Board of Trustees.

Section 3 – Membership dues will be processed via our online registration system, monitored by the Membership Committee. Any checks received will be turned over to the Treasurer for deposit.

Section 4 – All funds received by the Treasurer must be deposited in the Operating Account. Benefits derived from interest bearing accounts or securities must be reported by the Treasurer at the next meeting of the Board of Trustees.

Section 5 – The Treasurer will verify the receipt of services or materials before making any payments.

Section 6 – All checks and withdrawals from other accounts must be signed by the President or any approved officer and counter-signed by the Treasurer. All checks and withdrawals from all accounts for amounts in excess of three thousand dollars (\$3,000.00) must also be authorized by the Board of Trustees. In the absence or in the event of disability of sufficient eligible signers or counter-signers, an extraordinary special meeting of the Board of Trustees shall be held for the purpose of resolving additional signers or counter-signers.

Section 7 – All expenditures shall be made by check from the Operating Account. The cancelled checks and supporting vouchers therefore shall be retained with the corporate records by the Treasurer.

Section 8 – All funds other than membership dues received by any Officer or Club Manager must be submitted to the Treasurer on a weekly basis. In addition, the Club Manager must make bank deposits every two days or more often when excess cash is on property.

Section 9 – A petty cash fund in the amount not to exceed one hundred dollars (\$200.00) may be maintained by the Club Manager for small expenditures which require immediate cash payments. All payments there from must be enumerated on a voucher.

All expenditures shall be made by check from the Operating Account. The cancelled checks and supporting vouchers therefore shall be retained with the corporate records by the Treasurer.

ARTICLE XI – DUES AND ASSESSMENTS

Section 1 – Dues and assessments shall be classified either as annual dues for operations or as bond money.

Section 2 – Annual dues for operations shall be determined by the Board of Trustees not later than sixty (60) days before the scheduled opening of the Club's facilities in any year. Notice of the amount of these dues shall be sent to the members immediately.

Section 3 - The annual dues for operations shall be based upon the operating expense budget for the coming year.

Section 4 – If it happens that the annual dues for operations were not sufficient to meet the year's actual operating expenses subsequently incurred, the Board of Trustees may impose on the Bond Holder an assessment for operations to cover the deficiency.

Section 5 – All other assessments against Bond Holders shall be capital assessments. Capital assessments shall therefore include amounts assessed to provide funds for the improvement or enlargement of the Club's facilities, to discharge indebtedness incurred for the improvement or enlargement of the Club's facilities, and to provide reserve funds under Section 5 of ARTICLE IV. All capital assessments shall be imposed equally on all Bond Holders and must be paid within 60 days after approval thereof by the Board of Trustees.

Section 6 – No indebtedness may be incurred for the improvement or enlargement of the Club's facilities without the approval of a majority of the Bond Holders present at any duly held meeting of the Bond Holders.

Section 7 – Except as otherwise required by law or by these By-Laws, no portion of any dues or assessments shall be refundable to any member.

Section 8 – All payments required to be made to the Club by members under the authority of this or any other ARTICLE of these By-Laws are exclusive of any taxes which are not, or may be, imposed on such payments by federal, state or local laws. Any such taxes shall be paid by the members immediately upon their accrual, and shall be in addition to any other required payments.

ARTICLE XII – WAIVER OF NOTICE

Section 1 – Whenever any notice is required to be given by law or by these By-Laws, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be equivalent to the giving of such notice.

Section 2 – Attendance by any person at any meeting shall constitute a waiver of notice of such meeting by him, unless his attendance is for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

ARTICLE XIII – BOOKS AND RECORDS

Section 1 – The Corporation shall keep whatever books and records are required to comply with any law or with these By-Laws and any other books and records which are deemed by the Board of Trustees to be desirable for the proper conduct of its corporate affairs.

Section 2 – All books and records shall be available for inspection by any Bond Holder at the annual meeting of the Bond Holders and at any other reasonable time not less than thirty days after the written request has been delivered to the Board of Trustees.

Section 3 – An annual report shall be available to the Bond Holder at the annual Bond Holders meeting after the close of each fiscal year. This report shall include a statement of the Corporation's financial position at the close of such year and a summary of its operations for the year then ended.