

Riddlewood Swim Club Constitution

Article I

Section 1

Purpose: This organization , a non-profit corporation organized and existing under the laws of the Commonwealth of Pennsylvania, has been formed to provide for its members, their immediate families and guests, swimming, recreational and social facilities and in furthering these purposes to own, maintain, lease and operate a swimming pool, club house, and other necessary property and paraphernalia upon high standards of a moral, legal and educational nature.

Article II

Section 1

Membership Shares: The Riddlewood Swim Club is authorized to issue and sell approximately three hundred fifty (350) membership shares, more or less, evidenced by certificate of the par value of Three Hundred Fifty (\$350.00) Dollars. Said shares are non-profit sharing, non-interest bearing, do not represent an obligation of the corporation, and ownership thereof does not of itself entitle the owner to admission to club property or the use of the club facilities and membership privileges nor does it relive the owner from payment of any dues and fees which may be charged for use of club facilities.

Section 2

Eligibility: Only adult active members in good standing who hold no appointive or elective public office shall be eligible to serve as Directors.

Section 3

Election: Of the ten (10) Directors elected at the first regular meeting of members entitle to vote, five (5) shall serve a term of one (1) year, and five a term of two (2) years, or until their respective successors have been elected and qualified. At the second Annual Meeting and each Annual Meeting thereafter, the first order of business will be election of five (5) Directors for a term of two (2) years, or until their successors have been elected and qualified. The last order of business of the Annual Meeting shall be election by ballot from the five (5) succeeding and five (5) elected board members a President, Vice President, Secretary, and Treasurer whose terms of office shall be one year from that date. Officers cannot succeed themselves to the same office.

Article III

Section 1

Voting Rights of Shareholders: (a) Each fully paid membership share in the club duly evidenced by certificate, as record in the club stock transfer book on the fifth calendar day in advance of any regular or special meeting of shareholders shall be entitled to one vote at such meeting, PROVIDED shareholder has been elected to membership in the club as hereinafter provided.

- (b) Membership shares held jointly by adults may be voted by only one of them.
- (c) Membership shares held in the name of a minor shall be voted by either parent or by a legally appointed guardian.
- (d) Membership shares held jointly by any adult and a minor shall be voted by the adult, or as set forth in (c) as above.
- (e) There shall be no voting by proxy.
- (f) Those entitled to vote shall cast their vote in person, by mail, or otherwise, as stipulated in the Official call or notice of the meeting.

Article IV

Section 1

Dissolution: In the event of dissolution or liquidation of this Corporation, after payment of all liabilities the assets of the Corporation shall be disposed of as follows:

- (a) The shareholders of record at the time of dissolution shall share pro-rata up to the amount of the original purchase price of their respective shares and all share certificates shall be assigned to the Corporation and canceled.
- (b) Assets remaining after retirement of the membership shares shall be given to such community organizations, charities and projects as the Board of Directors shall determine by resolution.

Article V

Section 1

Amendments: Amendments to this Constitution or any Article thereof may be initiated by petition to the Board of Directors signed by twenty-five (25) shareholders entitled to vote, and may be adopted at any Annual Meeting or any other meeting of shareholders, by a two-thirds (2/3) vote of a quorum of forty per cent (40%) of the shareholders of record entitled to vote at said

meeting, and provided it shall have been sent to all shareholders of record at least five (5) days before the meeting.

RIDDLEWOOD SWIM CLUB

By-Laws

Article I

The Board of Directors

Section 1

Number: The Board of Directors shall consist of ten (10) Directors who shall be elected as provided in Section 3 of this Article. The Officers of the corporation shall consist of President, Vice President, Secretary and Treasurer, and shall be nominated and elected from the duly elected Board of Directors as provided in Article II, Section 3 of these By-Laws.

Section 2

Eligibility: All active members in good standing, 21 years of age, shall be eligible to serve as members of the Board of Directors. No more than four (4) Directors shall be non-residents of the Riddlewood/Sunnybrae Developments.

Section 3

Election: Of the ten (10) Directors elected at the first regular meeting of members entitled to vote, five (5) shall serve a term of one (1) year, and five (5) a term of two (2) years, or until their respective successors have been elected and qualified. At the second Annual Meeting and each annual meeting thereafter, five (5) successor Directors shall be elected for a two (2) year term, or until their successors have been elected. This election will be the first order of business of the Annual Meeting and the new Directors will take office at the next regular or special meeting of the board.

Section 4

Nominations: Nominations to the Board of Directors shall be made by a Nominating Committee, appointed by the President, which shall not consist of any existing Board members or candidate for office. All nominees' acceptances must be verified in writing ten (10) prior to the Annual Meeting.

Notices of Annual Meetings shall list all nominees to the Board of Directors, indicating which are incumbents.

Nominations to the Board of Directors may also be made from the floor at the Annual Meeting, but shall require seconding by another member present at the meeting. The nominee must be present at the meeting, and signify acceptance.

Section 5

Compensation: Neither officers nor members of the Board of Directors shall receive any financial compensation for activities.

Section 6

Meetings: Notice of every regular meeting of the Board of Directors shall be given to each member of the Board of Directors at least five (5) days prior to the day named for the meeting. Special meetings, however, may be called upon one (1) day's notice. A regular meeting of the Board shall be held once each month on the day of the month selected by the Board. Regular meetings of the Board of Directors may be canceled by a majority vote of Board members.

Section 7

Quorum: A majority of the Board of Directors shall be necessary to constitute a quorum for the transaction of business. The acts of the majority of the Directors present at a meeting at which a quorum is present, shall be the acts of the Board of Directors; provided, that if all the Directors shall severally or collectively consent in writing to any action to be taken by the Corporation, such action shall be as valid as though it had been authorized at a meeting of the Board of Directors.

Section 8

Vacancies: Vacancies on the Board of Directors shall be filled by a replacement elected by a majority of the remaining members of the Board, and each person so elected shall serve as a Director until his successor is duly elected.

Section 9

Removal: A Director may be removed from office by vote of a majority of the Board after ten (10) days notice to the Director concerned to attend a hearing before the Board.

Section 10

Presiding Officer: Meetings of the Board of Directors shall be presided over by the President. In his/her absence, the Vice-President shall preside, provided that if neither the President nor the Vice-President is present, the Directors present shall elect a presiding officer for such meeting. The Secretary, or in his/her absence, a Director appointed by the presiding officer shall record minutes of all meetings of the Board of Directors.

Section 11

Board of Directors – Powers and Duties:

- (a) **Purchases:** The Board of Directors shall make or authorize all purchases and disbursements necessary or desirable for the operation of the Club, and to do, or cause all other things necessary for the operation of the Club.
- (b) **Employment:** The Board of Directors shall fix the classification and salary schedule of employees, and authorize their employment.
- (c) **Rules:** The Board of Directors shall prescribe rules for the government and use of Club facilities, and perform such other duties as they in the discretion may deem to be for the best interest of the Corporation.
- (d) **Annual Report:** The Board of Directors shall prepare and present at the Annual Meeting an Annual Report detailing the state of membership and finances, setting forth the transactions and summarizing important activities of the fiscal year. A copy of the Annual Report shall be made available to any stockholder upon request.
- (e) **Committees:** The Board of Directors shall have supervision over all committees, and power to direct their effort, and to alter or amend any rules or regulations prescribed by any committees.
- (f) **Fidelity Bonds:** The Board of Directors, at the Club's expense, shall secure the fidelity of the Treasurer of the Club, and may secure the fidelity of employees, by Bond or otherwise in such amount as they deem necessary.
- (g) **Compilation:** The Board of Directors shall require a Compilation to be made, by an independent Accountant, of the accounts of the Corporation each Fiscal year. The compilation shall be presented at the Annual Meeting for review by the members.
- (h) **Annual Budget:** The Board of Directors shall adopt an Annual Budget upon the recommendation of the Finance Committee.
- (i) **Membership Fees:** The Board of Directors shall fix membership and guest fees as part of the Budget adoption process.

- (j) **Indemnification:** Each Director shall be indemnified by the Corporation against any expense reasonably incurred by said Director and/or damages imposed upon him/her in connection with the defense of or as the result of any action legally taken or alleged to have been taken by him/her as Director or Officer of the Corporation. This indemnification shall not be effective in the case of any action as to which he/she shall be liable under the provision of any Federal or State Statute or as to which he/she may be liable by reason of dereliction or negligence in the performance of his/her duties as Director of the Corporation.
- (k) **Insurance:** The Board of Directors shall secure for the protection of the Corporation public liability, property damage, and such other insurance coverage deemed necessary to fully cover the complete operations of the Corporation.
- (l) **Debt:** The Board of Directors may borrow money for a term of not more than ten (10) years for the operation and maintenance of existing Club facilities, secured by mortgage or other encumbrance upon Club property, in an amount not to exceed three times the prior years membership dues.

The Board of Directors shall not alienate or mortgage any real property of the Corporation without the authority of the active membership given by majority vote of those voting at an Annual or Special Meeting. Provided further, that no mortgage or other encumbrance, at the time of placement, shall be in excess of twenty (20%) percent of the combined value of the real property and improvements erected or to be erected.

- (m) **General:** The Officers of the Corporation shall do or cause to be done all things necessary for the operation and maintenance of the Club.

Article II Officers

Section 1

Officers: The Officers of the corporation shall consist of President, Vice President, Secretary, and Treasurer. The President may appoint such Assistant Officers as the needs of the Corporation may require.

Section 2

Nominations: Nominations for Officers shall be made by the elected and interim Directors during the Annual Meeting. Election of Officers shall be the last order of business of the Annual Meeting.

Section 3

Elections: The Officers shall be elected at the Annual Meeting and shall serve until their successors are elected and have qualified.

Section 4

Vacancies: Any vacancy among the Officers shall be filled by appointment made by the Board of Directors and such appointed Officer shall serve until the next Annual Meeting.

Section 5

President:

- (a) The President shall preside at all meetings of the Board of Directors and the Annual Meeting. He/she shall in conjunction with the Secretary sign all contracts and papers relating to the affairs of the Corporation. He/she shall make all appointments to committees subject to confirmation by the Board of Directors. The President shall be an ex-officio member of all committees. He/she shall perform all other acts properly belonging to the Office, including executive supervision of all activities and employees of the Club.

- (b) The President may authorize expenditures and payment for current operating supplies and equipment and fixed assets without further approval of the Board of Directors if the funds authorized have been included in a budget approved by the Board of Directors, provided that all bills for such expenditures shall be presented to the Board of Directors at their next meeting.

Section 6

Vice President: The Vice President shall assist the President and shall assume the full responsibilities, duties and obligations of the President during the Absence of the President.

Section 7

Secretary:

- (a) The Secretary shall make and keep minutes of all meetings of the Board of Directors and the Annual or Special Meetings of the Corporation, and shall be prepared to present those minutes at the next or at a future meeting, if required.
- (b) The Secretary shall conduct all official correspondence and shall be responsible for keeping all records, other than financial records, of the Corporation.
- (c) The Secretary shall issue calls for meetings with proper notice, at the request of the person or persons authorized to call meetings.
- (d) The Secretary shall attest the signature of the Officers of the Corporation when required on contracts or other papers relating to the affairs of the Corporation.

Section 8

Treasurer:

- (a) The Treasurer shall be responsible for the records of all financial transactions of the Corporation and be prepared to render an accounting at any meeting as may be required.
- (b) The Treasurer shall be responsible for the receipt of all monies due to the Corporation and deposit same in banking institutions approved by the Directors.
- (c) The Treasurer shall sign all checks and make all disbursements on approved billings and vouchers, with all checks to be countersigned by the President, Vice President or Secretary. In the absence of the Treasurer, any two officers may sign required checks.
- (d) The Treasurer will, when authorized by the President, advance monies to any Officer, Director, or Committee Chairman of the Corporation who is required to make cash purchases. In each instance, the Treasurer shall require an accounting from the person receiving such cash.
- (e) The Treasurer shall issue share certificates to fully paid stockholders as evidence of ownership.

- (f) The Treasurer shall keep or cause to be kept a **Corporation Stock Transfer Book** showing the names and address of the holders of shares in the Corporation, together with complete records of payments and the number of and date of the certificate issued.
- (g) The Treasurer shall maintain custody of the Corporate Seal and other records that may be require by the By-Laws or as shall be required of him/her by the Board of Directors.
- (h) The Treasurer with the approval of the Board of Directors may delegate any of the above referenced duties to the Bookkeeper as may be deemed to be in the best interest of the Corporation.

Section 9

All Officers and agents of the Corporation as between themselves and the Corporation shall respectively have such authority and perform such duties in the management of the property and affairs of the Corporation as may be providedd in the Constitution or By-Laws, or as may be determined by resolution of the Board of Directors.

Article III

Committees

Section 1

Standing Committees: The Standing Committees of the Corporation, appointed by the President with the approval of the Board of Directors, shall be:

- a. Finance Committee
- b. Operations Committee
- c. Membership Committee
- d. Planning and Improvements Comm.

A Director shall act as Chairman of each Standing Committee.

Section 2

Finance Committee:

- (a) The Finance Committee shall consist of the Chairman, the Treasurer, and the Standing Committee Chairman, or their representatives.
- (b) The Finance Committee shall prepare financial studies on such projects as may be assigned to it by the Board of Directors and shall conduct all financial operations of the Corporation.

- (c) The Finance Committee shall submit to the Board of Directors before the first March meeting each year an Annual Budget containing provisions for all anticipated expenditures of the Corporation for the coming year.

Section 3

Operations Committee:

- (a) The Operations Committee shall be chaired by the Chairman.
- (b) The Operations Committee shall be responsible for:
 - (1) The employment of properly qualified pool attendants at rates of pay set by the Board of Directors.
 - (2) The condition of the property and equipment, its maintenance and proper operation for the safety and general welfare of the membership.
 - (3) The submission to the Board of Directors of all estimates for repairs to and maintenance of the club facilities.
 - (4) Making all necessary rules governing the operation of the pool and Club facilities, including; time of opening and closing, conduct of the membership while using the facilities of the Club, and the duties of employees.
 - (5) Acting on all complaints affecting employees.
 - (6) Acting on all violations of the rules of conduct in the use of the pool and Club facilities, reporting the same to the Board of Directors with recommendation of the action to be taken in the case.

Section 5

Membership Committee:

- (a) The Membership Committee shall be chaired by the Chairman.
- (b) The Membership Committee shall be responsible for the investigation of all requests for withdrawal from membership and shall make a suitable recommendation to the Board of Directors.
- (c) The Membership Committee shall be responsible for the investigation of all prospective members and shall make its recommendation to the Board of Directors which will elect the applicant to membership by a majority vote.

- (d) The Membership Committee Chairman shall be responsible for maintaining the book containing the names and addresses of each member and all other records necessary to properly record membership transactions.
- (e) The Membership Committee shall be responsible, with the approval of the Board of Directors, of initiating membership options that may be offered at any time.

Section 6

Planning and Improvements Committee:

- (a) The Planning and Improvements Committee shall be chaired by the Chairman.
- (b) The Planning and Improvements Committee shall be responsible for planning all improvements to the Club property. Such plans, accompanied by cost estimates, shall be submitted to the Board of Directors for approval.
- (c) Upon approval of and appropriation of money by the Board of Directors, the Planning and Improvements Committee is authorized to proceed with the execution of planned improvements.

Section 7

Other Committees: There shall be other committees as the President may appoint.

Article IV

Membership

Section 1

Membership:

- (a) Types of membership shall include; family group share owner, deferred plan member, and if authorized, tenants of share owners or deferred payment plan members.
- (b) Family Group is herein defined as one or more persons living together as a single housekeeping unit and whose permanent residence is in the same dwelling. Decisions of the Membership committee as to the application of this definition may be appealed to the Board of Directors who may make exceptions in specific instances to include in the Family Group others than the above whose residence is in the same building. The decision of the Board of Directors shall be final.

Section 2

Dues:

- (a) The dues for the various classes of membership shall be fixed annually by the Board of Directors.
- (b) The annual dues shall be payable to the Riddlewood Swim Club.
- (c) Dues shall be assessed and paid for the season on the basis of membership status as of the date dues are declared payable.
- (d) Each member shall be given notice of the amount of their dues not less than fifteen (15) days prior to the due date fixed by the Treasurer.
- (e) The Membership Committee Chairman, upon receipt of a members annual dues and any other proper charges or obligations, shall assign a membership number identifying each individual member.
- (f) Upon entering the pool area, the membership number will be given to the attendant who shall be responsible for determining the validity of the membership and the person presenting the membership number. The membership number may be presented in any other manner recommended by the Operations Committee and approved by the Board of Directors.
- (g) Membership numbers shall be non-transferable. Any attempt to defraud the Club will be grounds for suspension of membership by the Board of Directors.

Section 3

Upon receipt by the Membership Chairman from the homeowner, tenants of share owners shall be permitted to use the Club facilities upon payment of regular membership dues.

Tenants of deferred payment plan homeowners shall be permitted the same privilege, provided the homeowner has fulfilled that season's share payment obligation.

Section 4

Delinquents: No one who is delinquent in payment of dues or other membership obligations shall be entitled to the privileges of membership during such delinquency.

Article V

Meeting of Members

Section 1

Annual Meeting: The Annual Meeting of the Corporation shall be held during the month of November.

Section 2

Special Meeting: Special Meetings of the members may be called at any time by the President or the Board of Directors or by the membership at large under Article V, Section 1 of the Constitution.

Section 3

Place: Meetings of the Corporation shall be held at such place designated in the call of the meeting.

Section 4

Notice: Written notice of every meeting the Corporation shall be given by or at the direction of the person or persons authorized to call the meeting to each member of record entitled to vote at the meeting at least ten (10) days prior to the day named for the meeting, unless a greater period of notice is required elsewhere in these articles in a particular case.

Section 5

Notice adjourned Meeting: When a meeting is adjourned with the intent of reconvening within ten (10) days, it shall not be necessary to give notice of the adjourned meeting or business to be transacted other than by announcement at the meeting at which such adjournment is taken.

Section 6

Qualifications: The qualifications for voting at any meeting shall be set forth in Article III of the Constitution.

Section 7

Quorum: A quorum at any meeting of the Club shall exist when 10% or more of the members entitled to vote are present at the meeting. The active members of the Corporation shall be notified of such a meeting as prescribed in Section 4 of this Article.

Section 8

Annual Meeting Adjournment: The Annual Meeting or any special meeting call for the election of Directors may only be adjourned from day to day until such Directors have been elected.

Section 9

Records: Upon request of any active member, books or records of membership shall be produced at any general or special meeting of the Corporation. If at any meeting the right of any person to vote is challenged, the presiding officer shall require the books or records of the Corporation to be produced as evidence of the right of the person challenged to vote. All persons who appear by such or records to be active members may vote.

Article VI

Guests

Section 1

Guest may be admitted to the Club facilities when accompanied by an active member and upon payment by the member of the guest's fee set by the Board of Directors. All guests admitted shall be the responsibility of the host member.

Section 2

Visitors may be admitted without charge on approval of the Board of Directors as guest of the Club. All visitors shall be registered in the Guest Book as "Guest of the Club".

Article VII

Amendments

Section 1

These By-Laws shall be adopted by a majority vote of members of the Corporation entitled to vote and present at a duly organized meeting. These By-Laws may be amended at a meeting called for that purpose by a majority of the members entitled to vote and present at a duly organized meeting.

Section 2

Members shall be given appropriate notice of the adoption of all By-Law amendments.

Article VIII

Redemption of Stock

Section 1

Shares of Stock of the Riddlewood Swim Club shall be classified as redeemable subject to the following conditions and restrictions and share owners shall be permitted to redeem Club stock by sale or transfer under the following options:

Option 1: Swim Club Redemption

By posted written notice to the Membership Chairman requesting repurchase of the owners share. Stock redeemed under this plan shall be at a time determined economically feasible by the Board of Directors and in order, by postmark, that the requests are received. Redemption under this option shall be on a one for one basis (one full share sold for each share redeemed) at a value determined by the Board of Directors. The Board of Directors shall at an annual Meeting notify stockholders of stock redeemed under Option 1 during the past year. This notice shall include as a minimum the number of shares repurchased and the value at which the stock was redeemed. The maximum value at which the stock shall be redeemed is \$350.00 (par value).

Option 2: Sale and Transfer of Stock

Shares may be sold or transferred by the owner upon receiving written approval from the Board of Directors. The agreement of sale or transfer shall be arranged between buyer and seller exclusively and shall not involve the Club or Board of Directors in any way. The individual to whom the share is being sold or transferred must meet the same membership requirements in effect on the date of transfer that apply to new members. Advertisement by the owner of the share by any news media, handbill, etc. shall not be encouraged and may result in withdrawal of the Board's approval. The Membership Chairman shall maintain a list of owners wishing to sell shares for distribution to potential new members during the course of his/her normal membership drive activities.

Article IX

Board of Trutees

Section 1

Upon request of the President of the Corporation or a majority of the members of the Board of Directors, a Board of Trutees shall be convened for the purpose of offering counseling to the President and/or the Board of Directors.

Section 2

The Board of Trustees shall be composed of all past Officers of the Corporation. Such Officers, as soon as their term of office has expired and a successor has been elected, shall become eligible to serve as a member of the Board of Trustees.

Section 3

Past Officers shall remain eligible to serve as members of the Board of Trustees as long as they maintain active membership.

Section 4

Members of the Board of Trustees shall receive no compensation for service as Trustees.

Section 5

The Board of Trustees shall elect their own Chairman whose duty it will be to attend the meetings of the Board of Directors and to arrange the attendance of other Board of Trustees members when requested to do so by the President of the Corporation or when the Chairman determines that the best welfare of the Corporation would be served by such attendance.

Section 6

Members of the Board of Trustees will not be privileged to vote in meetings of the Board of Directors by virtue of attendance at said meetings unless they are also members of the Board of Directors.

Section 7

The Board of Trustees may assume such additional duties as may be assigned by the Board of Directors; however, such duties in no way relieves the Board of Directors from their responsibilities as set forth in article 1.

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