

JONESTOWN

Swim and Tennis Club

BY-LAWS OF JONESTOWN SWIM CLUB, INC.

ARTICLE I NAME

The name of the Corporation is Jonestown Swim Club, Inc. as provided in the Articles of Incorporation.

ARTICLE II OBJECT

The purpose for which this Corporation is organized is to promote the health and general welfare of its membership and in pursuance thereof, to provide swimming and complementary recreational facilities, together with such incidental objects as are appropriate in the conduct of its activities as provided for in the Articles of Incorporation, in the County of Forsyth, and State of North Carolina, for the exclusive use of its members, associate members, their families, and guests.

ARTICLE III GOVERNMENT

Section 1. Management of Corporation

The Corporation shall be managed by a Board of Directors consisting of seven or more individuals. The President and Secretary must be members.

Section 2. Election of Directors

At each annual meeting of the members and associate members of the Corporation, Directors shall be elected from among Jonestown Swim Club members and associate members. If an associate member is elected to the board he has the option of purchasing a share of stock at a price set by the Board of Directors.

If a vacancy occurs on the Board, a replacement shall be appointed by the remaining Directors.

Section 3. Disqualification of Directors

No member shall be qualified to be elected to the Board of Directors unless, and until, all dues and assessments shall have been paid in full as of the date of the election.

Section 4. Removal of Director

Any member of the Board of Directors may be removed from office and the Board of Directors by a two-thirds vote of the Board of Directors.

ARTICLE IV BOARD OF DIRECTORS

Section 1. General Powers

The Board of Directors shall have general management and control of the business and affairs of the Corporation and shall exercise all the powers that may be exercised or performed by the Corporation under the General Statutes of North Carolina, the Articles of Incorporation, and these By-Laws, including, but not limited to the following:

- 1.1 Transact all Corporation business herein set forth
- 1.2 Make and amend Rules and Regulations for the use of the Corporation's property
- 1.3 Appoint and remove officers, clerks, agents, or employees, as it may deem necessary, and fix their duties and compensations.
- 1.4 Fix, impose and remit penalties for violations of these By-Laws and Rules and Regulations of the Corporation to the extent set forth by the By-Laws.
- 1.5 Elect from the Board of Directors a President, VP-Finance, VP-Pool Management, VP-Property Maintenance, VP-Pool Maintenance, VP-Social and Recreational, VP-Membership, VP-WSASC Representative and Swim Team Affairs, a Secretary, and a Webmaster.

Section 2. Deposit of Funds

The Board of Directors shall designate the manner in which checks, drafts, or other negotiable instruments of funds for the Corporation shall be executed.

Section 3. Financial Review

The Board of Directors shall cause the books of the Corporation to be reviewed annually prior to the annual general membership meeting by an independent qualified third party selected by the Directors, who shall neither be a Director nor Officer of the Corporation. The report of the reviewer shall be presented to the Board and available to the members and associate members at all times.

ARTICLE V OFFICERS

Section 1. Election and Terms

Officers of this Corporation shall consist of the Board of Directors. These officers shall be elected annually from among Board of Director members for a term of one year at the regular meeting of the Board of Directors after the annual meeting of the members and associate members of the Corporation, and shall hold office until their successors are elected and qualified.

Section 2. President

The President shall be the chief executive officer of the Corporation; he shall preside at all meetings of the members, associate members, and Directors and shall have general supervision of the affairs of the Corporation. He shall appoint, subject to confirmation by the Board of Directors, all standing committees, and all special committees as may be directed. He shall be an ex-officio member of all committees. The President must be a member of the Corporation.

Section 3. Secretary

The Secretary of the Corporation shall act as secretary of all Corporation meetings and shall keep minutes of such meetings in a book to be kept for that purpose and record all notes taken at all Corporation meetings. He shall be the custodian of the seal of the Corporation and shall attest the same when it is required to be affixed to all conveyances, contracts and agreements of the Corporation. He shall perform all duties generally required by these By-Laws. The Secretary must be a member of the Corporation.

Section 4. Vice President – Finance

The Vice President – Finance shall, under the direction of the President, attend to the business and financial operations of the Corporation. He shall be an ex-officio member of all committees.

The Vice President – Finance shall perform all the duties generally required and expected of a treasurer; and as such, collect, receive and hold the moneys of the Corporation, endorse and collect all checks and negotiable instruments, and keep full and accurate accounts of the receipts and disbursements of the Corporation, rendering a full account at each regular meeting of the members and associate members, and as often as called upon by the Board of Directors. The Vice President – Finance shall be properly bonded as designated by the Board of Directors. He should be proficient in filing non-profit tax returns, payroll taxes, and sales tax. He should also have a good working knowledge of computerized accounting software.

Section 5. Vice President – Membership

The Vice President – Membership is responsible for maintaining the records of members and associate members of the Pool. He shall be responsible for the selling and transfer of shares of stock.

Section 6. Vice President – Social and Recreational Activities

The Vice President – Social and Recreational Activities is responsible for planning and promoting group activities among the members of the pool. These activities do not include the swimming lessons to be given by the pool staff.

Section 7. Vice President – Pool Management

During the absence of or disability of the President, the Vice President – Pool Management shall exercise all the functions of the President.

The Vice President – Pool Management shall attend to the use of the physical plant and properties of the Corporation and shall be responsible for the Pool Manager and staff operating the pool in a satisfactory manner during the swim season. He shall annually issue the Pool Rules and Regulations. He shall be responsible for hiring the Pool Manager and staff, subject to the approval by the Board of Directors.

Section 8. Vice President – Property Maintenance

The Vice President – Property Maintenance is responsible for the physical improvements and maintenance of the grounds of Jonestown Swim Club, Inc. This area includes everything outside the fenced pool area such as: (1) garden and pathways, (2) parking lot, and (3) adjacent vacant lot. He is also responsible for maintaining the building and all building services, excluding the sanitary piping system. He is responsible for maintaining the pool deck, fence, and all items located on deck such as chairs, tables, etc.

Section 9. Vice President – Pool Maintenance

The Vice President – Pool Maintenance is responsible for maintaining the pool, the pump/piping filtration system, and the sanitary piping system.

Section 10. Vice President – WSASC Representative and Swim Team Affairs

The Vice President – WSASC Representative and Swim Team Affairs is responsible for all swim and dive team related activities and is the Jonestown Swim Club, Inc., representative to the Winston-Salem Association of Swim Clubs. He is responsible for supervising the swim and dive team coaching staff. He shall be responsible for hiring the swim and dive team staff, subject to approval by the Board of Directors.

Section 11. Webmaster

The Webmaster shall be responsible for creating and maintaining an up-to-date webpage for Jonestown Swim Club. He will be responsible for sending out messages to all members to keep them informed of pool activities and events. He will work in conjunction with the VP – WSASC Representative and Swim Team Affairs to provide on-going, up-to-date information to members of our swim team.

ARTICLE VI MEMBERSHIP

Section 1. Definition

Membership in the Corporation shall consist of family units, which shall be defined by the Board of Directors in the Pool Rules and Regulations. Membership in the Corporation is valid upon payment of fees and dues and approval by the Board of Directors.

Section 2. Classifications

- 2.1 Members are persons whose dues and fees are paid in full and who hold a share of stock in the Corporation. All rights and privileges are extended to the family unit.
- 2.2 Associate Members are persons whose dues and fees are paid in full, but do not hold a share of stock in the Corporation. An Associate Membership is valid for one swim season with no privileges, rights, etc. carried over into the next year. Associate membership has all privileges of a membership except voting rights.
- 2.3 Inactive members are members or associate members whose dues and/or assessments are not current. All membership privileges are suspended for the entire family unit. Inactive members may achieve member or associate member status in any successive year after an inactive year by paying to the Corporation the current year's dues, plus assessments, if a membership is available.

Section 3. Membership Limit

The maximum number of members and associate members in the Corporation shall be established at 250.

Section 4. Member and Associate Member Responsibility for Themselves and Guests

Members and associate members shall be responsible for the payment of all charges or liabilities that may be imposed upon or incurred by members of their family to whom the privileges of the Corporation shall have been extended; and for all charges and liabilities imposed upon or incurred by their guest.

Section 5. Rules and Regulations

- 5.1 All members and associate members of the Corporation shall be accorded the facilities of the Corporation subject to the Pool Rules and Regulations, which shall be posted at all times in prominent places in the facilities of the Corporation.
- 5.2 The Board of Directors shall fix the terms and conditions upon which guests of members may use the facilities of the Corporation.
- 5.3 Members and associate members shall promptly pay all replacement costs for any property of the Corporation broken or damaged by a member, associate member, or his guest.
- 5.4 The Corporation assumes no responsibility and members, associate members, or their guests can have no claim against the Corporation for the property of members, associate members, or any guest which may be brought into or left in the Corporation buildings or on the Corporation's grounds or facilities.
- 5.5 Any person under the influence of intoxicants will not be permitted on the grounds of the Corporation, or have use of its facilities.
- 5.6 The Corporation assumes no responsibility, and members, associate members, or their guests can have no claim against the Corporation for accident or injury to any person or their property.
- 5.7 All members, associate members, and guests shall be subject to Pool Rules and Regulations approved by the Board of Directors, which are to be considered part of these By-Laws.
- 5.8 No member or associate member family of the Corporation may use the Corporation facilities until all annual dues are paid in full, and any family failing to pay the annual dues shall forfeit their rights and privileges to use the Corporation facilities, and shall be considered inactive members and put on the inactive list.
- 5.9 No dues nor part thereof shall be refunded in the event pool operations are required to be suspended for any period of time

Section 6. Suspension and Expulsion

- 6.1 Any member or associate member may, for just cause and after having been given an opportunity for a hearing before the Board of Directors, be suspended for a period of not exceeding three months, by a two-thirds vote of the members of the Board of Directors; or be expelled by a three-fourths vote of the entire Board of Directors.
- 6.2 Cause for suspension or expulsion shall, in general, consist of violation of these By-Laws or of conduct unbecoming a lady or gentleman.
- 6.3 The Board of directors may delegate to the VP-Pool Management, or to a responsible employee of the Corporation, the power to suspend an individual's pool privileges for the violation of the Rules and Regulations of the Corporation, provided such suspension does not exceed a period of seven days. A written report of such suspension, containing reasons therefore, shall be submitted to the President within forty-eight hours after such action has been taken.

Section 7. Purchase of Stock

Stock may be purchased from the Corporation for market price as determined by the Board of Directors. The par value remains at \$200. All purchases of stock are subject to the approval by the Board. Members have the right to offer shares of stock for purchase. The Board of Directors has the right to open up the sale of up to 50 shares of stock each year.

Section 8. Transfer of Shares of Stock by Stockholder

In order for a member to transfer his membership to another person he must:

1. Submit a transfer application form
2. Submit his stock certificate or provide indemnification notification.
3. Submit a \$150 transfer fee
4. Be approved by the Board of Directors
5. Be issued a new stock certificate

Upon transfer of stock, the seller's certificate will be retired. Transfer of stock within an immediate family shall have no transfer fee.

Section 9. Redemption of Certificates

- 1.1 The certificates may be redeemed by the Corporation, only after the annual reduction (\$4,500.00) minimum in principal of the outstanding notes has been paid and sufficient funds, excluding receipts from new indebtedness have been collected to cover interest and operating budget for the current season.

- 1.2 If any membership is terminated by expulsion as herein provided, the certificate of membership may be immediately redeemed for the original purchase price, exclusive of transfer fee, whether or not the \$4,500 has been paid. Dues for the remainder of the season are forfeited.

Section 10. Annual Dues

The Board of Directors shall establish dues for memberships for the ensuing year sufficient to provide for the necessary operating expenses of the Corporation and the proper maintenance and improvement of its property. New membership dues shall be prorated in accordance with the rules and regulations. Members may vote to have the dues for the current board waived. All dues must be paid in full by the opening date of the pool each season.

Section 11. Limitations on Purchase of Certificates by Corporation

Under cessation of membership for any cause by a member of this Corporation, all indebtedness owing to the Corporation by a member shall be a lien upon and charged against the par value of his certificate, and the certificate may be taken over by the Corporation to satisfy such indebtedness. In the event the Corporation is unable to obtain physical possession of the certificate of membership issued such member, it may be canceled on the books of the Corporation after ten days notice by registered mail, mailed to member's last known address, and a new certificate issued in place thereof to a newly elected member upon payment by said new member of the amounts hereinabove set forth. In case of the enforcement of a lien, as hereinabove provided, neither the signature of the holder of such certificate nor the delivery of the certificate shall be a prerequisite to perfect the transfer to the Corporation or to a new member and the V.P-Membership of the Corporation is hereby authorized, as attorney of the holder of such certificate, to make such transfer.

Every certificate of membership issued is expressly subject to the terms and conditions of this section.

ARTICLE VII MEETINGS

Section 1. Annual Meeting

The annual meeting of the Corporation shall be held in August, at such place and at such time as the Board of Directors may determine. The meeting shall be conducted according to the most recent, revised issue of Robert's Rules of Order.

The annual meeting shall be for the purpose of electing Directors, presenting committee reports, and for the transaction of such other business as may be indicated in the notice of such meeting, or for such other business as may be regularly brought before it.

Section 2. Special Meetings

Special meetings of the Corporation may be called by the Board of Directors. Also upon written request of ten percent of the members and/or associate members to the Secretary stating the purpose thereof, a special meeting shall be called by the Secretary within thirty days after receipt of such request.

Section 3. Meetings of the Board of Directors

- 3.1 The Board of Directors shall hold its first meeting following the Annual Meeting of the members and associate members each year as promptly as possible.
- 3.2 The Board of Directors may, by resolution, establish from time to time, a schedule of its meetings and rules for the conduct thereof.
- 3.3 Special meetings of the Board of Directors may be called by the president; and shall be called by the secretary upon request of four members of the Board
- 3.4 Each member of the Board shall be notified at least three days prior to each meeting of the Board
- 3.5 The Board of Directors shall meet at such times they may deem necessary.
- 3.6 Six members of the Board shall constitute a quorum.
- 3.7 Board meetings do not have to be conducted according to Robert's Rules of Order.

Section 4. Notices of Meetings

- 4.1 Notice of the annual meeting shall be given by mail to all members and associate members at least ten days prior thereto. The notice of the annual meeting shall include the names of the candidates nominated by the Nominating Committee. Additional nominations may be submitted to the Nominating Committee prior to the annual meeting.

4.2 Special meetings of the Corporation may be held, as herein provided, on ten days notice by mail to all members and associate members. The notice shall state the purpose for which the meeting is called, and no other business shall be transacted thereat.

Section 5. Mailing of Notice to Last Address

Whenever in these By-Laws notice to members and associate members is required, the mailing of such notices to the last known address of the members and associate members shall constitute notice.

Section 6. Quorum

Ten percent of members, present in person, shall constitute a quorum at all general membership meetings of the Corporation.

Section 7. Voting

Any member shall be entitled to vote at meetings of the Corporation, and only one vote is allowed for each membership.

ARTICLE VIII MISCELLANEOUS

Section 1. Indemnification of Directors

1.1 Each person who acts as a Director or officer of this Corporation shall be indemnified by the Corporation against expenses actually incurred by him in connection with the defense of any action, suit, or proceeding in which he is made a party by reason of his being or having been a Director or Officer of the Corporation, except in relation to matters as to which he shall be adjudged in such action suit, proceeding to be liable for gross negligence or willful misconduct.

1.2 The right to indemnification provided herein shall insure to each Director and Officer referred to in 1.1 whether or not he is such Director or Officer at the time such costs or expenses are imposed or incurred; and, in the event of his death, shall extend to his legal representatives.

Section 2. Interpretation of By-Laws

Any question as to the meaning for proper interpretation of any of the provisions of these By-Laws shall be determined by the Board of Directors.

Section 3. Right to Amend By-Laws

These By-Laws may be amended by two-thirds vote of members present at a membership meeting, a quorum being present, provided the call for such meeting shall contain a statement that By-Laws or amendments will be voted upon at such meeting.

Section 4. Conformity to Laws

All rules and By-Laws pertaining to the operation of the Corporation shall conform to all safety, health, and other pertinent requirements to the purposes of this Corporation and of the Federal, State, or Local governments.

Section 5. Taxes

All fees and other charges mentioned in these By-Laws are exclusive of taxes, in any, imposed by the Federal, State, or other governmental body or agency.

Section 6. Payment on Dissolution

In the event of the dissolution of the Corporation as provided for under the General Statutes of North Carolina, in any manner and for any cause, and in no other event, upon the effective date of dissolution of the Corporation, Certificates of Membership shall be a lien upon the proceeds of the sale of the property of the Corporation after the payment of all Corporate debts, dues, and obligations owed to the Corporation by the holder of said Certificates.

Any and all surplus moneys then remaining in the treasury of the Corporations shall be paid and distributed as provided in Article VIII of the Articles of Incorporation.