

BY-LAWS OF ROYCEFIELD SWIM CLUB A NEW JERSEY CORPORATION

Article I – Name

The name of the club shall be Roycefield Swim Club, Inc., hereinafter referred to as the "Club."

Article II – Objective

The purpose for which this Club is formed is to promote the health and general welfare of its Owners and in pursuance thereof to construct, own and operate a swimming pool and other recreational facilities, together with such incidental objects as are appropriate in the conduct of its activities, in the Township of Hillsborough, County of Somerset, State of New Jersey, for the exclusive use of its Owners.

Article III – Government

Section 1. Board of Trustees

The preferred number of Trustees making up the Board of Trustees ("Board" or "Trustees), who manage the Club, is between nine (9) and fifteen (15). Prior to each annual meeting (see Article IV, Section 1), the Board of Trustees shall determine the number of Trustees for the following year.

Section 2. Election of the Board of Trustees

At each annual meeting of the Owners of the Club, Trustees shall be elected from among the Owners for a term of three (3) years or until their successors shall have been chosen. To ensure orderly management of the Club, the Board shall try to renew one-third (1/3) of the Trustees each year. A Trustee shall be limited to three (3) consecutive terms unless an insufficient number of Owners can be found to fill the posts necessary for operation of the Club.

Section 3. Requirement for Election to the Board of Trustees

Any member of the Board who ceases to be an Owner in the Club shall automatically cease to be a member of the Board of Trustees.

Section 4. Operating Year

This corporation shall operate on a calendar year basis.

Article IV – Board of Trustees

Section 1. Responsibilities of the Board

Consistent with these By-Laws, the Board of Trustees shall:

- a. Attend regularly scheduled meetings of the Board.
- b. Transact all Club business.
- c. Make and amend rules for the regulation of the use of the Club property.
- d. Appoint and remove such officers, clerks, agents, servants or employees as it may

- deem necessary and may fix their duties and compensation.
- e. Set the value of ownership in the Club.
 - f. Offer Ownership to the Club.
 - g. Offer Membership to the Club.
 - h. Set the Annual Maintenance Fee for all Owners.
 - i. Set the fees for all non-owner members.
 - j. Set the limits on non-owner members.
 - k. Fix, impose and remit penalties for violation of these By-Laws and the rules of the Club.
 - l. Elect from the Board of Trustees such officers of the Club as these By-Laws direct.
 - m. If necessary, create the offices of assistant secretary and of assistant treasurer and appoint one or more persons, who need not be Owners or Members of the Club, to such offices.
 - n. Constitute and appoint committees and define the powers and duties of same.
 - o. Fill any vacancy in the membership of the Board of Trustees to serve until the next annual meeting of the Owners.
 - p. Propose rules of conduct in connection with the operation of the Club.

Section 2. Funds Management

The Board of Trustees shall designate the bank or banks in which the funds of the Club shall be deposited and determine the manner in which checks, drafts and other instruments for the payment of funds of the Club shall be executed. The President and Treasurer shall have signing authority on all bank accounts. Any loan indebtedness incurred by the Club shall require approval by a majority of the Board.

Section 3. Audit of Funds Management

The Board of Trustees shall, at its discretion, appoint an auditing committee, which shall audit the books of the Club, and the report of the auditing committee shall be made available at the Annual Meeting. The Board of Trustees, at its discretion, shall also have the authority to appoint an outside auditor.

Section 4. Meetings of the Board of Trustees

- a. The Board of Trustees shall meet at least once a month during the months of March, April, May, June, July, August and September and at such other times and intervals as it may deem necessary.
- b. The Board of Trustees may, by resolution, establish from time to time a schedule of its meeting and rules for conduct thereof.
- c. Special Meetings of the Board of Trustees may be called by the President and shall be called by the Secretary upon request of two members of the Board.
- d. Greater than fifty percent (50%) Board attendance shall constitute a quorum of the Board.
- e. Any member of the Board of Trustees may be removed by a three-fourths ($\frac{3}{4}$) vote of the total Board of Trustees.
- f. Any Trustee may vote in person or may be represented by proxy at either an Annual Meeting or Special Meeting called in accordance with these By-Laws. Trustees may vote only in person at regular meetings of the Board of Trustees.
- g. Members of the Board, for full and active participation at meetings, shall receive a

credit in the next operating year of \$100 towards the Annual Maintenance Fees and a credit of the Work Bond assessment. In addition, Board Members receive free guests, free parties, and free group swim lessons.

- h. At the discretion of the Board, the Pool Manager may attend any meeting in a non-voting capacity.

Section 5. Board Ethics

- a. Conflicts of Interest: Whenever an officer has a financial or personal interest in any matter coming before the Board, the board shall ensure that:
 - 1) The interest of the member is fully disclosed to the Board and the general membership, whether it is personal, financial, political, or a professional interest; it must be disclosed in good faith.
 - 2) No interested Board member may vote or lobby on the matter or be counted in determining the existence of a quorum at the meeting of a Board at which the matter is voted on.
 - 3) Any transaction in which a Board member has a financial or personal interest shall be duly approved by the Board or the general membership which have no interest or connection, only the best interests of the Club, in accordance with these By-Laws.
 - 4) The minutes of meetings at which such vote with a possible conflict of interest shall record the disclosure, abstention, and rationale for approval.
- b. Confidentiality: Discussions among Board members and in Board correspondence, especially about Human Resources and Financial Contracts, should be considered confidential. As such, it is the Board members responsibility to not discuss such matters with anyone outside of the Board.
- c. Cause for Removal from the Board of Trustees: Violation of this Section shall constitute "cause" for removal from the Board of Trustees.

Article V – Officers

Section 1. The Officers

The Officers of the Club shall be a President, Vice President Administration, Vice President Pool and Grounds, Secretary, Treasurer and, if deemed necessary by the Board of Trustees, assistant secretary and/or assistant treasurer.

The President, Vice President(s), Secretary and Treasurer shall be elected annually by the Board of Trustees from among its members, and shall hold office until the end of the first meeting of the Board of Trustees following the Annual Meeting of the Club.

The assistant secretary and/or assistant treasurer shall be appointed by the Board of Trustees and shall hold office at its pleasure.

Section 2. The President

The President shall preside at the meetings of the Club and the Board of Trustees. He/she shall be the administrator of the Club. He/she shall appoint, subject to the confirmation of the Board of Trustees, all standing committees except as otherwise specified by these By-Laws, designating the chairperson thereof, and all special

committees as may be directed. He/she shall be ex-officio, a member of all committees.

Section 3. The Vice President Administration

The Vice President Administration in the absence or disability of the President shall act in his/her stead. He/she shall, in consultation with the President, attend to the management and daily operation of the Club. He/she may be ex-officio, a member of all committees.

Section 4. The Vice President Pool and Grounds

The Vice President Pool and Grounds in the absence or disability of the President and Vice President Administration, shall act for the President. He/she shall, in consultation with the President, attend to the operation and maintenance of the physical plant and properties of the Club and shall be Chairperson of the Pool and Grounds Committee. (In the absence of a Vice President Pool and Grounds, the duties may be shared among the Pool and Grounds Committee members.)

Section 5. The Secretary

The Secretary shall send out the notice of the meetings of the Club and of the Board, keep the minutes and attend to the correspondence pertaining to this office. He/she shall perform such other duties pertaining to this office as may be asked of the Secretary by the Board.

Section 6. The Treasurer

The Treasurer shall attend to the keeping of the financial accounts of the Club, collecting its revenues, and paying its bills as approved by the Board of Trustees or other agency authorized by the Board of Trustees to incur them.

He/she shall deposit funds of the Club received in the name of the Club, in such depository as may be authorized by the Board. He/she shall be Chairperson of the Finance Committee and shall perform such other duties pertaining to this office as may be asked by the Board. The Treasurer will steward the status of the operating budget to the Board at its regular meetings and to the Owners at the Annual Meeting.

Section 7. Other Appointed Officers

The assistant secretary and/or assistant treasurer shall perform such duties as may be assigned them by the Secretary or Treasurer, respectively, or by the Board of Trustees.

Article VI – Ownership/Membership

Section 1. Limitation on Ownership

The number of ownerships of the club shall be limited to 199.

Section 2. Owner

Definition: An Owner ("Owner") shall consist of any person who purchases a share in the Club. The Owner shall include his/her husband/wife, domestic partners, or head of

family, and all dependent non-married children living within the same residence.
Rights of Owner: Owners shall elect the Board of Trustees at the Annual Meeting.

Section 3. Member(s)

Definition: A Member is not an Owner, as they do not purchase a share in the Club.
Subcategories of memberships shall be defined by the Board of Trustees.

Section 4. Membership Chair

- a. The Board of Trustees shall elect one of its members Chairperson of the Membership Committee and shall appoint additional members at his/her discretion to form the Membership Committee. It shall be the duty of this Committee to collect applications to the Club and to maintain the waiting list of applicants.
- b. Applicants are placed on the waiting list based on the chronological order of receipt of their application and application fee based on postmark.
- c. Ownership openings are filled from the waiting list as Owners resign.

Section 5. Resigning Ownership

Any member of the Club may resign at any time subject to the provisions of Article VII, Section 3, and there shall be no refund of the current year's Maintenance Fees.

The Board of Trustees, at its discretion, may reinstate an Owner who has resigned (subject to the membership limitation as set forth in Article VI, Section 1), without payment of an application fee, provided such ex-Owner was in good standing at the time of resignation.

Section 6. Suspension

- a. Any Owner or member of the Club may, for cause, and after having been given an opportunity for a hearing, be suspended for a period not exceeding three (3) months by a two-thirds (2/3) vote of the Board of Trustees present at any meeting thereof, or expelled by a three-fourths (3/4) vote of the entire Board. Cause for suspension or expulsion shall, in general, consist of, but not be limited to, violation of these By-Laws or of the Rules of the Club, or of unbecoming conduct.
- b. The Board of Trustees may delegate to the President, Vice President of Administration, Vice President Pools and Grounds, or to any responsible employee of the Club, the power to suspend pool privileges for the violation of Club Rules and Regulations provided such suspension does not exceed seven (7) days. A written report of such suspension, containing reasons therefore, shall be submitted to the President within twenty-four (24) hours.

Section 7. Privileges and Responsibilities

All Members of the Club shall be accorded the facilities of the Club subject to the Club Rules and Regulations.

- a. The Board of Trustees, at its discretion, may extend the privileges of the Club to any person or persons.
- b. The Board of Trustees shall by rule, fix the terms and conditions upon which guests of Owners or members may use the facilities of the Club.
- c. Any property of the Club broken or damaged by any Owner/member or his/her

- guest shall be promptly paid for by such Owner/member.
- d. The Club assumes no responsibility for the loss of, or damage to, the property of any Owner/member or guest.
 - e. The Club assumes no responsibility for any accident or injury to any person or his/her personal property, or of their guests.

Article VII – Ownership Share and Maintenance Fees

Section 1. Ownership Share

As a condition of Ownership, all Owners are required to purchase an Ownership Share not to exceed \$1000.00.

Section 2. Non-transferable

Ownership is not transferable. Except for payment as hereinafter provided, each Ownership Share shall become null and void upon the date that the Owner ceases to be a member for any cause. The time and manner in which the Owner shall be paid the value of his/her Ownership Share, subject to the provisions of Article VII, Section 4 hereof, shall be determined by the Board of Trustees, provided, however, that each Ownership Share shall be redeemed in the chronological order in which the ownership terminates, and as soon as payment is received from an incoming Owner.

Section 3. Resigning Ownership

Any Owner intending to resign must submit his/her resignation in writing to the Club by the first of March. Failure to give notice by this date will be taken as an indication of continuance, and Maintenance Fees due, if not paid, may be deducted from that Owner's Ownership Share if his ownership cannot be filled prior to the opening of the Club for the season.

Section 4. Other Indebtedness

Upon cessation of ownership for any cause, all indebtedness owing to the Club shall be a lien upon and charged against the Ownership Share of such Owner, and the Ownership Share may be taken over by the Club to satisfy such indebtedness.

The Ownership Share will be cancelled on the books of the Club, and a new Ownership Share issued in place thereof to a new Owner on payment by him/her to the Club of the then value of the Ownership Share. Every Ownership Share issued is expressly subject to the provisions of this section.

Section 5. Maintenance Fees.

- a. The Board of Trustees, at the Annual Meeting of the Owners, shall establish the annual maintenance fee for the ensuing year.
- b. Maintenance fees shall be sufficient to provide for the necessary running expenses of the Club and proper maintenance and improvement of its property, and such fees shall be due each year, 30 days from the date of the invoice.
- c. No Maintenance Fees, or part thereof, shall be refunded in the event that pool operations are required to be suspended for any period.

Section 6. Termination for Non-Payment of Maintenance Fees

- a. Any Owner failing to pay Maintenance Fees by the invoice due date; will be considered to have resigned. The Membership Chair will confirm termination in writing to the Owner prior to offering Ownership to another applicant.
- b. Any Owner/Member failing to pay indebtedness, other than Maintenance Fees, within thirty (30) days following the date on which a statement for this indebtedness shall have been sent by the Treasurer, shall be notified that, if such indebtedness shall not be paid within fifteen (15) days thereafter, the delinquent may be suspended by the Board of Trustees. Any person thus suspended, shall immediately be notified in writing by the Secretary of this suspension and if the indebtedness shall not be paid within fifteen (15) days after sending of such notice, he/she cease to be an Owner/Member of the Club.

Section 7.

Owners shall be responsible for the payment of all charges or liabilities that may be imposed upon, or incurred by, Owners or their family to whom the privileges of the Club shall be extended, and for all charges and liabilities imposed upon, or incurred by their guests.

Section 8.

All fees and other charges mentioned herein are exclusive of taxes imposed by the Federal, State and other governmental bodies and agencies.

Article VIII – Dissolution of the Club

In the event of the dissolution of the Club in any manner or for any cause, and in no other event, upon the effective date of the dissolution of the Club, Ownership Shares shall be a lien upon the proceeds of the sale of the property of the Club after the payment of its just debts and obligations to the extent of the value of the Ownership Shares as fixed by these By-Laws, subject to set-off of all debts, dues and obligations owed by the Owner. After payment of all Ownership Shares outstanding upon the effective date of the dissolution of the Club, the surplus remaining shall be paid and distributed pro-rata among the then Owners of the Club.

Article IX – Meetings

Section 1. Annual Meeting

- a. The Annual Meeting of the Club shall be held during the month of January in each year, at such place and time as the Board of Trustees may determine.
- b. The Annual Meeting shall be for the purpose of electing Trustees, presenting and approving the annual budget, presenting committee reports, and for the transaction of such other business as may be indicated in the notice of the meeting, or as may be brought before it.

Section 2. Special Meetings

The Board of Trustees may call Special Meetings of the Club. Also, upon a written request by thirty- five (35) Owners to the Secretary, stating the purpose therefore, a Special Meeting shall be called by the Secretary within thirty (30) days.

Section 3. Notice of Annual Meeting

- a. Notice of the Annual Meeting shall be given by electronic means or, where unavailable, mail to the Members at least twenty (20) days prior thereto.
- b. Special Meetings of the Club may be held on five (5) days notice by mail to all Owners. This notice shall state the purpose for which the Special Meeting is called, and no other business shall be transacted thereat.

Section 4. Owner Addresses

Whenever notice to Owners is required, the mailing of such notices to the last known address of the Owner shall constitute notice. Owners should immediately notify the Club of any change in address to avoid delays in receiving any correspondence from the Club.

Section 5. Voting Rights

Only Owners shall be entitled to vote at Annual or Special Meetings of the Club. Each Owner shall be entitled to one vote only. Any Owner may be represented by proxy if unable to attend in person. Voting may be by viva voce; however, twenty (20) members, including those represented by proxy, shall have the right to demand voting by roll call.

Article X – Nominations

Section 1.

The Nominating Committee shall consist of the Board Members in the last year of their three (3) year term. The Nominating Committee shall nominate candidates among the current Owners, with the consent of the nominee, for the vacancies on the Board of Trustees to be filled at the Annual Meeting.

Any Owner may offer his/her name to the Board or Nominating Committee to fill any opening.

Section 2.

Independent nominations of candidates for elections at the Annual Meeting may be made, with the consent of the nominee, and communicated to the Secretary before the Annual Meeting. .

Section 3.

Nominations may be made from the floor at the Annual Meeting to fill vacancies, whenever sufficient candidates have not been nominated by the Nominating Committee

Article XI – Committees

Section 1. Standing Committees

The standing committees shall be Pool and Grounds, Social, Human Resources, Membership, Publicity, Finance, Rules, Nominating, Auditing and Swim Team Committee.

The duties and powers assigned by these By-Laws to the Standing Committee shall be subject to the authority of the Board of Trustees.

Section 2. Pool and Grounds Committee

The Pool and Grounds Committee shall exercise supervision over the pool and grounds, the improvement and maintenance of the pool, building, operating equipment and grounds.

Section 3. Social Committee

The Social Committee shall prepare the program of entertainment, and coordinate supervision over same.

Section 4. Human Resources Committee

The Human Resources Committee shall be made up of the Board of Trustees members with hiring authority, and chaired by the Vice President of Administration.

Section 5. Membership Committee

The Membership Committee, in accordance with Article VI, Section 4, shall investigate and report to the Board of Trustees upon the eligibility of applicants for membership.

Section 6. Publicity Committee

The Publicity Committee shall attend to the publication (e.g., newsletters, web sites, etc.) of the affairs of the Club, which are of general interest.

Section 7. Finance Committee

The Finance Committee shall prepare the annual budget for submission to, and approval by, the Board of Trustees.

Section 8. Nominating Committee

The Nominating Committee, in accordance with Article X, Section 2, shall nominate candidates for the Board of Trustees for the succeeding year.

Section 9. Swim Team Committee

The Swim Committee shall bring appropriate business from the swim team and parent booster club before the Board of Trustees.

Article XII – Indemnification

Section 1. Indemnification of the Board of Trustees

- a. Each person who acts as a Trustee or Officer of the Club shall be indemnified by the Club against expenses actually and necessarily incurred by him in connection with the defense of any action, suit or proceeding in which he/she is made a party by reason of being or having been a Trustee or Officer of the Club, except in those matters in which Roycefield Swim Club shall bring action against the Trustee or Officer.

- b. The right of indemnification provided herein shall inure to each Trustee referred to in Article XII, Section 1 (a), whether or not he/she is such Trustee or Officer at the time such costs or expenses are imposed or incurred, and in the event of his/her death shall extend to his/her legal representatives.

Article XIII – Miscellaneous

Section 1. Interpretation

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

Section 2. Amending By-Laws

These By-Laws may be amended by a two-thirds (2/3) vote of the total Active Owners present in person or represented by proxy at the annual meeting of the Club as referenced in Article IX, Section 1a.

Section 3. Rules of Conduct

All meetings of the membership and Board of Trustees shall be conducted in accordance with Roberts Rules of Order.

Revised January 2014