

TENAFLY SWIM CLUB

A NON-PROFIT CORPORATION

Incorporated under the
Non-Pecuniary Corporation Laws
of the State of New Jersey

BY-LAWS

ADOPTED OCTOBER 7, 1960
AMENDED FEBRUARY 17, 1977
AMENDED JANUARY, 1980
AMENDED FEBRUARY 26, 2002
AMENDED FEBRUARY 28, 2008

FOREWORD

The founders of the Tenafly Swim Club incorporated it with firm idea that in providing a swimming pool and adequate facilities the residents of the Borough of Tenafly could enjoy a recreational activity on a cooperative basis.

Membership in it shall be limited to residents of the Borough and it shall be operated in a manner wholly consistent with the best interests of the municipality.

Therefore these by-laws now set forth the rules and regulations which are to govern the operation of the Tenafly Swim Club. They are to be construed and interpreted only in such manner as will further the purpose of the Club.

BY-LAWS

Article I. ADMISSION OF MEMBERS

Section 1. Only a person who is at least eighteen years of age and of good character, who actually resides in the Borough of Tenafly may be admitted to membership in the Club. An exception as to age may be made in accordance with the provisions wherein a person is admitted to membership pursuant to either Section 3 or Section 4 of Article IV of the By-Laws.

Section 2. The Club shall have only one class 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. No membership shall be held in any form of joint ownership.

Section 3. The Board of Trustees shall appoint from its members a Membership Committee. It shall be the duty of such Committee to make an investigation of the qualifications of all applicants. This Committee, after such investigation, shall then make a recommendation, favorable or otherwise to the Board of Trustees with respect to each application. Members shall be elected only by the Board at its regular meetings. An affirmative vote of two-thirds of those Trustees present shall be required for admission.

Section 4. The Board of Trustees shall have full power to determine the number of members in the Club, subject to the terms of the Lease with the Borough of Tenafly. If the Club's membership is at a determined maximum, all applications shall be held in abeyance on a waiting list in numerical order of the date of application.

Section 5. Every member admitted to membership shall pay to the Club the capital value of a membership. Such capital value shall be the same for all memberships, and shall be the sum of the membership payment by the first Club member plus the per-member amounts of all assessments from the inception of the Club. The capital value of membership is:

Prior to February 28, 2008	\$425.00
Effective February 28, 2008	\$650.00

Section 6. Each member admitted to membership under the terms of this Article shall be issued a Certificate of Membership signed by the President and duly attested by the Secretary stating the amount of the capital value of such membership and a statement of Article II. RIGHTS AND DUTIES OF MEMBERS, together with any other pertinent information regarding membership.

Section 7. This Article shall be deemed complete. No other qualification or condition precedent shall be required for admission to the Club.

Article II. RIGHTS AND DUTIES OF MEMBERS

Section 1. Except as provided by Section 3 and Section 4 of Article III, each member shall be entitled to one vote on each matter submitted to a vote of the members.

Section 2. Each member, together with his spouse and unmarried children who reside with him in his home, shall be entitled to full use of the Club's facilities. The Board of Trustees shall have full 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 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 members, regardless of length of membership.

Section 4. Each member shall pay promptly all dues and assessments which may be imposed upon him, in accordance with the requirements of Article IX of these By-Laws.

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

Article III. TERMINATION OF MEMBERSHIP

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

Section 2. A member may voluntarily resign from the Club at any time, by submitting a written resignation to the Secretary. Such resignation shall not, however, relieve the member so resigning of any obligation to pay dues or assessments imposed prior to the submission of his resignation.

Section 3. Death of a member shall automatically terminate his membership. If such member should die leaving a spouse and/or children surviving they shall retain membership without need for further application.

Section 4. In the event a member shall permanently remove his residence from the Borough of Tenafly such removal shall automatically terminate his membership. However, a member whose membership is so terminated may transfer his membership to any descendant provided that such transferee will continue to meet the qualifications for membership (other than age) set forth in Section 1 of Article I. If such transferee is a minor, his voting rights shall be suspended until he attains the age of eighteen years, but he shall enjoy all other rights of members conditioned upon his discharge of membership duties.

Section 5. (a) Any member may be expelled from the Club, or suspended for a period not exceeding the calendar year, for good cause shown, after an appropriate hearing and after a two-thirds vote of those Trustees present at any regular meeting of the Board. Reasons for expulsion or suspension shall include, but not be limited to delinquent payment of dues and assessments, theft of any property from the Club's premises, habitual intoxication, abuse of any person or property associated with the Club, either by the member of any person or guest for whom he is responsible, a continued disregard of the Club's rules and regulations and the conviction of any felony in any jurisdiction. A person entitled to use the Club's facilities under Section 2 of Article II may similarly be expelled or suspended, but such expulsion or suspension shall not affect the other rights of the member whose

membership permitted such person's right of use of the Club's facilities.

(b) The Board of Trustees shall serve written notification upon the accused member setting forth the time, date and place set for hearing of charges and shall further set forth in detail the nature of the charges being made. Such notice shall be served either in person or by certified mail, return receipt requested, no later than one week prior to the date set for hearing. Such accused member shall have the right to be represented by counsel or other person of his choice to represent him with respect thereto.

Section 6. A person whose membership is terminated for any reason, and is not transferred pursuant to either Section 3 or Section 4 of this Article, shall be entitled to receive from the Club the capital value of a membership out of a reserve fund designated for this purpose. If, at the time such an application is made, there are no reserve funds available, the Club shall be obligated to make such payments to former members in chronological order of their membership termination as soon as such reserve fund becomes available or replacement memberships are obtained. The Board of Trustees may in its discretion provide additional reserve funds either from new members who are not replacements or from any other receipts other than from annual dues for the operation of the Club. In addition, the Board of Trustees may in its discretion provide such funds by a special assessment against the members, but during any calendar year the aggregate of these special assessments shall not exceed Ten Dollars per member. Withdrawing members shall have neither the right to sue nor the right to exercise any other remedy otherwise available to creditors.

Section 7. For Bonds issues on or after February 26, 2002: Any Bondholder who fails to redeem his/her Bond within a period of three (3) consecutive calendar years after ceasing to pay annual membership dues shall be deemed to have abandoned his/her Bond. Upon abandonment (the expiration of said three (3) year period), the funds held by the Tenafly Swim Club, Inc., for the redemption of said Bond shall be deemed forfeited by the Bondholder and shall be paid over to the general operating account of the Tenafly Swim Club, Inc., without any further recourse or claim by the Bondholder.

Article IV. MEETINGS OF MEMBERS

Section 1. All meetings of the members of the Tenafly Swim Club shall be held within the Borough of Tenafly, New Jersey.

Section 2. Written notice of all meetings of the members shall be sent by mail or served by the Secretary not less than thirty days prior to the time and date set for 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 members. The deposit in the United States mails, with postage prepaid, of a notice to the last address appearing on the records of the Club shall constitute full compliance with this Section.

Section 3. At any meetings of the members, a member may vote either in person or by proxy. However, only a member of the Club, in good standing, may act as a member's proxy. Further, no proxy shall be valid unless executed in writing and filed with the Secretary no later than One Day before the meeting. Such 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 than the one designated. There shall be no solicitation of proxies by Trustees or Officers other than in their capacity as individual members.

Section 4. Twenty per-cent of the membership of the Club shall constitute a quorum at any meeting. If a quorum shall not be present at a meeting of the members, then a majority of those members present (either in person or by proxy) may adjourn the meeting from time to time without further notice.

Section 5. An annual meeting of the members shall be held in the month of February in each year commencing the year 1962 for the purpose of electing Trustees and for the transaction of any other business which may come before the meeting.

Section 6. Special meetings of the members may be called at any time by the President or Acting President in the event of the absence of the President, or by a majority of the Board of Trustees, or by the written request of not less than ten per-cent of the members. No business other than that described in the notice required by Section 2 of this Article shall come before a special meeting.

Section 7. Except as otherwise provided by law or by these By-Laws, all matters voted upon by the members shall be decided by the majority vote.

Article V. BOARD OF TRUSTEES

Section 1. All powers of the Club as a corporation, except those specifically granted or reserved to the members shall be vested in the Trustees, all of whom must be Club members in good standing. The affairs of the Club shall be managed by a Board of Trustees composed of 15 persons. At the time of the 1962 annual meeting, the Board of Trustees shall be reduced to 13 persons; at the time of the 1963 annual meeting, the said Board shall be reduced to 11 persons; and at the time of the 1964 annual meeting, said Board shall be reduced to 9 persons; thereafter said Board shall continue with a full membership of 9 persons.

Section 2. The terms of 5 of the original Trustees named in the Certificate of Incorporation shall end at the conclusion of the 1962 annual meeting of the members; the terms of another five shall end at the conclusion of the 1963 annual meeting; and the terms of the remaining five original trustees shall end at the conclusion of the 1964 meeting. Commencing in 1962 three Trustees shall be elected at each annual meeting of the members, and thereafter all Trustees shall be elected for a term of three years. Nothing in this Section shall be construed to permit the election of a Trustee to succeed himself, except as hereinafter provided in Section 5 of this Article.

Section 3. In the election of Trustees, each member shall have as many votes as there are vacancies to be filled upon the Board of Trustees. A member may cast one vote and no more for each candidate he may desire to support. After the closing of nominations for such office, ballots shall be distributed and collected by a committee of three Tellers, which committee shall be appointed by the Board of Trustees. The candidates receiving the greatest number of votes shall be declared elected to the vacancies.

Section 4. (a) A Trustee shall cease in such office upon the filing of his voluntary written resignation or upon the termination of his Club membership. Further, a Trustee may be removed from office by a two-thirds vote of the other Trustees for good cause shown, or by a two-thirds vote of all the members at a duly convened meeting. To be effective, a majority of the total membership shall be present at said meeting.

(b) The Board of Trustees shall serve written notification upon the accused Trustee setting forth the time, date and place set for hearing of charges and shall further set forth in detail the nature of the charges being made. Such notice shall be served either in person or by certified mail, return receipt requested, no later than one week prior to the date set for hearing. Such accused Trustee shall have the right to be represented by counsel or other person of his choice to represent him with respect thereto.

Section 5. Any vacancy which may occur before the expiration of the term of a Trustee shall be filled by a majority vote of the remaining Board of Trustees. A Trustee so elected shall serve for only the unexpired term of the fiscal year. A successor shall be elected by the membership at the next annual meeting. Nothing herein shall be construed to bar or prevent an appointed Trustee from being elected as a regular Trustee.

Article VI. MEETINGS OF THE BOARD OF TRUSTEES

Section 1. All meetings of the Board of Trustees shall be held within the Borough of Tenafly, New Jersey.

Section 2. The Board of Trustees shall fix by resolution the time and place of their meetings. No notice other than such a resolution shall be required; however, no more than seventy days shall ever intervene between meeting.

Section 3. Special meetings of the Board of Trustees may be called at any time by the President, Acting President, or by any three Trustees. Notice of such special meetings must be given not later than five days before the meeting, either in person, by telephone, or by mail. No business other than that communicated by the notice shall be considered at a special meeting. If, in the event an emergency situation should arise, an extra-ordinary special meeting may be called as heretofore stated in this Section at the earliest possible convenience for a quorum.

Section 4. More than one-half of all 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 with proper notice to absentee Trustees.

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

Article VII. COMMITTEES OF THE BOARD OF TRUSTEES

Section 1. At its regular annual meeting, the President shall appoint from among its members persons to serve on any committee which may be required by these By-Laws. Each appointed Committee shall elect its own officers.

Section 2. The Board of Trustees may at any time establish other Committees to which may be delegated authority in the management of the affairs of the Club. Members of such Committees may not be Trustees, however among the members of such Committees there shall be at least one Trustee. 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. All Committee assignments shall terminate no later than at the time of the next regular annual meeting of the Board of Trustees.

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

Article VIII. OFFICERS

Section 1. The terms of the original Officers named in Certificate of Incorporation shall end at the conclusion of the 1962 annual meeting of the members. Beginning at its 1962 annual meeting and at its subsequent annual meetings, the Board of Trustees shall elect from its members, a President, Vice President, Secretary, and Treasurer. Each officer shall serve for the ensuing fiscal year unless his officership is sooner terminated.

Section 2. (a) An officer shall lose office if at any time he ceases to be a Trustee or if he files with the Secretary his voluntary written resignation. The Board of Trustees may appoint to any vacant office a successor from among the incumbent Trustees, who shall serve for a period not extending beyond the next regular meeting.

(b) The Board of Trustees shall serve written notification upon the accused Trustee setting forth the time, date and place set for hearing of charges and shall further set forth in detail the nature of the charges being made. Such notice shall be served either in person or by certified mail, return receipt requested, no later than one week prior to the date set for hearing. Such accused Trustee shall have the right to be represented by counsel or other person of his choice to represent him with respect thereto.

Section 3. The President shall be the principal executive officer of the corporation. He shall preside at all meetings of the members. He shall be ex officio – a member of all committees appointed by the Board of Trustees. He shall supervise and control the business and affairs of the corporation and he 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 by custom, and he shall perform all duties ordinarily incident to his office. In the event a

majority of all Trustees including the presiding officer is not fully constituted on any action of the Board, then the President shall cast his vote to resolve the issue.

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 or 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 meetings of the members and of the Board of Trustees. He shall see that all notices are duly given in accordance with these by-laws or in accordance with law. He shall have custody of the corporate seal, 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 by law, by these by-laws, by the President, by the Board of Trustees, or by custom.

Section 6. The Treasurer shall have the custody of, and be responsible for, all corporate funds and securities. He shall deposit all receipts and disburse funds in accordance with the provisions of Article X. He shall maintain records of all accounts in accordance with an accounting system approved by a public accountant, selected by the Board of Trustees. He shall submit financial reports to the Board of Trustees at each regular meeting and, when requested, at special or extra-ordinary special meetings. He shall submit the corporate records to the public accountant on the third Wednesday in December in each year to permit a report of the annual audit at the annual meeting of the members. The Treasurer shall perform any other duties, which may be assigned to him by law, by these by-laws, by the President, by the Board of Trustees, or by custom.

Section 7. The Treasurer shall be responsible for the billing, collection and corporate records of all members. He shall maintain records to determine the number of members in good standing and submit the current totals at each meeting of the Board of Trustees and Membership Committee. He shall report the names of members who are delinquent in their fiscal obligations to the Board of Trustees when required. He shall submit the corporate records of all members to the public accountant on the third Wednesday in December in each year to permit a report of the annual audit at the annual meeting of the members.

Section 8. The Board of Trustees may also appoint from the members in good standing any assistants to any of the Officers, specified in Section 1 of this Article. An Assistant Officer shall perform duties under the supervision, only of the Officer whom he assists. An Assistant Officer may not assume the duties of the Officer unless first appointed in accordance with provisions of Section 5 in Article VI and Section 2 of this Article.

Article IX. DUES AND ASSESSMENTS

Section 1. Dues and assessments shall be classified either as annual dues for operations, or as capital assessments.

Section 2. Annual dues for operations shall be determined by the Board of Trustees not later than ninety 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 within fifteen days, and the

dues shall be payable not later than April 30th. Late payment of dues may be made by May 15th if accompanied by a \$15.00 late fee. Anyone wishing to make special arrangements regarding the dues must apply in writing to the Board of Trustees before May 1st. The application must be made by certified mail, return receipt requested, to Tenaflly Swim Club, Inc. Members who have not paid there dues by May 15th and have not applied for a special arrangement (before May 1st) shall be considered to have resigned from the Tenaflly Swim Club, Inc. and shall be requested to surrender their membership bond.

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

Section 4. A new member who is admitted after the assessment of the annual dues for operations under Section 2 of this Article, but before the end of the swimming season for that year, shall pay a proportionate amount of such dues, computed on a method to be determined by the Board of Trustees. If his membership is a replacement, any amount so collected shall be paid over to the person whose membership was terminated – provided he had previously paid the full amount of the annual dues for operations for that year.

Section 5. If it happens that the annual dues for operations were not sufficient to meet the year's actual operating expenses as approved in the annual budget, the Board of Trustees may impose on the members a supplemental annual dues for operations to cover the deficiency. Such supplemental dues shall be in proportion to the initial annual dues for operations determined under Sections 3 and 4 of this Article.

Section 6. All other assessments against members 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. All capital assessments shall be imposed equally on all members.

Section 7. Capital assessments to provide funds for the improvement or enlargement of the Club's facilities may be imposed by the Board of Trustees alone in an amount not to exceed fifteen dollars per member for any calendar year. Such capital assessments in excess of fifteen dollars annually may be imposed only after approval by a majority vote of the members present at any duly held meeting of the members.

Section 8. Capital assessments to discharge indebtedness incurred for the improvement or enlargement of the Club's facilities may be imposed by the Board of Trustees alone. However, no indebtedness may be incurred for the improvement or enlargement of the Club's facilities without the approval of a majority of the members present at any duly held meeting of the members.

Section 9. 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 now, 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.

Section 10. No dues, nor part thereof, shall be refunded in the event that pool operations are required to be suspended for any period.

Article X. PROCEDURES FOR HANDLING RECEIPTS AND DISBURSEMENTS

Section 1. Depositories of the Club and respective maximum balances shall be resolved by the Board of Trustees at its annual meeting. The Board of Trustees may by resolution replace, add or cancel Depositories at interim meetings. Only one Depository may be used for all receipts and all expenditures of the Club and it shall be known as "Operating Account". Deposits in and withdrawals from other Depositories shall be transacted only within the Operating Account.

Section 2. Securities may be purchased when resolved by unanimous approval at a meeting of the Board of Trustees.

Section 3. All payments by members must be directed immediately to the Treasurer. The Treasurer shall credit the accounts of each Payor and shall acknowledge the amount and classification thereof on a form approved by the Board of Trustees.

Section 4. All other funds received by any Officer, Member or Club Manager must be submitted to the Treasurer within 2 banking business days after receipt thereof. The Treasurer shall acknowledge the amount and source thereof on a form approved by the Board of Trustees.

Section 5. All funds received by the Treasurer must be deposited in the Operating Account within 2 banking business days after receipt thereof. Benefits derived from interest bearing deposits or securities must be reported by the Treasurer at the next meeting of the Board of Trustees.

Section 6. Vouchers, approved by the Board of Trustees, are required prior to payment of all expenditures, except as designated in Section 7 of this Article. The Vouchers must first indicate approval and/or receipt of services and/or material by the responsible Officer, Committee Chairman or Club Manager, whose authority had first been established by the Board of Trustees.

Section 7. A Petty Cash Fund in the amount of \$50.00 may be maintained by the Club Manager for small expenditures which require immediate cash payments. All payments therefrom must be enumerated on a voucher for replacement of the expended cash. The Treasurer shall have interim authority, subject to subsequent approval of the vouchers at the next meeting of the Board of Trustees, for replacement up to \$100.00 Petty Cash expenditures.

Section 8. All checks and withdrawals from other Depositories must be signed by the President or Vice President and countersigned by the Treasurer. All checks and withdrawals from other Depositories for amounts in excess of \$1,000.00 must also be signed by one of two other Trustees, authorized by the Board of Trustees. In the absence or in event of disability of sufficient eligible signers or countersigners, an extra-ordinary special meeting of the Board of Trustees shall be held for the purpose of resolving additional signers or countersigners.

Section 9. All expenditures, including the replacement of Petty Cash shall be made by check from the Operating Account. The cancelled checks and supporting vouchers therefor shall be retained by the Treasurer with the corporate records.

Article XI. FISCAL YEAR

Section 1. The fiscal year of the corporation shall coincide with the conclusion of the annual meeting.

Article XII. SEAL

Section 1. The Board of Trustees shall prescribe the form of a corporate seal, which shall include the words "Tenaflly Swim Club" and "corporate seal". This seal shall be affixed to any document of the corporation whenever required by law, by these by-laws, by the Board of Trustees, or by custom.

Article XIII. AMENDMENTS

Section 1. These by-laws may be amended only by a two-thirds vote of those members present (either in person or by proxy) at any duly held meeting of the members.

The foregoing By-Laws of the Tenaflly Swim Club were read, considered and adopted by the Board of Trustees at a regular meeting of the Board on October 7, 1960 and amended at a regular meeting of the Board on February 17, 1977, also at a regular meeting on January, 1980, also at a regular meeting on February 26, 2002, also at a regular meeting on February 28, 2008.

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