

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 or 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.