

ARTICLE I

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3 The name of the corporation, its objects, purposes, and location shall be as set
4 forth in the Articles of Agreement, and from time to time amended, and these Bylaws,
5 the powers of the corporation and of its directors and stock holders and all matters
6 concerning the conduct and regulation of the corporation shall be subject to such
7 provisions in regard thereto as are set forth in such Articles of Agreement, and such
8 Articles of Agreement are hereby made a part of these Bylaws. Whenever the term
9 "member" is used in these Bylaws, it shall mean a stockholder of the corporation;
10 further, each of such terms "members" and/or "stockholder" shall refer, collectively,
11 when and if applicable, to a family consisting of one or more adult persons with or
12 without dependent children.

ARTICLE II

Board of Directors

Section 1. Number and Term of Office

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20 The affairs of the corporation shall be managed by a Board of Directors who shall
21 be not less than ten and no more than eighteen in number, such number to be fixed
22 from time to time by the Board of Directors. The Directors shall be elected to hold office
23 for a three-year term and may not be eligible to be elected to more than 2 terms unless
24 the Board of Directors determines by a majority vote that the stockholders benefit by
25 doing so.

Section 2. Election and Vacancies

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29 The Directors shall be elected by the stockholders of the corporation at the
30 annual meeting thereof to be held as hereinafter set forth by the plurality of the votes
31 cast, whether in person or by proxy. Vacancies in the office of director occurring
32 between such annual meetings may be filled by a majority vote of the Board of Directors
33 until the next annual meeting of the corporation at which time the stockholders shall
34 elect a director to fill the unexpired term.

Section 3. Powers of Directors

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38 The Directors shall have the entire control and supervision over the property,
39 funds and policy of the corporation and may appoint committees from among their own
40 members and from the members of the corporation, which committees shall have such
41 powers and duties as they may from time to time designate. The Board of Directors may
42 employ and discharge such persons, as they may deem advisable in connection with
43 their general powers of management. Except as hereinafter provided, they may make
44 such rules and regulations covering the ownership of stock in the corporation and the
45 use of the facilities of the corporation, as they may deem proper. They shall also elect
46 from among their members the officers of the corporation. They shall have full power to
47 suspend or discharge members for cause. They shall have full power and discretion

1 with regard to the payment and redemption of any shares or other securities of the
2 corporation, subject to the provisions hereinafter contained. In general, they shall have
3 the entire management of the affairs of the corporation and all the powers incidental to
4 the proper supervision and control thereof; provided, however, that they shall not have
5 the power to borrow money on behalf of the corporation without the express consent of
6 two-thirds of the stockholders present in person or by proxy and voting at any duly held
7 annual or special meeting of said stockholders.

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9 **ARTICLE III**

10 **Meetings**

11 Section 1. General

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14 Meetings of the directors shall be at the call of the president, or, in his or her
15 absence or disability, the vice president, or upon the call of any three board members of
16 the Board of Directors. Notice of all meetings shall be given to all the directors. A
17 majority of the Board of Directors shall constitute a quorum for the transaction of
18 business at any meeting of the Board, and the concurrence of a majority of those
19 present at any such meeting shall be necessary to give validity to any vote thereof.

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21 Section 2. Meeting via Communications Equipment

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23 The Board of Directors may permit any or all directors to participate in a regular
24 or special meeting by, or conduct the meeting through the use of, any means of
25 communication by which all directors participating may simultaneously hear during the
26 meeting. A director participating in a meeting by these means is deemed to be present
27 in person at the meeting.

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29 Section 3. Parliamentary procedure.

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31 All meetings shall be governed by the latest version and applicable sections of
32 Robert's Rules of Order. Email voting is only acceptable when there is a demonstrated
33 need for a timely action by the board prior to its next scheduled meeting so long as the
34 motion does not include any fiscal matters that are greater than \$500.00. All fiscal
35 matters above \$500.00 shall be voted on in person.

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37 **ARTICLE IV**

38 **Officers**

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41 Section 1.

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43 The officers of the corporation shall be a president, a vice president, a secretary
44 and a treasurer and at the discretion of the Board of Directors, one or more assistant
45 treasurers or assistant secretaries. All officers must be directors and shall be elected by
46 a majority vote of the Board of Directors, a quorum being present, at a special meeting
47 to be held for the purpose of such election in November of each year. The term of office

1 of each officer shall be for one year or until his or her successor is elected. The Board of
2 Directors shall have the power to fill vacancies in any of such offices.

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4 Section 2. Power and Duties of Officers

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6 President. The president shall preside at all meetings of the stockholders of the
7 corporation and of the Board of Directors and shall have the powers and shall perform
8 the duties usually incident to his or her office as principal executive of the corporation.

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10 Vice President. The vice president shall have all the powers and shall perform all
11 the duties of the president in the absence of the president or his or her inability to act.

12
13 Secretary. The secretary shall keep a record of all proceedings of the meetings
14 of the stockholders of the corporation and of the Board of Directors. He or she shall
15 serve notice of all meetings of the stockholders of the corporation and of the Board of
16 Directors and shall conduct the correspondence of the corporation, have custody of all
17 the records of the corporation except those that pertain to the office of the treasurer. He
18 or she shall have the custody of the seal of the corporation. In general, he or she shall
19 have such powers as usually pertain to the office of secretary or clerk.

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21 Treasurer. The treasurer shall collect, and, under the direction of the Board of
22 Directors, disburse all moneys of the corporation and shall keep its accounts, which
23 shall, at all times, be open to the inspection of any stockholder. He or she shall submit
24 a written report at each annual meeting of the stockholders of the corporation and
25 present a budget for the forthcoming year and when otherwise requested to do by the
26 Board of Directors. He or she shall have the authority to receive and receipt for all funds
27 due to the corporation from any source whatsoever, to endorse negotiable instruments
28 on behalf of the corporation and to sign all checks, drafts, notes and orders for the
29 payment of money. He or she shall be authorized to employ a paid bookkeeper while
30 retaining supervision and responsibility. He or she shall have the responsibility of the
31 custody of books of accounts, stock records and other financial records of the
32 corporation. In general, he or she shall have such powers as usually pertain to his or
33 her office.

34
35 Assistant Treasurer. Any assistant treasurer shall perform functions of the
36 Treasurer in the event of the treasurer's absence or inability to act and shall perform
37 such other specified duties as may be prescribed from time to time by the Board of
38 Directors.

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40 Assistant Secretary. Any assistant secretary shall perform functions of the
41 secretary in the event of the secretary's absence or inability to act and shall perform
42 such other specified duties as may be prescribed from time to time by the Board of
43 Directors.

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ARTICLE V

Meetings of the Corporation

Section 1.

There shall be two regular stockholder's meetings each year, one of which shall be the annual business meeting to be held in November prior to November 21, and the other meeting sometime in the spring at such time and place as the Board of Directors may determine.

Section 2.

Special meetings of the stockholders of the corporation may be called by order of the president or on the written request often (10) stockholders of the corporation.

Section 3. Notice of Meetings

(a) Notice of any regular meeting of the stockholders of the corporation shall be given to the stockholders in writing at least 10 days in advance. The notice shall include the names of the candidates for directors as nominated by a Nominating Committee and the treasurer's Annual Report. In addition to nominees named by the Nominating Committee, ten (10) stockholders of the corporation may nominate one of the non-directors, if notice of the name(s) of their candidate (s) is (are) mailed by them directly to the stockholders at least three days before the annual business meeting.

(b) At least seven (7) days notice must be given of any Special Meeting of the stockholders.

(c) Notices will be sent to a valid up to date email address given to the Secretary by the stockholder. Should no valid email address be available, the notice will be sent to the address appearing in the records of the corporation.

Section 4.

Each share of stock in the corporation shall be entitled to two (2) votes at any meeting of the stockholders and shall be voted by the holder of record or, in the absence of such holder, by proxy, provided that the membership of such holder of record in the corporation shall not have been terminated as provided in Article IX.

Section 5.

Twenty-five (25) shares of stock present in person shall constitute a quorum at all meetings of the corporation.

1 Section 6.

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3 There shall be a Nominating Committee comprised of five people who shall be
4 stockholders and special members. The majority of the Nominating Committee shall be
5 stockholders. The president shall appoint the members of the committee as well as the
6 chairman. The Nominating Committee shall submit a slate of directors to the secretary
7 prior to mailing of notice of the annual business meeting in November of each year.

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9 **ARTICLE VI**

10 **Application for and Election to Membership**

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13 Section 1.

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15 Application for membership in the corporation shall be made on blanks provided
16 for that purpose, and shall bear the signed endorsement of at least 3 stockholders of the
17 corporation.

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19 Section 2.

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21 All applications for membership shall be submitted to the Board of Directors and
22 election to membership shall be by a vote of one more than two thirds of the Board of
23 Directors. Any member of the Board of Directors who endorses a potential new
24 member shall abstain from voting on their application.

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27 Section 3.

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29 There shall be no more than 140 stockholders at any given time. There shall be
30 a waitlist established when there are more applications than stock openings available.
31 The secretary shall maintain the official waitlist and notify the potential stockholders of
32 their standing on the waitlist at an appropriate time determined by the Board of
33 Directors.

34
35 Section 4. Special Membership

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37 (a) Any stockholder who wishes to resign and terminate his or her membership in
38 the corporation, or who is a former stockholder by previous voluntary resignation, but
39 who wishes to continue his or her relationship with the corporation and to use its
40 facilities on an infrequent basis may upon his or her written request dated prior to the
41 first day in March of the year they are seeking special membership and upon the
42 unanimous vote of the Board of Directors be granted an annual special membership
43 which shall entitle such person and their spouse (only) to make such use of the facilities
44 as the Board of Directors may from time to time determine. Such membership shall be
45 revocable if abused, otherwise subject to all rules and regulations, including guest fees,
46 applicable to regular members and for such fee and upon such other criteria as the
47 Board of Directors may determine.

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2 The requirements for application for Special Membership are that the member shall
3 have been a stockholder in good standing for a minimum of ten years and must present
4 to the board, in addition to their written request, the appropriate supporting
5 documentation which verifies their compliance with this section and, either:
6

7 (1) The member's youngest child living at home is over the age of 16 by January 1st of
8 the current membership year, or
9

10 (2) The member has moved their primary place of residence outside a twenty-five mile
11 radius of Manchester.
12

13 (b) The one Director on the Board serving as the special member representative
14 shall have the same voting rights as all other stockholders.
15

16 **ARTICLE VII**

17 **Initiation Fees, Dues, and Payment Plans**

18 Section 1.

19
20 No stock of the corporation shall be issued for less than seventeen hundred fifty
21 dollars (\$1750.00) per share, such price to be determined from time to time by the
22 Board of Directors, which price shall be regarded as an initiation fee for new members.
23 The stock purchase fee is non-refundable, subject to the provision of Article VIII,
24 Section 2 of these Bylaws.
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28 Section 2.

29
30 The annual dues shall be set each year by the Board of Directors. In addition,
31 the Board may make an assessment upon its members at such times and in such
32 amounts and for such purposes, as it shall determine from time to time in its discretion.
33

34 Section 3.

35
36 The fiscal year of the corporation shall begin on the first day of January of each
37 year and annual dues shall be due and payable on the first day of March of each year
38 for the current fiscal year.
39

40 Section 4.

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42 A stockholder or any special member, who is unable to make his or her annual
43 dues payment by March 1st due to financial hardship, may request that the board
44 approve a payment plan for his or her annual dues. Such request explaining said
45 hardship shall be in writing and sent to the President and the Treasurer by the first day
46 in April. The Treasurer and the President shall present all requests for payment plans
47 to the Board of Directors who shall determine if the request is granted or not by April

1 15. A payment plan will be considered only if an immediate payment of 30% of the
2 amount due in addition to the appropriate late fee determined by the board is paid by
3 May 1. The remaining balance and determined late fees shall be paid in 3 equal
4 payments due on June 1, July 1, and August 1. If the stockholder or special member
5 fails to make the payments due under the approved payment schedule, his or her
6 membership will be terminated immediately by the Board. Any payments made under
7 the approved payment plan shall not be refundable at any time.

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9 Any payment received after the first day of March, as a result of a payment plan
10 approved by the board, shall be assessed a fee equal to ten percent of the balance
11 owed prior to the payment. The Board of Directors may, by a unanimous vote, allow for
12 the fee to be lowered.

13 14 15 **ARTICLE VIII**

16 17 **Transfer of Family Membership**

18 19 Section 1. Membership and Transfer

20
21 Each share of stock issued by the Corporation shall carry with it the full privilege
22 of using the facilities of the Corporation by the stockholder and the spouse and each
23 other single person in the immediate family of the stockholder living at home. Upon the
24 death of any stockholder, the share of stock owned by the decedent shall pass to his
25 or her surviving spouse, but no other transfer of the stock of the Corporation, whether
26 prompted by death or otherwise, shall be recognized as valid by the Corporation;
27 provided, however, that the Board of Directors may, upon the written request of any
28 stockholder as part of a decree of divorce or legal separation, consent to the transfer of
29 the share of stock to such stockholder's spouse.

30 31 Section 2. Purchase of Stock

32
33 The Corporation shall not be obligated to purchase any issued and outstanding
34 stock of the Corporation under any circumstances provided, however, that the Board of
35 Directors may, during the first five years of a stockholder's membership, elect to
36 purchase any share of stock of the Corporation from the stockholder or his or her legal
37 representative at a price to be determined by the Board of Directors but not to exceed
38 the original purchase price.

39 40 **ARTICLE IX**

41 42 **Termination of Membership / Arrears and Suspension**

43
44 Membership in the Corporation shall be terminated as follows:

45
46 (a) By voluntary resignation. Such resignation must be sent to the president. A
47 stockholder who has not notified the president by March 1 of his or her intent to resign

1 will be responsible for the dues during that year, provided that the annual bills are
2 mailed to all stockholders on or before February 1 of that year.

3
4 (b) By expulsion for nonpayment of dues. Any member who has not paid their
5 dues in full on or before March 1 and has not made special arrangements with the
6 Board of Directors, as outlined in Section 4 of Article VII relating to an approved
7 payment plan, on or before May 1, will be expelled from the corporation by the Board of
8 Directors. Should no special arrangements be requested by April 1 or not approved by
9 the Board of Directors on or before May 1, any payment of dues received after May 1 by
10 such a member will be returned to the member, as they will be considered to have
11 resigned from Swimmers Inc. If the stockholder fails to make the payments due under
12 the approved payment schedule outlined in Section 4 of Article VII, his or her
13 membership will be terminated immediately by the Board.

14
15 (c) By expulsion upon charges. If any member shall be charged by any other
16 member, in writing addressed to the Board of Directors with conduct injurious
17 to the good order, peace or interest of the corporation or at variance with its by-laws or
18 rules, the Board of Directors shall thereupon inform such member in writing of such
19 charge or charges, and if upon inquiry and after giving him an opportunity to be heard,
20 the charge or charges, and that the same demands such action, they shall request such
21 member to resign and if he declines to do so, they may suspend or expel such member.

22
23 (d) No member who resigns, is suspended or expelled from the corporation shall
24 be entitled to any refund whatsoever from the corporation unless the Board of Directors
25 shall otherwise provide.

26
27 **ARTICLE X**

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29 **Amendment**

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31 These Bylaws may be altered or amended in whole or in part by a vote of two-
32 thirds of the stockholders present at a duly called meeting. The notice of the meeting
33 shall contain a summary of the proposed changes in the Bylaws.

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36 **ARTICLE X**

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38 **Indemnification of the Directors and Officers**

39
40 Section 1. Rights

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42 To the extent insured by the corporation, and in order to attract qualified persons
43 to serve as directors and officers, the corporation shall, subject to the terms and
44 conditions of this Article, indemnify and reimburse each past or present director and
45 officer against all liabilities and expenses incurred in connection with the defense or
46 reasonable settlement of any claim, action, suit, or proceeding brought against such
47 persons by reason of the fact that such person is or was a director or officer of the

1 corporation. Liabilities and expenses subject to indemnification and reimbursement
2 shall include reasonable attorney fees, court costs, and such amount of any judgment,
3 money decree, fine, penalty, or settlement for which such person was or is party, or is
4 threatened to be made a party, to any threatened, pending or completed proceeding,
5 whether civil, criminal, administrative or investigative. Payment of expenses in advance
6 of a final disposition of the action or proceeding may be made only upon receipt by the
7 corporation of a contractual undertaking by or on behalf of such person to repay such
8 amounts unless he or she shall be determined to be entitled to indemnification under
9 this Article.

10
11 Section 2. Limitations

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13 Notwithstanding the above, no indemnification or reimbursement shall be made
14 to any person in connection with matters as to which such person shall be finally
15 adjudged, or determined by a majority of disinterested members of the Board after
16 consultation with counsel for the corporation, not to have acted in good faith in the
17 reasonable belief that his or her action or failure to act was in the best interests of the
18 corporation and within the scope of his or her duty and, in regard to criminal
19 proceedings, to have had no reasonable cause to believe that his or her actions were
20 unlawful. In any action or proceeding by or in the right of the corporation or in which
21 such person is charged with receiving an improper personal benefit, indemnification
22 shall be provided only as to reasonable expenses and only if the person is not adjudged
23 liable to the corporation on such bases.

24
25 Section 3. Payments and Insurance

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27 Indemnification payments and advances of expenses shall be made only in such
28 increments and at such times as will not jeopardize the ability of the corporation to pay
29 its other obligations as they become due. All such payments made shall be reported in
30 writing to members with or before the notice of the next meeting of members. The
31 corporation shall purchase and maintain insurance on behalf of its directors and officers
32 against any liabilities and expenses related to their position with, or service on behalf of,
33 the corporation irrespective of whether the corporation could have indemnified them
34 under this Article against such liabilities and expenses.