

Article I
NAME

Section 1: The name of this corporation shall be the Oak Creek Swim Club, Inc.

Article II
PURPOSE

Section 1: This corporation is formed to promote the health and general welfare of its members, and in pursuance thereof to construct, own, lease, maintain and operate recreational facilities; together with the doing of such things as are necessary, appropriate and incidental in the conduct of its activities.

Article III
MEMBERSHIP

Section 1: A membership shall consist of a family unit made up of a husband and a wife, or head of a family, parents and dependent children living in the household of the family unit. The Board of Directors shall have the sole power to determine the status of dependents under this section and shall rule on any special or unusual situation.

Section 2: Membership in the corporation shall consist of the following classes:

- Active members
- Inactive members
- Trial members
- Legacy members

Section 3: An Active member shall be one who has complied with the requirements of membership in these By-Laws, including the purchase of a membership certificate (pre-2016) or paid the club initiation fee, and payment of annual membership fees, as well as any other requirements established by the Board of Directors. Active members have voting rights and activity privileges.

Section 4: An Inactive member shall be one who has not paid annual membership fees by June 1 of the current season. Inactive members do not have voting rights or activity privileges.

Section 5: An Inactive member's membership reverts to the corporation when the annual dues remain unpaid on September 1 of the year in which it became inactive.

Section 6: A Trial member is one who has paid the annual trial membership fee and has not paid the club initiation fee. The Trial membership class is offered at the discretion of the Board of Directors as a non-renewable membership that expires May 1 of the year after the membership was granted. In special circumstances, the Board of Directors may waive the non-renewable status of this class of membership. The Trial member shall have activity privileges but shall not have voting rights and shall not hold office.

Section 7: The authorized maximum number of dues paying memberships shall not exceed 475 families. The Board of Directors shall establish the breakdown of active, legacy, and trial memberships each season based on current Club demographics. The number of legacy memberships shall not count towards the 475 total dues paying family memberships.

- Section 8: One person only shall own each membership and no membership in this swim club shall be assignable, transferable or subject to a gift or devise as provided in these By-Laws.
- Section 9: In the event of the death of any member, his or her spouse shall be entitled to retain the membership if eligibility requirements are current, at the discretion of the Board of Directors. The privileges of the family of any such person shall be the same as the privileges of the family of any other member.
- Section 10: Nothing in these By-Laws shall abrogate, impair, or change any rights, privileges, or obligations imposed upon any member at the time of his election pursuant to the By-Laws or resolutions then in effect. The Board of Directors has authority by appropriate resolution in its discretion to fix, determine, and define any such right, privilege, or obligation on any basis that is fair and equitable under the circumstances.
- Section 11: The membership chairperson shall accept and consider application for membership in order received and shall receive all applications for membership in compliance with these By-Laws and requirements established by the Board of Directors. Legacy membership will be offered at the discretion of the Board of Directors.
- Section 12: A legacy member shall be one who has been an active member for at least 15 years. Legacy membership will be issued to the primary membership holder and partner/spouse; no dependent children shall be included on legacy memberships. Each year, the number of available legacy memberships will be decided by the Board of Directors at their January meeting. Once approved as legacy members, the legacy membership status may not be converted back to active membership status by any future Board of Directors.

Article IV **VOTING RIGHTS**

- Section 1: Any member shall be entitled to cast one vote so long as he is not in fault in the payment of fees or indebtedness to the corporation and he shall be entitled to notice of meetings of the members. Legacy and Trial members shall have no voting privileges.

Article V **SUSPENSION AND TERMINATION OF MEMBERSHIP**

- Section 1: Once becoming an active member of the Club, membership will continue until the member resigns, should fail to pay annual membership fees, or membership is changed by the Board of Directors as set forth in the following two paragraphs in this article. Active members who fail to pay the annual membership fees will be converted to inactive membership until such dues are paid, at the discretion of the Board of Directors.
- Section 2: An active member may, for cause and after been given an opportunity for a hearing before the Board of Directors, be placed on a suspended status for a period determined by 2/3 vote of the Board of Directors or expelled by an affirmative vote of all Directors. Cause for suspension or expulsion or for being placed on inactive status shall consist of violation of these By-Laws or of the Club operational rules, or of conduct unbecoming of a lady, gentleman, or child.
- Section 3: The Board of Directors or designee, for violation of rules or these By-Laws, may suspend any member up to seven days.

- Section 4: Any member expelled shall forfeit all rights and privileges incidental to the membership and the membership will be thereby cancelled and the Corporation shall have no obligation on account thereof.
- Section 5: A member may receive remuneration for his membership only by exercising one of the two options prescribed below:
- A. Stock buyback with Club paying par value \$350, less unpaid dues or assessments.
 - B. A member shall have the privilege of selling his membership to a prospective buyer, identified by the member, without regard to any waiting list. However, this transaction must take place with approval and under the supervision of the Board of Directors or their assignees. The prospective member is required to pay a transfer fee, as established by the Board of Directors, to the Corporation.

Article VI
DUES AND FEES

- Section 1: The Board of Directors shall establish the annual Active and Trial membership dues no later than February 1 each year, which shall be paid by May 1 to avoid late fees. Notification of annual fees shall be made to the membership by email following said determination.
- Section 2: The Board of Directors shall establish the annual Legacy membership dues no later than February 1 each year, which shall be paid by May 1 to avoid late fees. Notification of annual fees shall be made to the membership by email following said determination.
- Legacy dues will be at least 50% of the annual dues paid by active members. Active members owning a stock share when converting to legacy status will be compensated \$350 for that stock share.
- Section 3: Capital improvements assessments may be levied for capital improvements, or for repair or replacement of major facilities. Such assessments must be approved by an affirmative vote of 2/3 of the active members present and voting at a meeting called for that purpose.
- Section 4: Members shall be responsible for the payment of all charges or liabilities that may be incurred by them or their guests.
- Section 5: The par value of each stock share purchased prior to 2016 shall remain at \$350.00.
- Section 6: New Active members shall pay a non-refundable initiation fee as established by the Board of Directors.
- Section 7: Members of the Board of Directors shall receive a 100% reduction of their annual dues each year while serving as a member of the Board.
- Section 8: The Board of Directors has authority to grant a one-year reduction in annual dues of up to 100% for up to three members who are appointed to serve in an ad hoc capacity.

Article VII
BOARD OF DIRECTORS

- Section 1: The management of this Corporation shall consist of a Board of five directors. Each director shall serve a term of three years. Terms of directors shall be established so that the terms of two directors will expire in any given year and, for this requirement to be met, terms of directors may be established for a term of less than three years.
- Section 2: Directors shall be elected from active members of the corporation. Any director who shall cease to hold an active membership in the corporation will also no longer be a director.

Article VIII
NOMINATION AND ELECTION OF DIRECTORS

- Section 1: Nomination: On or before July 1 of each year, the Board of Directors shall appoint three active members in good standing, one of which shall be a member of the Board of Directors (but not an outgoing director) who shall comprise the nominating committee. The nominating committee shall nominate the ticket of at least one active member with said member's consent, for each seat on the Board of Directors to be filled during the next annual election and shall present a written report of its nomination to the Board who shall make the nomination report available to the members.
- Section 2: Active members in good standing, no less than five in number, may nominate other active members, with the said member's consent. Such nominations shall be signed in writing by the active members making the same and shall be placed in the hands of the Board on or before August 1 preceding the election. The Board shall make these nominations available to the members in advance of the election.
- Section 3: The election of the Board of Directors shall be written or emailed ballot. Each member shall have one vote for each vacancy on the Board of Directors. The persons receiving a plurality of the votes shall be declared elected. In case of the tie, the Board of Directors shall determine the nominee or nominees elected. Three (3) members selected by the president shall act as tellers.
- Section 4: The Board shall manage the election of new directors. The election may take place at the annual meeting. If the vote takes place at the annual meeting, notice of that meeting and the nominees shall be provided to all active members at least 10 days in advance of the meeting. A quorum must be present. Those eligible to vote are those active members in attendance.
- Voting may be by mail or email; the Board shall send ballots to all active members. Ballots must be returned by the members and be postmarked within 10 days of being sent and counted by the Board. The quorum requirement shall be satisfied by the receipt of properly completed ballots by the same number of members as would constitute a quorum at a meeting.
- Section 5: The president, vice presidents, secretary, and treasurer shall begin their terms on January 1 following elections. All other officers and appointees shall serve at the pleasure of the Board of Directors. At their January meeting, the new Board of Directors shall meet for electing from among their number a president and two vice presidents. At the same meeting, the Board of Directors shall also elect a treasurer and a secretary. At the same meeting or at any subsequent meeting, the Board of Directors shall have the power to elect such other officers as it may be necessary.

Section 6: Limitation of terms of office:

- A. No person who has served one complete or full term as president shall be eligible for re-election to succeed him as such.
- B. No person shall be eligible to serve more than two consecutive, full three-year terms as a member of the Board of Directors.

Article IX
REMOVAL FROM OFFICE

Section 1: Any director of the corporation may be removed from office by the affirmative vote of two-thirds of the voting members present at a special meeting called for that purpose, but only after an opportunity has been given to be heard. Any officer or employee of the corporation may be removed from office by an affirmative vote of two-thirds of the directors present at a regular or special meeting of the Board of Directors, but only after an opportunity has been given to be heard.

Section 2: Absence of a member of the Board of Directors for three consecutive regular meeting without prior consent of the president shall be deemed an automatic resignation.

Article X
VACANCIES IN THE BOARD

Section 1: Vacancies in the Board of Directors shall be filled by vote of the remaining directors. The directors elected to fill such vacancy shall serve until the term expires. For reelection, such holding of office for an unexpired portion of a term shall not be construed as a term of office.

Article XI
POWERS AND DUTIES OF OFFICERS

Section 1: President: The president shall be chief executive officer of the corporation. Duties include presiding at all meetings of the membership of the corporation and at all meetings of the Board of Directors and other duties assigned by the Board of Directors. The president shall have the privilege of attending all meetings of all standing and selected committees of the corporation except the admissions committee but shall be entitled to vote on any question before any such committee. The president, with the secretary, shall sign all written contracts and written obligation of the corporation unless the Board of Directors shall, by appropriate resolution, designate another or others to execute contracts in the name of the corporation.

Section 2: First Vice President: The first vice president shall perform the duties of the president in the absence of the president, and in addition, thereto, shall perform such other duties as may be assigned by the Board of Directors. In the event a vacancy shall occur in the office of the president, the vice president automatically shall immediately succeed to the office of the president for the unexpired term. In the event the corporation should ever have more than one vice president, they shall be designated as first and second vice presidents, respectively, and the first vice president shall be senior to the second vice president in all matters.

Section 3: Second Vice President: The second vice president shall perform duties as assigned by the Board of Directors.

- Section 4: Secretary: The secretary shall give notice of all meetings to the members of the corporation and all members of the Board of Directors. Duties include recording minutes of all meetings, and other duties assigned by the Board of Directors.
- Section 5: Treasurer: The treasurer shall have custody of all funds, securities, valuable papers and other intangible assets of the corporation. Duties include providing and maintaining records of all the assets, liabilities, income, and expenses of the corporation; prepare and submit at each regular meeting of the Board of Directors a financial statement of the condition of the corporation as of the first day of the preceding month. The treasurer shall prepare or cause to be prepared such tax reports as local, state and federal agencies may require. The treasurer shall be bonded and the corporation shall pay premiums and fees thereof.

Article XII
POWERS AND DUTIES OF THE BOARD

- Section 1: The Board of Directors shall have the power to make rules and take such action, consistent with these By-Laws nor contrary to Law, as in its judgment may be necessary or desirable for the welfare of the corporation, including the power to employ a club manager or staff, as becomes necessary. The Board may delegate specific responsibilities to the Club Manager or to Staff.
- Section 2: The Board of Directors shall review and approve an audited end of year financial report and appropriate corporate tax filings and make it available to the membership.
- Section 3: The Board of Directors may establish and/or abolish such standing or special committees, as it may deem desirable.
- Section 4: The Board of Directors shall not expend cash and incur obligations more than \$5000.00 for capital improvements during the period between consecutive annual meetings, without the express approval of a majority of the members present at a special meeting.

Article XIII
MEETING OF THE BOARD

- Section 1: Regular meetings: The Board of Directors shall meet at least four times a year, and at such other times, they may deem necessary. The first meeting of the new Board shall be held within thirty days after the Board assumes office. Other meetings shall be held upon the request of the president or at the request of any three members of the Board.
- Section 2: Notice of meetings: the secretary shall give notice of all meetings of the Board of Directors to each director at least three days prior to such meeting.
- Section 3: Quorum: Three members of the Board shall constitute a quorum.
- Section 4: The requirement of a meeting may be satisfied by any means that comply with the intent of this Article, that the meetings be properly called, that all directors have requisite notice of a meeting, and that a quorum participates in all decisions. This can include, but is not limited to a physical meeting, a conference call, or use of the Internet.

Article XIV
MEETINGS

- Section 1: Annual meeting: The annual meeting of the members of the corporation shall be during the month of August, at such time and place as the Board of Directors shall determine.
- Section 2: The secretary may call special meetings of the members at any time by the direction of the Board of Directors. The secretary shall call special meetings of the members within thirty days of written request for such a meeting made by at least ten members.
- Section 3: Notice of meetings: Notice of all meetings shall be given by the secretary via email or other means that provide documentation of actual notice of the meeting to the members, at least ten days prior to such meetings except in case of special meetings called by the directors. Notice of a special meeting shall state the purpose for which the meeting is being called.
- Section 4: Quorum: Ten percent of active members present and in person shall constitute a quorum at any meeting of members.

Article XV
DISSOLUTION

- Section 1: This Corporation may be dissolved by the affirmative vote of two-thirds of the active members present and voting at a meeting called for that purpose.
- Section 2: In the event of dissolution of this Corporation in any manner or for any cause, the assets of the corporation shall be sold and the proceeds of such sale, after payment of all just debts and obligation of the corporation, distributed pro-rata among the active members and an appropriate percentage among inactive members. Each member share, however, is subjected to the settling of all debts, dues and obligations owed to the corporation by such member.

Article XVI
MISCELLANEOUS

- Section 1: Each person who acts as a director or officer of the corporation shall be indemnified by the corporation against expenses actually and necessarily incurred by them in connection with the defense of any action, suit or proceeding in which they are made a party by reason of them 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 or proceedings to be liable for gross negligence or willful misconduct in the performance of their duties. The right of indemnification provided herein shall insure to each director or officer referred to in the preceding paragraph, whether they are a director or officer at the time such costs, or expense are imposed or incurred; in the event of their death, the right shall be extended to their legal representative.
- Section 2: The Corporation assumes no responsibility, and members or their guests can have no claim against the corporation, for the property of any members, or any guests, which is brought upon or left upon corporation property.
- Section 3: The Corporation assumes no responsibility, members or their guests cannot have claim against injury or damage to any person on corporation property.

- Section 4: These By-Laws may be amended by the affirmative vote of two-thirds of the active members participating and voting at any special or annual meeting or voting via email if at least five days' notice of such amendment shall be given by email to each member.
- Section 5: The Board of Directors will grant authority to the Club Manager to cause the rules and regulations of the Club to be observed.
- Section 6: The Corporation may employ members.

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