

**NORTH STAR SWIMMING CLUB, INC.**

**BY LAWS**

**(As amended at the September 2017 Annual Meeting)**

**ARTICLE I.**

**NAME**

The name of the Club shall be North Star Swimming Club, Inc.

**ARTICLE II.**

**OBJECT**

The purpose for which this Club is formed is to promote the health and general welfare of its members and in pursuance thereof to construct, own and operate a swimming pool and associated infrastructure, together with such incidental objects as are appropriate in the conduct of its activities, in the county of New Castle and the State of Delaware for the use of its members and their families.

**ARTICLE III.**

**GOVERNMENT**

- Section 1. The Club shall be managed by a Board of Directors, eight in number, who shall be members in good standing of the Club.
- Section 2. At the first annual meeting of the members, seven Directors shall be elected; two to serve for a period of one year, two to serve for a period of two years, and three to serve for a period of three years. At each annual meeting thereafter, Directors shall be elected to replace those retiring and will serve for a term of three years and until their successors have been chosen.
- Section 3. Any member of the Board of Directors who shall cease to hold Active Membership in the Club automatically shall cease to be a member of the Board of Directors.
- Section 4. In order to insure that the administration of the Club remains in keeping with the best interests of the neighboring residents, at least three (3) of the Directors shall live within a one mile radius of 100 Saturn Drive.
- Section 5. For the purposes of these Bylaws, "North Star" shall mean the area designated as Sections A, B, and D of the lands belonging to the North Star Corporation and the development of Woodridge. A map of these areas as amended at the September 13, 1987 Annual Meeting is appended to and is a part of these Bylaws.
- Section 6. No person shall serve on the Board of Directors for more than two consecutive three-year terms.
- Section 7. With the addition of an 8th board member, Swim Team Coordinator, as described below in Article V, Section 9, in the case of a tied result in board voting events, i.e. a 4-4 vote, the final decision shall be made by the President.

**ARTICLE IV.**

**BOARD OF DIRECTORS**

- Section 1. Consistent with these Bylaws, the Board of Directors shall:
- a. Transact all Club business and make and amend rules for the regulation of the use of Club property. It may appoint and remove such officers, clerks, agents, servants or employees as it may deem necessary and may fix their duties and compensations.

- b. Fix, impose and remit penalties for violation of these Bylaws and Rules of the Club
- c. Elect from the Board of Directors, a President; a Vice-President, Administrative; a Vice-President, Pool and Grounds; a Secretary; a Treasurer; an Activities Director; a Membership Director, and a Swim Team Coordinator, all of whom will not be required to pay membership dues during the year or years they serve on the Board of Directors.
- d. Constitute and appoint committees and define the powers and duties of same.
- e. Vacancies in the Board of Directors shall be filled by a vote of 2/3 of the remaining members of the Board, and each person so elected shall serve the unexpired term of the vacating Director. A current matrix with titles is attached.

Section 2. The Board of Directors 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. However, the Board of Directors shall designate at least two officers who can sign checks, drafts, or other instruments in the absence of the Treasurer.

Section 3. The Board of Directors shall cause the financial records of the Club to be audited biannually at the end of each even year, by auditors selected by the Directors who shall neither be Directors nor officers of the club, and the report of the auditors shall be available to the members at all times.

Section 4. The Board of Directors shall meet at such times and intervals as they may deem necessary, but at least once a quarter. Four (4) members of the board shall constitute a quorum.

Section 5. Nothing in these Bylaws shall be construed to permit the Board of Directors to borrow or pledge the credit to the club relating to capital expenditures in an amount exceeding \$5000.00 without the specific approval of the membership at a duly held meeting.

Section 6. Any member of the Board of Directors may be removed from office by a majority vote of the membership present in person or represented by proxy at either an Annual Meeting or a Special Meeting called in accordance with these Bylaws.

Section 7. The pool shall be operated as a nonprofit organization, per the Model Business Corporation Act Provision.

## **ARTICLE V.**

### **OFFICERS**

Section 1. The Officers of this Club shall be a President; a Vice-President, Administrative; a Vice-President, Pool and Grounds; a Secretary; a Treasurer; a Membership Director; an Activities Director; and a Swim Team Coordinator. The President, Vice-Presidents, Secretary, Treasurer; Membership Director, and Activities Director shall be elected annually by the Board of Directors from among its members and shall hold office until the end of the first meeting of the Board of Directors following the Annual Meeting of the Club.

Section 2. The President shall preside at the meetings of the Club and of the Board of Directors. She/He shall be the Administrative Officer of the Club. She/He shall appoint, subject to confirmation by the Board of Directors, the Chairman of all standing committees and all special committees as may be directed, with the exception of the nominating Committee which shall elect its Chairman from among its members and (Pool and Grounds and Finance which shall be provided for in Article V, Sections 3 and 4.) He shall, ex officio, a member of all committees except the Nominating Committee unless elected under the provisions of Article IX, Section 1a.

Section 3. The Vice-President, Administrative, in the absence or disability of the President, shall act in his stead. He shall, under the direction of the President, attend to the business and financial operations of the Club and shall be the Chairman of the Finance Committee. He shall be ex

officio, a member of all committees except the Nominating Committee unless elected under the provisions of Article IX, Section 1a.

- Section 4. The Vice President, Pool and Grounds, in the absence or disability of the President and Vice-President, Administrative, shall act for the President. She/He shall, under the direction of the President, attend to the operation and maintenance of the physical plant and properties of the Club and shall be Chairman of the Pool and Grounds Committee.
- Section 5. The Secretary shall send out the notices of the meetings of the Club and of the Board of Directors, keep the minutes, and attend to the correspondence pertaining to her/his office. She/He shall perform such other duties pertaining to his/her office as may be asked of her/him by the Board of Directors.
- Section 6.
- a. The Treasurer shall attend to keeping the accounts of the Club, collecting its revenues, and paying its bills as approved by the Board of Directors, or other agency authorized by the Board to incur them. She/He shall deposit funds of the Club received by her/him, in the name of the Club in such depository as may be authorized by the Board. She/He shall perform such other duties pertaining to her/his office as may be asked of him by the Board. She/He shall be bonded.
  - b. Bills and statements for incurred charges will be rendered monthly on or before the 10<sup>th</sup> of the month for the preceding month by the Treasurer to the members.
- Section 7. Activities Director will coordinate and oversee social activities, and Nominating Committee.
- Section 8. Membership Director will accept applications and maintain the waiting list.
- Section 9. Swim Team Coordinator shall oversee the organization of all swim team related events and activities. This includes selection of a coaches hiring committee and setting an annual coaches' salaries budget, (both subject to board approval), organizing and recruiting swim meet volunteers, including officiating positions, swim league representatives, timers, runners and others necessary for running club swim meets.

## **ARTICLE VI.**

### **MEMBERS**

- Section 1.
- a. Memberships shall be of two classes: active and inactive. Active membership in the Club shall consist of a household (defined as one or more adults, with or without children, living under the same roof) with at least one primary member, 21 years or older, who shall have purchased one membership certificate, each such unit being entitled to one vote. Such members shall be subject to initiation in Article VII, Section 2b.
  - b. Inactive membership in this Club shall consist of non-swimming individuals who shall have purchased one or more membership certificates. Such members shall not be subject to annual dues or initiation fee. Such members shall be permitted to vote (one vote per membership certificate), in election of Board members and may recommend application for membership. They may purchase up to ten guest tickets annually for use by themselves or their guests. Admission to pool will not be permitted except by guest ticket.
  - c. The Board of Directors at their discretion may permit an active member to become inactive for a period of not exceeding two years and to be reinstated immediately to active membership without forfeiture of the initiation fee providing the inactive period was spent in residence more than twenty-five (25) miles outside of North Star. Reinstatement to active status except under the conditions described above or in Article VI, Section 7b, shall be subject to the provision of Article VI, Section 6.

- Section 2. The Membership Committee shall keep on record information pertaining to all active and inactive members of the Club. It shall also be the duty of this Committee to consider applications for membership to the Club, and as decreed by the Board, confer membership upon those applicants. Residents of North Star, as designated in Article III, Section 5, shall receive priority for membership.
- Section 3. Any member of the club may withdraw at any time subject to the provisions of Article VII and the current years dues will be pro-rated for refund with no refund of initiation fee.
- Section 4.
- a. Any member may, for cause and after having been given an opportunity for a hearing by the Board of Directors, be suspended or expelled by the vote of five of the members of the Board. Cause for suspension, or expulsion shall, in general, consist of violation of these By Laws or the rules of the Club, or of conduct unbecoming a lady or gentleman.
  - b. The Board of Directors may delegate to the Chairman of the Pool and Grounds Committee, or to the Chairman of the Rules Committee, or to 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 24 hours.
  - c. During periods of temporary suspension, the member's voting rights shall not be affected. Should a member be permanently expelled, all rights and privileges, including voting rights, shall be considered terminated as of the date of notification.
- Section 5.
- a. The Board of Directors, at its discretion, may extend the privileges of the Club to any person or persons.
  - b. The Board of Directors shall by rule, fix the terms and conditions upon which guests of members may use the facilities of the Club - subject to provisions of Article VI, Section 1.
  - c. Any property of the Club broken or damaged by a member or guest shall be promptly paid for by such member. No person shall take any article belonging to the Club.
  - d. The Club assumes no responsibility, and members or their guests can have no claim against the Club, for the property of members, or any guest, which may be brought into or left in the Club buildings or on the grounds.
  - e. The Club assumes no responsibility, and members or their guests can have no claim against the Club, for any accident or injury to any person on Club property.
- Section 6.
- a. The number of active memberships of the Club shall be established at 275 except as noted in Article VI, Section 7.
  - b. When the number of active memberships has reached the limit established in Article VI, Section 6a, a waiting list shall be established. Applicants requesting active membership shall be added to the list in the order in which their applications are received by the Chairman of the Membership Committee subject to the exceptions of Article VI, Section 7. The policy of accepting applications from non-residents of North Star will be established by the Board of Directors.
- Section 7.
- a. Any active member who sells his home may nominate the buyer for membership in the Club. Such nomination will be given preference over any waiting list, which may be established, but shall be subject to all other provisions of Article VI, Section 6b.

- b. Any inactive membership of record July 1, 1961, may be converted to active membership by payment of the initiation fee and appropriate fee.
- c. Any inactive membership of record July 1, 1961, who sells his home, may nominate the buyer for membership in the Club. Such nomination may be given preference over any waiting list, which may be established.
- d. The owner of any property holding inactive memberships of record July 1, 1961, may upon sale of said property nominate the purchaser for membership in the Club. Such nomination will be given preference over any established waiting list.
- e. Nominations for membership under conditions described in preceding items a, c, and d must be made prior to the 60<sup>th</sup> day following settlement of said home or property.
- f. The maximum number of active members (275) may be exceeded under the circumstances of Article VI, Section 7a, b, c, d, and g. As other memberships are redeemed without preferred nominations, the active memberships will be reduced to 275.
- g. Ten (10) additional August membership bonds, in excess of the current active membership limit, may be accepted in anticipation of the retirement of active bonds. A prorated dues structure will be employed.

Section 8. The Board of Directors at its discretion may re-elect a member who has resigned (subject to the membership limitation as set forth in Article VI, Section 6) provided such ex-member was in good standing at the time of resignation.

Section 9.

- a. Active members temporarily leaving the North Star area and renting as opposed to selling their home may petition the Board of Directors to transfer their pool privileges to the tenants. Transfer of pool privileges shall not alter the membership status of the owner, nor confer membership privileges other than use of the pool on the tenant. Use of the pool by the owner during this period shall be by guest ticket only.
- b. Tenants upon whom pool privileges have been thus conferred shall be required to pay an initiation fee as established in Article VII, Section 2b, and based on the status of the tenant (i.e., family, or individual). Further, the tenant shall become responsible for annual dues and other fees in an amount appropriate to the number of members in the family. Membership dues for the owner shall be waived during this period.
- c. If the owner terminates his membership, the tenant's pool privileges are then voided. At that time, the tenant may apply for full active membership subject to all established requirements except that the initiation fee shall be waived. Membership thus granted shall be valid only during tenant's residency in North Star.

## **ARTICLE VII**

### **DUES AND FEES**

Section 1.

- a. The Board of Directors shall establish dues for the ensuing year, payable by March 31 of each year. Persons joining the North Star Swim Club after the swim season begins will be billed on a pro-rated weekly basis. The fees will be based on a 14-week swim season. In addition, members resigning from the Club during the swim season will be reimbursed a portion of their dues on a prorated weekly basis.
- b. Neither dues nor part thereof shall be refunded in the event that pool operations are required to be suspended for any period.

Section 2.

- a. Purchase of membership certificates shall be a requirement for membership and shall be sold in denominations of \$300.00. These membership certificates shall be clearly marked to differentiate them from membership certificates purchased at \$335.00 and \$450.00.
- b. An initiation fee shall be assessed each new or reinstated active family member the amount of which shall be assessed each new or reinstated active head of household member. An additional initiation fee of \$25.00 shall be assessed upon conversion of an active head of household membership to active family membership. These fees shall not be refundable.

Section 3.

- a. Unless the Article V11 Section.3c exception applies, Membership certificates shall not be transferable and shall contain an appropriate notation to that effect on the face thereof.
- b. Except for payment as hereinafter provided, each membership certificate shall become null and void upon the date that the holder thereof ceases to be a member for any cause. The timing of the redemption of bonds is at the discretion of the Board of Directors, and is done in accordance with the order in which the notification is received.
- c. As the only exception to Section 3a, an active or inactive member may apply for the right to transfer a bond to a new member under the Bond Transfer Program. The new member must meet the New Referred Member Qualifications as defined in Article VII Section 4 AND both the Referring member and the Referred member shall agree to the Bond Transfer Program in its entirety.

Section 4. Bond Membership Transfer Program

- a. The Referred Member must meet one of the following New Referred Member Qualification criteria to be considered as a new member under the Bond Transfer Program:
  - i. An Immediate family member of the Referring Member. Immediate family member shall be defined as a spouse, parent, grandparent, children, grandchildren, brother, sister, mother-in-law, father-in-law, brother-in-law, sister-in-law, or step children.
  - ii. Sale of house: A member can identify the buyers of their home as a potential referral. The referred buyer must complete an application for membership to the Club within 180 days following the date of settlement.
- b. The Bond Membership Transfer Program will operate as follows:
  - i. The Referring Member must initiate, in writing, a formal bond redemption request and specifically identify the Referred member to the Club. The Referring Member must certify that the Referred Member meets one of the New Referred Member Qualification criteria to be considered a New Referred Member as defined above. The Referred Member will complete a new Member Application Form to provide contact information to the Club.
  - ii. All approved Bond Transfers will be subject to a non-refundable \$75 processing fee.
  - iii. In the application, the Referring Member will relinquish all control of the bond to the Referred Member. (All monetary exchanges associated with transfer of the bond will be the responsibility of the Referring and Referred Members.) Following receipt of the application and processing fee, the Club will retire the Referring Members bond and a new bond will be issued to the Referred member. The newly issued bond will retain the value of the Referring member's bond (\$300, \$450, or \$335).
- c. The Bond Transfer Program will be temporarily suspended when the pool has a waiting list. The Referring Member may initiate a formal redemption request and specifically identify the new member to the Club. When the Referred Member is offered admittance to the club in accordance with Article VI, Section 6B, the Bond Transfer shall be initiated in accordance with the Bond Transfer Program process.

- d. The Treasurer and Membership Director will manage the Bond Transfer Program and shall make the initial determination if a referred member meets the definition described above. In the event the Treasurer and Membership Director disagree, the full Board of Directors shall make the final determination. The Board of Directors reserves the right to deny a bond transfer request if it is believed the Referring and/or Referred Member have not acted in good faith during the New Referred Member Qualification Process.

Section 5. 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 dissolution of the Club, membership certificates shall be a lien upon the process of the sale of the property of the Club after the payment of all of its just debts and obligations to the extent of the then By Laws, subject to set off of all debts dues and obligations owed by the holder of the Club. After payment of all membership certificates outstanding upon the effective date of dissolution of the Club, the surplus remaining shall be paid and distributed pro rata among the then membership of the club.

Section 6. Failure to pay dues by the date specified on the membership invoice will result in a \$15.00 administrative fee added to each subsequent invoice. The post mark will serve as the payment date. A two week grace period can be granted if notification of such request is documented in writing to the Treasurer, either by postal mail or e-mail. The grace period request must be received before the due date on the invoice. New members will not be subject to the administrative fee in their first year of membership.

Section 7. Upon cessation of membership for any cause, all indebtedness owing to the Club by her/him shall be a lien upon and charged against her/his membership certificate and the membership certificate may be taken over by the Club to satisfy such indebtedness. In the event of the Club being unable to obtain possession of the membership certificate, it may be canceled on the books of the Club, and a new membership certificate issued in place thereof to a newly elected member on payment by her/him to the Club, of a membership certificate as fixed by the Board. In case of the enforcement of a lien, as above herein provided, neither the signature of the holder nor the delivery of the transfer to the Club, or to a new possessor, and the Treasurer of the Club for the time being is hereby authorized, as the attorney of the holder of such membership certificate, to make such transfer. Every membership certificate issued is expressly subject to the provisions of this section.

Section 8. Members shall be responsible for the payment of all charges or liabilities that may be imposed upon or incurred by members of their family to whom the privileges of the Club shall have been extended, and for all charges and liabilities imposed upon or incurred by guests introduced by them.

Section 9. All fees and other charges mentioned herein are exclusive of taxes imposed by the Federal, State, and other Governmental bodies and agencies.

## **ARTICLE VIII.**

### **MEETINGS**

#### **Section 1.**

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

Section 2. Special meeting of the Club may be called by the Board of Directors. Also, upon the written request of ten members to the Secretary, stating the purpose therefore, a special meeting shall be called by the Secretary within thirty (30) days.

Section 3. Written and/or email notification of the Annual Meeting shall be given to the members at least ten days prior to the meeting. The notice of the Annual Meeting shall include the names of candidates nominated by the Nominating Committee.

Section 4.

- a. Twenty (20) members, present in person, shall constitute a quorum at all Club meetings.
- b. Voting at all Club meeting shall be on the basis of the voting right enumerated in Article VI, Section 1, and shall be by voice vote or show of hands. A member may designate, by written statement, a proxy who shall also be a member of the Club, said statement to be presented to the Secretary prior to any vote. Unless specifically limited by the member, said proxy shall be empowered to vote on all matters presented at the meeting.

Section 5.

Whenever in these By Laws, notice to members is required; the mailing and/or emailing of such notices to the last known address of the members shall constitute notice.

Section 6.

- a. The Board of Directors shall hold its first meeting following the Annual Meeting of the members in each year as promptly as practicable,
- b. The Board of Directors may, by resolution, establish from time to time, a schedule of its meetings and rules for the conduct thereof.
- c. Special meeting of the Board of Directors may be called by the President, and shall be called by the Secretary upon the request of two members of the Board.
- d. Notice of the regular and special Board meetings shall be given to each member of the Board at least seven (7) days before the date of the meeting.

**ARTICLE IX**

**NOMINATIONS**

Section 1.

- a. There shall be a Nominating Committee to be composed of five (5) members of the Club who shall serve for a term of one year. Three (3) members shall be elected at the Annual Meeting of the Club; the other two (2) shall be elected by the Board of Directors from among the Directors whose terms of office shall not expire at the ensuing Annual Meeting of the Club. A vacancy occurring among the three (3) members chosen by the Club shall be filled by the members or member so chosen. A vacancy occurring among the two (2) members chosen by the Directors shall be filled by the Directors.
- b. The Nominating Committee shall nominate the candidates for the vacancies in the Board of Directors to be filled at the Annual Meeting and the three (3) candidates for the next year's Nominating Committee; and shall report such nominations to the secretary on or before August 15<sup>th</sup>.

Section 2.

Nominations may be made from the floor at the Annual Meeting to fill any vacancies.

**ARTICLE X**

**COMMITTEES**

Section 1.

- a. The standing committees shall be Pool and Grounds, Membership, Activities and Nominating. The Rules Committee and the Finance Committee shall be ad hoc committees activated at Board discretion.
- b. The duties and powers assigned in these By Laws to the standing committees shall be subject to the authority of the Board of Directors.



- Section 2. The Pool and Grounds Committee shall exercise supervision over the Pool and Grounds; shall attend to the improvement and maintenance of the pool, buildings, operating equipment, and grounds; shall have authority there over, and in conjunction with the Rules Committee, shall see that the rules and regulations of the Club are enforced.
- Section 3. The Membership Committee shall function in accordance with Article VI, Section 2.
- Section 4. The Nominating Committee, in accordance with Article IX, Section 1, shall nominate candidates for the Board of Directors and for the Nominating Committee for the succeeding year.
- Section 5. In the event the Board of Directors shall activate the Finance Committee, the Finance Committee shall prepare and submit to the Board of Directors a recommended budget and dues schedule for the next operating year. This budget shall not be construed as binding on either the Board or the general membership. This committee may perform other activities as directed.

## **ARTICLE XI**

### MISCELLANEOUS

- Section 1.
- a. Each person who acts as a Director 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 is made a party by reason of his being or having been a Director or Officer of the Club, except in relation to matter as to which he shall be adjudged in such action, suit, or proceeding to be liable for gross negligence or willful misconduct, and except any sum paid for the Club in settlement of an action, suit, or proceeding based on gross negligence or willful misconduct in the performance of his duties.
  - b. The right of indemnification provided herein shall be insured to each Director and Officer referred to in (a) whether or not he is such Director or Officer at the time such costs or expenses are imposed or incurred, and in the event of his death shall extend to the legal representatives.
- Section 2. Any question as to the meaning for proper interpretation of any of the provisions of these By Laws shall be determined by the Board of Directors.
- Section 3. These By Laws may be amended by a two-thirds (2/3) vote of the members in person or represented by proxy, at any meeting of the club provided at least ten day's notice, written, of such amendment shall be given to each such member.