

BYLAWS

CARY SWIM CLUB, INCORPORATED

A NORTH CAROLINA NONPROFIT CORPORATION

- ARTICLE 1 OFFICES**
Section 1. Principal Office
Section 2. Registered Office
- ARTICLE 2 OBJECTIVES AND PURPOSES**
Section 1. General Purposes
- ARTICLE 3 MEETINGS OF MEMBERS**
Section 1. Place of Meetings
Section 2. Annual Meeting
Section 3. Special Meetings
Section 4. Notice of Meetings
Section 5. Voting Lists
Section 6. Quorum
Section 7. Voting
- ARTICLE 4 DIRECTORS**
Section 1. General Powers
Section 2. Number, Term, and Qualification
Section 3. Election of Directors
Section 4. Removal
Section 5. Vacancies
Section 6. Compensation
Section 7. Executive Committee
Section 8. Other Committees
Section 9. Duties and Responsibilities
- ARTICLE 5 MEETINGS OF DIRECTORS**
Section 1. Regular Meetings
Section 2. Special Meetings
Section 3. Quorum
Section 4. Manner of Acting
Section 5. Informal Action by Directors
- ARTICLE 6 OFFICERS**
Section 1. Number
Section 2. Election and Term
Section 3. Removal
Section 4. Vacancies
Section 5. Compensation
Section 6. President
Section 7. Vice President
Section 8. Secretary
Section 9. Treasurer
- ARTICLE 7 CONTRACTS, LOANS, AND DEPOSITS**
Section 1. Contracts

- Section 2. Loans
- Section 3. Checks and Drafts
- Section 4. Deposits

ARTICLE 8 MEMBERSHIP REQUIREMENTS

- Section 1. Membership Requirements
- Section 2. Membership Application Fee
- Section 3. Membership Fee
- Section 4. Annual Dues
- Section 5. Associate Membership
- Section 6. Transfer of Membership
- Section 7. Involuntary Suspension
- Section 8. Expulsion

ARTICLE 9 GENERAL PROVISIONS

- Section 1. Permitted and Prohibited Activities
- Section 2. Seal
- Section 3. Amendments

ARTICLE 10 DISSOLUTION

- Section 1. General Provisions

BYLAWS

CARY SWIM CLUB, INCORPORATED

A NORTH CAROLINA NONPROFIT CORPORATION

ARTICLE 1

OFFICES

Section 1. Principal Office. The principal office of Cary Swim Club, Inc. ("Corporation") shall be located in Cary, North Carolina at such place as the Board of Directors shall determine from time to time.

Section 2. Registered Office. The registered office of Cary Swim Club, Inc., as required by the North Carolina Nonprofit Corporation Act to be maintained in the State of North Carolina, may be, but need not be, identical with the principal office.

ARTICLE 2

OBJECTIVES AND PURPOSES

Section 1. General Purposes. The Corporation is organized exclusively for the charitable, scientific, literary, or educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code or corresponding Section of any future federal tax code. The purposes for which the Corporation is organized are to engage in all lawful activities in which nonprofit corporations may engage under the North Carolina Nonprofit Corporation Act (Chapter 55A of the North Carolina General Statutes).

ARTICLE 3

MEETINGS OF MEMBERS

Section 1. Place of Meetings. All meetings of members shall be held at the principal office of the Corporation, or at such place as shall be designated in the notice of meeting.

Section 2. Annual Meeting. The annual meeting of members shall be held in August or September of each year on a date determined by the Board of Directors for the following purposes: election of Directors, presentation of the current and prior year's annual budget, and the transaction of such other business as may be properly brought before the meeting.

Section 3. Special Meetings. Special meetings of the members may be called at any time by the President, Vice President, Secretary, Treasurer, Board of Directors, or by any member pursuant to the written request of not less than one-tenth of all voting members.

Section 4. Notice of Meetings. Written notice stating the time and place of the annual meeting of the membership of the corporation shall be sent via mail or electronic mail by the Secretary to each voting member not less than fourteen days before the date of the meeting. Written notice stating the time and place of any special meeting of the membership shall be sent via mail or electronic mail by the Secretary to each voting member not less than seven days before the date of the meeting. Annual meeting notices need not specifically state the business to be transacted unless it is a matter, other than the election of Directors, on which the vote of the members is expressly required by the provisions of the North Carolina Nonprofit Act or these Bylaws. Special meeting notices shall specifically state the purpose or purposes

for which the meeting is called, and the special meeting will be limited to the stated purpose or purposes.

Section 5. Voting Lists. A list of all voting members along with their contact information shall be maintained by the Treasurer. The list shall be subject to inspection by any member.

Section 6. Quorum. One-tenth of the voting members, represented in person or by proxy, shall constitute a quorum at meetings of members. The members at a meeting at which a quorum is present may continue to do business until adjournment, even if quorum is not maintained.

Section 7. Voting. Each voting membership shall be entitled to one vote on each matter submitted to a vote at a meeting of members. The right to vote shall be limited to persons 18 years of age and older. Associate members do not have voting rights. Voting on all matters shall be by voice vote or by a show of hands unless any member demands a ballot vote on that particular matter.

ARTICLE 4

DIRECTORS

Section 1. General Powers. The Board of Directors shall manage the affairs of the Corporation in accordance with the requirements of North Carolina law, the Articles of Incorporation, these Bylaws and any written operating procedures adopted by the Board of Directors.

Section 2. Number, Term, and Qualification. The number of Directors of the Corporation shall be twelve. Each year four Directors shall be elected for a three year term. Each Director shall hold his or her office for three years until his or her successor is elected and qualified. No Director may be elected for more than two consecutive terms but may be re-elected after being out of office for one year.

Section 3. Election of Directors. Except as provided in Section 5 of this Article, the Directors shall be elected at the annual meeting of members. Names will be put in nomination by the Board of Directors or from the floor. Those persons who receive the highest number of votes shall be deemed to have been elected. If any member so demands, election of Directors shall be by ballot.

Section 4. Removal. Directors may be removed from the Board of Directors with or without cause by a vote of a simple majority of the members entitled to vote at an annual or special meeting. If any Director is so removed, a new Director may be placed in nomination and be elected at the same meeting.

Section 5. Vacancies. A vacancy occurring in the Board of Directors may be filled by a majority vote of the remaining Directors. The members may elect a Director to fill any vacancy not filled by the Directors.

Section 6. Compensation. The Board of Directors may compensate Directors for their services as such and may provide for the payment of all expenses incurred by the Directors in attending regular and special meetings of the Board.

Section 7. Executive Committee. The Board of Directors may elect three or more Directors, one of whom shall be the President of the Corporation, to constitute an Executive Committee. The Executive Committee shall have general supervision of the affairs of the Corporation between meetings of the Board of Directors and shall act with the authority of the Board in the management of the Corporation under N.C.G.S. 55A-8-01, except that the Executive Committee, in accordance with N.C.G.S. 55A-8-25, shall not:

- (a) Authorize distributions;
- (b) Recommend to members or approve dissolution, merger, or the sale, pledge, or transfer of all or substantially all of the corporation's assets;
- (c) Elect, appoint or remove Directors, or fill vacancies on the Board of Directors or on any of its committees; or

(d) Adopt, amend, or repeal the Articles of Incorporation or these Bylaws.

Section 8. Other Committees. The Board of Directors may create one or more other committees. No committee, except the Executive Committee as provided herein, shall have the authority to act for the Board of Directors.

Section 9. Duties and Responsibilities. Members of the Board of Directors shall have other duties and responsibilities as determined by the Board of Directors

ARTICLE 5

MEETINGS OF DIRECTORS

Section 1. Regular Meetings. A regular meeting of the Board of Directors shall be held immediately after and at the same place as the annual meeting of members. The time and place of additional Board of Directors' meetings shall be determined by the Board and shall be posted at the pool and sent via mail, electronic mail, or posted on the Corporation's website not less than fourteen days before the meeting. There shall be a minimum of four regular meetings per year.

Section 2. Special Meetings. Special meetings of the Board of Directors may be called by or at the request of the President or any two Directors. Written notice of any special Board meeting shall be given to each member of the Board of Directors via mail, electronic mail, or posted on the Corporation's website at least five days before the meeting.

Section 3. Quorum. A majority of the Directors fixed by these Bylaws shall constitute a quorum for the transaction of business at any meeting of the Board of Directors.

Section 4. Manner of Acting. Except as otherwise provided in these Bylaws, the act of the majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

Section 5. Informal Action by Directors. Action taken by a majority of the Directors without a meeting is nevertheless Board action if written consent to the action in question is signed by all the Directors and filed.

Article 6

OFFICERS

Section 1. Number. The Officers of the Corporation shall be President, Vice President, Secretary, and Treasurer.

Section 2. Election and Term. The Officers of the Corporation shall be elected by the Board of Directors. Such elections may be held at any regular or special meeting of the Board. Each Officer shall hold office for a term of one year until his or her successor is elected and qualified or until his or her office is vacated by his or her death, resignation, removal or disqualification.

Section 3. Removal. An Officer elected by the Board of Directors may be removed by the Board with or without cause.

Section 4. Vacancies. A vacancy occurring in one of the offices may be filled by a majority vote of the remaining Directors.

Section 5. Compensation. The compensation of all Officers of the Corporation shall be fixed by the Board of Directors.

Section 6. President. The President shall be the principal executive officer of the Corporation and,

subject to the control of the Board of Directors, shall in general supervise and control all of the business and affairs of the Corporation and shall perform all duties incident to the office of President and such other duties as may be prescribed by the Board of Directors from time to time. The President shall, when present, preside at all meetings of members and the Board of Directors. He or she may sign, with the Secretary or any other proper Officer or agent of the Corporation thereunto authorized by the Board of Directors, any deeds, mortgages, bonds, contracts, or other instruments that the Board of Directors has authorized to be executed, except in cases in which the execution thereof shall have been expressly delegated by the Board of Directors or by these Bylaws to some other Officer or agent of the Corporation and except in cases in which the law requires such instruments to be otherwise signed or executed.

Section 7. Vice President. The Vice President shall perform duties requested by the President and the Board of Directors. In the absence or inability of the President to serve, the Vice President shall temporarily perform the duties of the President.

Section 8. Secretary. The Secretary's duties include:

1. Recording the minutes of all meetings of the Corporation and Board of Directors;
2. Sending notices required by law and these Bylaws;
3. General charge of the corporate seal and responsibility for affixing the corporate seal to any lawfully executed instrument requiring it;
4. Maintaining current copies of the Bylaws, membership lists with contact information and other important organizational documents;
5. Performing such other delegated duties as may be assigned;
6. Upon the expiration of his or her term, the transfer of all financial records to the incoming Secretary.

Section 9. Treasurer. The Treasurer's duties include:

1. Custody of all funds and securities belonging to the Corporation;
2. Receiving, depositing and disbursing funds under the direction of the Board of Directors;
3. Keeping a full and accurate record of all receipts and expenditures. Such record shall be open to inspection by any member;
4. Preparing an end-of-year financial report reflecting (a) all revenues and expenses for the year, including a comparison of such revenues and expenses with the approved budget, (b) the assets and liabilities of the corporation, and (c) the current membership list and record of dues paid by each member. The Treasurer shall provide copies of this report to the Board of Directors;
5. Responsibility for filing any required tax forms and reports, including but not limited to any federal and state tax returns for the previous fiscal year when due, and submitting a copy to the Secretary of the Corporation;
6. Maintaining a list of all voting members along with their contact information;
7. Performing such other delegated duties as may be assigned;
8. Upon the expiration of his or her term, the transfer of all financial records to the incoming Treasurer.

Article 7

CONTRACTS, LOANS, AND DEPOSITS

Section 1. Contracts. The Board of Directors may authorize any Officer or Officers, agent or agents, to enter into contracts or execute and deliver instruments on behalf of the Corporation, and such authority may be general or confined to specific instances.

Section 2. Loans. New loans not exceeding one-third of the operating budget shall be contracted on behalf of the Corporation by the Board of Directors. The contracting of any indebtedness larger than one-third of the operating budget must have membership approval.

Section 3. Checks and Drafts. All checks, drafts or other orders for the payment of money issued in the name of the Corporation shall be signed by at least two Officers of the Corporation and in such manner as shall from time to time be determined by the Board of Directors. Monthly reoccurring electronic drafts must be approved at the time of setup by the President and Vice President. The Treasurer may approve electronic drafts up to \$1,000, but electronic drafts above \$1,000 must have written approval including signatures of two Officers.

Section 4. Deposits. All funds of the Corporation not otherwise employed shall be deposited from time to time to the credit of the Corporation in such depositories as the Board of Directors shall direct.

Article 8

MEMBERSHIP REQUIREMENTS

Section 1. Membership Requirements. Membership in the Corporation is open to all applicants who meet the age requirement, hereby specified as 18 years of age or older, and who agree to pay required fees and abide by the pool rules and policies, provided the membership limit has not been reached. The membership limit is the maximum number of memberships (family and individual) allowed at a given time. It is set each year by the Board of Directors, prior to the annual meeting in order to maintain membership at a level that provides sufficient funds for operations and facilities maintenance, without undue crowding, and without exceeding the pool capacity as specified by federal, state, or Wake County rules governing pool occupancy. Regular members enjoy all the rights and privileges of membership in the Corporation, including the right to vote at the annual membership meeting and special meetings, as long as the membership is maintained in good order and annual dues are paid on time.

Section 2. Membership Application Fee. All applications for membership in the Corporation shall include a written application form and one-time, nonrefundable application fee, unless this requirement is waived by the Board of Directors. The amount of the application fee, if any, shall be established by the Board of Directors before the annual membership meeting.

Section 3. Membership Fee. A one-time membership fee is payable by new members as a condition for regular membership in the Corporation, unless this requirement is waived by the Board of Directors. This membership fee shall be nonrefundable and nontransferable. The membership fee, if any, shall be established by the Board of Directors before the annual membership meeting.

Section 4. Annual Dues. The Board of Directors, prior to the annual membership meeting, shall adopt the level(s) of annual dues for continued membership in the Corporation. The level(s) of dues shall be established at such levels to adequately cover, given projected membership levels, the operating budget of the Corporation. All members shall pay their annual dues by the date established by the Board of Directors or a late fee may be assessed. These dues are nonrefundable except that members who have paid their annual dues by the deadline and then learn that they will be moving away from the area or have unanticipated medical or other extenuating circumstances, may petition the Board of Directors in writing for a full or partial refund. Decisions will be made by the Board of Directors on an individual basis.

Section 5. Associate Membership. The Board of Directors may allow for associate members of the Corporation by the completion of an application form and the payment of annual dues that are set by the Board. The dues are nonrefundable. Associate membership is for one season at a time. Associate members do not pay the membership or application fee, are not guaranteed membership in subsequent years, and do not have voting rights. But they enjoy all other rights and privileges of membership, including eligibility for the swim team. Associate memberships expire at the end of the Corporation's fiscal year, and are renewable as long as the membership limit is not thereby exceeded.

Section 6. Transfer of Membership. Memberships and associate memberships in the Corporation shall not be transferable. Members desiring to terminate their membership in this Corporation shall send

written notification to the Secretary for cancellation. A member may request that his or her membership be voluntarily suspended on a year-to-year basis, subject to approval by the Board of Directors. Such requests must be made in writing. Voluntarily suspended memberships do not accrue dues obligations and have the right of reinstatement.

Section 7. Involuntary Suspension. Members and associate members will be suspended from the privileges of Corporation membership if they fail to pay the annual dues and fees in full by the date established by the Board of Directors. Suspended members will be reinstated to full Corporation membership upon full payment of all pending unpaid dues and fees.

Section 8. Expulsion. A member or associate member may be expelled from the Corporation for good cause by a 75% majority vote of the Board of Directors. Such good cause shall include, but not be limited to, nonpayment of annual dues and fees for a period in excess of one calendar year, violation of the Corporation Bylaws, rules, and regulations, and such other causes as the Board of Directors deem to be in the best interest of the Corporation. No member or associate member may be expelled without ten days written notice and an opportunity to present his or her case to the Board of Directors. Upon expulsion, members and associate members are not entitled to any refund of membership fees or dues.

Article 9

GENERAL PROVISIONS

Section 1. Permitted and Prohibited Activities. (a) All members are permitted to use the facilities in accordance with posted rules; (b) no alcoholic beverages will be served or permitted to be consumed on the premises; (c) no dancing will be permitted except at designated times and in specific areas as determined by the Board of Directors; (d) the Corporation shall not be controlled by any other organization; (e) no part of the net earnings of the Corporation shall inure to the benefit of, or be distributable to its members, trustees, officers, or other private persons, except that the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distribution in furtherance of the purposes set forth in these Bylaws; and (f) no substantial part of the activities of the Corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the Corporation shall not participate in or intervene in (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office. Notwithstanding any other provision of these Bylaws, the Corporation shall not carry on any other activities not permitted to be carried on by a corporation exempt from Federal income tax under Section 501(c)(3) of the Code or by a corporation, contributions to which are deductible under Section 170(c)(2) of the Code.

Section 2. Seal. The corporate seal of the Corporation shall consist of two concentric circles between which is the name of the Corporation and in the center of which is inscribed SEAL.

Section 3. Amendments. Proposed amendments to these Bylaws must be submitted in writing to the Board of Directors at least fourteen days before a Board of Directors' meeting. The Board of Directors will consider the proposed amendment and vote to either support or not support the proposed amendment. The amendment will then be considered by the voting general membership at the annual meeting or at a special meeting. Notice of the proposed amendment shall be sent to members at least fourteen days before an annual meeting and at least seven days before a special meeting. If the members present and voting approve the proposed amendment by a two-thirds vote, the amendment will then be considered at a subsequent general membership meeting held no sooner than one month following the meeting and not longer than one year following the meeting. Notice requirements for the second meeting at which the amendment is considered are the same as the notice requirements for the first meeting at which the amendment was considered. If the members present and voting approve the proposed amendment by a two-thirds vote at the second meeting, the amendment will be adopted. During the consideration of an amendment either at the first or second general membership meeting, a related amendment may be offered by a voting member provided such related amendment does not enlarge or restrict the scope of the original proposed amendment.

Article 10

DISSOLUTION

Section 1. General Provisions. Upon the dissolution of the Corporation, assets shall be distributed pursuant to one or more exempt purposes within the meaning of section 501(c)(3) of the Code or the corresponding section of any future federal tax code. Any such assets not so disposed of shall be disposed of by a court of competent jurisdiction of the county in which the principal office of the Corporation is then located, exclusively for such purposes or to such organizations, as such Court shall determine, which are organized and operated exclusively for such purposes.

May, 1965
Amended April, 1982
Amended April, 1983
Amended April, 1987
Amended July, 1989
Amended June, 1992
Amended July, 1998
Amended June, 2010