

COVERED BRIDGE SWIM CLUB, INC.
BY-LAWS
Revised March 15, 2004

ARTICLE I - NAME

The name of the corporation is the Covered Bridge Swim Club, hereinafter referred to as “the Club.”

ARTICLE II - PURPOSE

This organization is a non-profit Corporation, chartered and operating under the laws of the State of New Jersey, to promote, finance, construct, lease, own, operate, and maintain a swimming pool and recreational facility and other properties and equipment as are appropriate to the conduct of its activities for the use of its members.

ARTICLE III – OWNER MEMBERS

1. An Owner-Member (also known as “Member”) is defined as a person who purchases a Certificate of Interest (hereinafter referred to as “Certificate” or “Bond”) from the Club and is current on all dues and special assessments. If a prospective Member has terminated membership in another swim club but not yet received a redemption repayment from that club for returning the certificate or bond associated with such membership, the Board of Directors may, by majority vote, waive the requirement that the prospective Member purchase a Certificate until the earlier of (i) the date the Member receives the redemption payment or (ii) the third anniversary of the date the waiver was granted by the Board irrespective of whether the Member ever receives such redemption payment. All Members enrolled on the effective date of this revision and who have not yet purchased a Certificate of Interest shall be required to do so on the earlier of (i) the date the Member receives a certificate/bond redemption payment from any swim club of which they were a member, or (ii) the third anniversary of the date they joined the Club. All Members who have not purchased a Certificate shall be non-voting associate members of the Club provided they are current on all dues and special assessments. The Board of Directors may require Members who have received waivers to provide copies of correspondence indicating their reasonable effort to obtain redemption payment and may, in its reasonable discretion, rescind any waivers when Members fail to respond to its requests. The number of Certificates Issued by the Club will be limited to 320 in keeping with the facilities and membership planning coincident with the founding.
2. A Certificate may be held jointly by husband and wife and entitles the holder(s) to one vote at any regular or special meeting. Proxy voting shall not be permitted except for the annual election of the Board of Directors which will be conducted by mail.
- 3a. All Applicants for Certificates will be screened by the Membership Committee and sale to them will be subject to review by the Board of Directors. As long as the membership remains under 300 families, the membership will be open to anyone outsider of item 3b area in Cherry Hill Township and adjacent communities who is proposed and seconded by two Member families and approved by the Board Of Directors.

- 3b. Membership will be limited to residents of the geographic area bounded by New Jersey Route 70, Interstate 295, Kresson Road, and Brace Road. A resident shall be defined as a person who has purchased and does reside or has made a binding contract to purchase and does reside after purchase within the above described area. A person who rents or leases a home within the above described area is eligible to purchase a Certificate while residing therein.
4. (Not used)
5. Bondholders will be classified in the following manner
 - a. Series A: Founding Members (first 280 Certificate holders at the initial organization time of the Club).
 - b. Series B: The 1976 membership, excluding Series A Bondholders.
 - c. Series C: A Member who purchased a Bond directly from CBSC on or after January 19, 1977.

Bond redemption policy will be as follows: Any Member holding a Series A or B Certificate may, by written notice, request the Club to repurchase his Certificate at a price not to exceed \$410. In the event the Club is financially unable to repurchase the Certificate as tendered, the Club reserves the right to withhold repurchase until money is available. A member holding a Series C Certificate may receive redemption upon written request to the Club. Initiation fees and interest accumulated will be used to repay outstanding Series A and B Bonds. Series A Bondholders will have first priority on the repayment list. A Certificate may not be transferred or sold by the holder to another individual.

6. The value of a Certificate of Interest purchased prior to January 1, 1977 is \$410. All Certificates purchased after January 1, 1977, shall be valued at \$50. A non-returnable initiation fee, the amount determined by the Board of Directors, shall be paid when a Bond is purchased.
7. Failure to pay annual dues will result in a forfeiture of \$25 from the Certificate followed by a \$25 deduction for each subsequent year. Reinstatement to active voting membership status will require repayment of any prior Bond forfeitures.
8. When a member sells his house, he may:
 - a. Retain his Bond and remain a dues paying member.
 - b. By written request, require the Club to repurchase his Bond as stated in Section 5.
9. Use of the Club facilities is extended to each Member holding a Certificate and having paid the prescribed annual dues and all other obligations, and to the Members of his

immediate family permanently residing at his address and as recorded in the Club records by name and classified as spouse, parents, and children.

10. A card or other identifying tag shall be issued by the Club, after full payment of all dues and obligations, to each Member and to the listed members of his family as in section 9 above, which shall be presented each time to gain access to the Club facilities. The privileges of Membership shall not be transferable. Attempts to so transfer will be cause for the revocation of the identification and the privilege of use.
11. The Board of Directors may at its discretion extend the privileges of the Club for competitive meets and other organized special events, providing adequate liability coverage is secured by the user.
12. The Board of Directors shall fix the terms and conditions upon which guests of Members may use the Club facilities. Such terms and conditions shall be published in each year's Rules and Regulations.
13. Any property of the Club broken or damaged by a Member or his guest shall be promptly paid for by such Member. Club property shall not be removed from the grounds without permission from the Board of Directors. Failure to make payment may result in the Board seizing Bond moneys and/or seeking legal action for restitution.
14. The Club assumes no responsibility for loss of property of Members or their guests.
15. The Club assumes no responsibility and Members and their guests can have no claim against the Club for any accident or injury to any person or their property except as provided for in the insurance coverage carried by the Club.
16. Alcoholic beverages consumption on the premises can, at certain specified Club functions, be sanctioned by the governing body of the Club.
17. No personal property of a nature imposing on the privacy, privilege, or pleasure of other members shall be brought onto the Club grounds such as, but not limited to, pets, arms (toy or otherwise), large toys, radios, record players, etc.
18. Employees of Members are not allowed to use Club facilities except when accompanied by a member and provide the required guest fee.
19. The Club and its staff assume no responsibility for the control and supervision of listed members of a Members' family to whom Club privileges are granted and who do not qualify for individual access by merit of age or skill according to the Rules and Regulations. These individuals are permitted access only when in the charge of a qualified Member.
20. The Club, by its Board of Directors, may suspend or revoke the privileges and Certificate of any Member, or member of his family, who fails to comply with the Rules and Regulations duly enacted by the Club for the government of its members, or who

otherwise conducts himself so as to give cause for such action. This action will be taken only after ten days notice to the Member to attend a hearing before the Board.

21. The Board of Directors shall delegate, through the Board member responsible for personnel or a designee, to the Pool Manager the authority to operate the Club facilities and the power to suspend privileges of use to anyone admitted, including removal and suspension for violation of Rules and Regulations. Such suspension shall be submitted to this Board member within twenty-four hours. The Pool Manager shall report directly and only to this Board member on these matters.
22. A Member may discontinue use of facilities at any time, but there will be no refund of annual dues.

ARTICLE IV – DUES AND FEES

1. The Board of Directors, at the first meeting after the annual Membership meeting, shall establish dues for membership for the following season.
2. These dues shall be sufficient to provide for the necessary running expenses and proper maintenance and improvement of the property and facilities and shall be payable no later than thirty days prior to seasonal opening. They are not refundable.
3. Members shall be responsible for payment of all charges, assessments, and liabilities imposed on or incurred by them and the members of their family and their guests. Failure to pay within the prescribed time subjects Members to suspension.
4. At cessation of use of the Club by any Member for any reason, all indebtedness owed by him to the Club shall be a lien on his Certificate, and this Certificate may be taken over by the Club to satisfy such indebtedness. Such action shall in no way be construed to be a limit on such Member's indebtedness.
5. Except for payment as provided herein, each Member's privileges to use of the Club shall be null and void upon the date that the holder of the Certificate ceases to be a Member for any cause. When a certificate is submitted for redemption, all privileges for use of the Club will cease at the end of that paid membership year. The time and manner in which a Member shall be paid the value of his Certificate shall be determined by the Board of Directors, and each shall be so redeemed in the chronological order in which the Member terminates, subject to the provisions of Article III Sections 5 and 6, and as soon as payment is received from an incoming Member.
6. In the event of 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, each Certificate of Interest shall be a lien upon the proceeds of the sale of the property of the Club after payment of all its just debts and obligations to the extent of the then-value as fixed by these BY-LAWS, subject to the set-off of all debts and obligations owed to the Club by the holder. After the payment of all loans outstanding upon the effective date of dissolution of the Club, the surplus remaining shall be paid and distributed pro-rata among the then-Owner-Members of the Club.

7. No additional assessments will be made except on the recommendations of the Board of Directors and as passed by a majority vote of the Members present at a regular or special meeting.
8. (Deleted)
9. The operating funds received from payment of annual dues or assessments or charges shall be maintained in a separate account and used for Club activities and operation and to supplement the capital fund as necessary for the protection of these investments and the assets they represent.
10. Funds received in payments to liquidate mortgage commitments of the Club may not be used for operating purposes, and shall be reported on at each Board and Annual meeting detailing outstanding principal and all disbursements and collections for the prior period.
11. The Club will make available Associate Memberships. Associate Members are defined as those Owner-Members who have held Membership for 10 years or more and who have no children under the age of 18 years. These Associate Members will pay a total of one-half (1/2) the yearly dues. Associate Membership does not include children.
12. The Club will make available Associate Memberships to senior citizens (age 62 and over as of May 15) who list no children under their name for membership in the Club. These Associate Members will pay a total of one-half (1/2) the yearly dues. They also need not be a Bondholder. As a non-Bondholder, they shall be a non-voting Member(s) of the Club.
13. The Club will make available a Membership to a single Bondholder, who lists no children under the age of eighteen (18) and no other adult living in the household. These Bondholding members will pay a total of one-half (1/2) the yearly family membership dues. As a Bondholder, they shall be a voting Member of the Club.

ARTICLE V - GOVERNMENT

1. The business and property of the Club Corporation shall be managed and controlled by a Board of Directors, eleven in number.
2. Any active Owner-Member (husband, wife or single adult over 21 years of age) shall be eligible to serve on the Board of Directors, provided the Owner-Member has purchased a Certificate and is current on his or her dues and any special assessments.
3. At least three Directors, but no more than four, shall be elected annually from the active Owner-Members in accordance with Article IX, Section 2, for a term of three years and until their successors shall have been chosen and to fill the vacancies of the three Directors whose terms expire each year. Election is by the majority of the vote cast, and balloting shall be by mail to each Member holding a Certificate. Directors shall take office October 1 of the year elected.

ARTICLE VI – BOARD OF DIRECTORS

1. Consistent with these BY-LAWS, the Board of Directors shall:
 - a. Transact all Club business and make and amend Rules and Regulations for use of the Club property. It shall appoint and remove such clerks, agents, servants or employees as it may deem necessary and shall fix their duties, authority, and compensation.
 - b. Fix, impose and remit penalties for violation of these BY-LAWS and Rules and Regulations of the Club.
 - c. Elect the Officers of the Corporation from among the members of the Board of Directors.
 - d. Fill any vacancy in the membership of the Board of Directors to serve until the next annual election.
 - e. Adopt an annual budget on the recommendation of financial committees and obtain approval of the Owner-Members at the annual meeting.
 - f. Secure for the protection of the Club such public liability, property damage and other forms of insurance as will protect the Members and their interest.
 - g. Conduct the Club as representatives of the total Membership in line with the interests and intent and purpose of the organization and in protection of their rights and interests.
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 these funds are to be handled and checks, drafts, and other instruments for payment of funds of the Club shall be executed. The Board shall always require that at least two officers sign all checks, drafts, or other instruments for the payment of money drawn in the name of the Club. Provided that, subject to prior authorization of the Board, in the case of payroll checks only, the signature of only one officer and the pool manager shall be required for signing checks.
3. The Board of Directors shall cause the books and records of the Club to be audited annually by qualified auditors who are neither Directors nor Officers or appointed committee members of the Club, and which auditor group shall include at least one Member of the Club. An annual report shall be prepared showing the state of the Certificates of Interest, Membership, finances in all accounts, setting forth transactions, and relating important activities, actions and expenditures of the preceding fiscal year and plans, particularly of a financial nature, for the coming year. A copy of this report is to be mailed to each Owner-Member, just prior to the annual membership meeting.
4. Board Meetings:

- a. The Board of Directors shall meet at least every other month, and at other times as they deem necessary.
 - b. Five members of the Board of Directors shall constitute a quorum, and a quorum shall be required to be present to constitute a meeting.
 - c. Failure of a Board Member to attend fifty percent of scheduled Board meetings or three consecutive meetings shall be considered as resignation from the Board.
5. Nothing in these BY-LAWS shall be construed to permit the Board of Directors to borrow or pledge the credit of the Club without the specific approval of a majority of the Owner-Members voting at a Membership meeting.
 6. The Board shall provide for bonding of Officers empowered to handle Club funds to the extent of their authority.
 7. Any member of the Board of Directors may be removed from office by a two-thirds vote of the Owner-Members present at any regular or special meeting called in accordance with these BY-LAWS, provided that thirty days notice has been given to the Membership of the purpose of such meeting

ARTICLE VII - OFFICERS

1. At the October meeting of the Board of Directors, the Board shall elect Officers for the ensuing year from among their number. No person shall hold more than one office at one time, and shall serve without compensation.
2. The Officers shall be a President, Vice-President, Treasurer, and Secretary.
3. The President shall be the chief executive officer of the Club and shall preside at all meetings of the Board of Directors, as well as of the Owner-Members. He shall appoint, subject to the approval of the Board, the Chairmen of all standing and special committees and shall be, ex-officio, a member of all committees. He shall have the power to sign all Certificates and execute all contracts and instruments of conveyance in the name of the Club.
4. The Vice-President, in the absence or disability of the President, shall act in his stead. He shall be Chairman of the Membership Committee and shall be responsible for Membership activities, which shall include: maintenance of records of Certificates of Interest (Bonds), including names, addresses, and such other data concerning admission to, maintenance and termination of ownership as are appropriate in accordance with the requirements of the Board of Directors and the State of New Jersey; issuing Certificates of Interest; issuing Membership cards and tags; and coordinating activities to promote Membership in the Club.
5. The Treasurer shall make and keep records of all financial transactions of the Club; be responsible for the receipt of all moneys due the Club and deposit same in such banks as

the Board may designate; be one of the Officers authorized to sign checks; make all disbursements render bills and statements for the charges incurred by all Members and for their guests no later than the tenth of the month following incurrence of such charges; and perform such other acts as are incident to the position of Treasurer, subject to the control of the Board of Directors.

6. The Secretary shall keep the minutes of all meetings of the Board of Directors and of the Membership; keep all other Corporate records except financial records and Membership records; conduct all official correspondence under the supervision of the President; send out notices of all meetings of the Board and the Membership; and perform all of the duties incident to the office of Secretary subject to the control of the Board of Directors. He shall submit such reports as may be required by them and the operation of the Corporation.

ARTICLE VIII - MEETINGS

1. An Annual Meeting of the Owner-Members, called the Membership Meeting, shall be held during the month of March each year at such time and place as the Board shall determine consistent with normal ability of the majority of the Members to attend. This annual meeting shall be for the purpose of introducing the new Board Members, presenting committee reports, and for transaction of such other business as may be indicated in the notice or may be brought before it by any member. The Annual Report (Article VI, Section 3) shall be reviewed at the meeting and the operating budget shall be approved. (Article VI, Section 1)
2. Notice of the Annual Membership Meeting shall be given in writing by mail ten days prior thereto.
3. Special meetings of the Membership may be called by the Board by giving five days written notice by mail to all Owner-Members stating the purpose of the meeting; no other business shall be transacted.
4. Only one vote per Owner-Member holding a Certificate shall be cast by an adult at the Membership Meeting or special meetings. Voting shall be cast by voice unless at least ten Owner-Members approve a motion to require a roll call vote.
5. Majority rule shall apply in all voting except as specified in other sections of these BY-LAWS. A quorum for Membership Meetings shall consist of twenty percent of the current dues-paying Owner-Members. A quorum for the Annual Meeting may be reduced to ten percent of the current dues-paying Owner-Members by a two-thirds vote of the Board of Directors upon the written certification of the Secretary that timely notice of the Annual Membership Meeting was served on the Owner-Members by U.S. mail as prescribed in Article VIII, Section 2.
6. Whenever in these BY-LAWS notice to holders of Certificates is required, the mailing of such notice to the last known address shall constitute notice.

7. The Board of Directors shall hold a special meeting immediately as practicable after the Annual Membership Meeting to carry out the requirements of this meeting and prepare for the following season.
8. The Board of Directors may by resolution establish a schedule of its meetings and rules for conduct of such meetings.
9. The President may call a special meeting of the Board as he may deem necessary; any three members of the Board may call a special meeting of the Board, and any five non-board members may call a special meeting of the Board. This can be done by a written request to the Secretary and the Chairman, who shall set the time of the meeting and see that notices are distributed as required as soon as possible after receipt of this request.

ARTICLE IX - NOMINATIONS

1. There shall be appointed by the President a Nominating Committee composed of two members of the Club appointed at the June meeting of the Board of Directors.
2. The Nominating Committee shall obtain from the Members nominations for the three annual vacancies on the Board of Directors and any other vacancies to be filled by merit of removal or resignation from the Board, screen such nominations and obtain agreement to serve, and report such nominations to the Board at the July meeting. The Committee shall prepare a ballot of such nominations to be mailed by the Secretary to all Owner-Members by September 1 for return by September 15.
3. The Nominating Committee shall count and certify the results of this balloting and report the results to the Board no later than September 30.
4. Nominations at large can be made by any Member before August 1 to any Board member. The candidate so nominated shall appear on the ballot as per Article IX, Sections 2 and 3.

ARTICLE X - COMMITTEES

1. The standing committees shall be: Membership, Operations (Maintenance and Personnel), Social Activities, Sports Activities, Swim Team, Rules and BY-LAWS.
2. The duties and responsibilities of these committees shall be as assigned by these BY-LAWS and fully subject to the direction and authority of the President, to whom the Committee Chairmen report, and as directed by the Board of Directors through him.
3. The Membership Committee shall be composed of two or more Members and the Chairman, who shall meet as necessary and report such meetings and their actions to the President. It shall be the responsibility of this Committee to maintain records of Membership to whom use of the facilities is extended, working with the Treasurer and Secretary; to administer all functions of Membership; to carry out recruiting and screening of Membership applications; to maintain full Membership; to maintain the waiting list and related transactions of new and discontinued Membership; and to make

recommendations to the Officers and the Board and carry out their requirements in the general area of Membership.

4. The Operations Committee shall be chaired by two Board members who shall share the responsibilities for Club maintenance and personnel, and shall be composed of two or more Members and the chairmen, who will meet as necessary and report such meetings and their actions to the President. It shall be the responsibility of this Committee to manage the operation of the Club facilities and to direct this operation and all related activities at the facilities through the employed Pool Manager and his staff, reporting directly and only to the Operations Chairman; to carry out the requirements prescribed by the Rules and Regulations and control all activities and Members in accordance therewith; to carry out the events and activities as prescribed by the Social Activities Committee schedules as approved and directed by the President; to assure that operations are conducted within the requirements as set forth in the approved annual budget to assure that the property and equipment of the Club is maintained and used in accordance with good practice as required by law and sound technical knowledge; to assure full and pleasant use of facilities and conduct of activities for the enjoyment of all members even at the expense of individual actions; to ensure conduct in a safe manner at all times at the facilities; to completely control the principal activity of swimming; to provide for the future security and expansion of facilities in keeping with needs and as requested; and to make recommendations to the Officers and the Board in these regards. By the importance of this function and the safety of the using Members, the Pool Manager is in sole charge of the pool facilities and no Member or Officer shall have any authority over him in the discharge of these duties at the facility. Any such contact is to be handled through the President to the co-chairmen of the Operations Committee.
5. The Social Activities Committee shall be chaired by a board member and shall be composed of two or more Members and the chairman, who shall meet as necessary and report such meetings and their actions to the President. It shall be the responsibility of this Committee to plan and arrange for the seasonal social activity schedule of the Club, to promote a full utilization of the facilities for all Club Members.
6. The Sports Activities Committee shall be chaired by a Board member and shall be composed of two or more Members who shall meet as necessary and report such meetings and their activities to the President. It shall be the responsibility of this Committee to plan and arrange for the seasonal activity schedule of the Club's sports facilities and to promote the full utilization of the Club's sports facilities for the benefit of all members.
7. The Swim Team committee shall be chaired by a Board Member and shall be composed of two or more members and the Chairman, one of whom shall serve as the Tri-County Representative. It shall meet as necessary and report such meetings and their actions to the president. It shall be the responsibility of this Committee to promote the general aquatic purposes of the Club and its Swim Team and Diving Team; to foster growth of aquatic skills for all Members, particularly teaching of non-swimmers in the interest of general safety; to coordinate swimming activities and swimming competition so that they can be successfully carried out by the Pool Manager and his staff; to assure compliance

within the authorized budget; and to make recommendations to the Officers and the Board in this area.

8. The Fund Raising committee shall be chaired by a Board Member and shall be composed of two or more Members who shall meet as necessary and report such meetings and their activities to the President. It shall be the responsibility of this Committee to plan, arrange, and execute all fund raising activities to be undertaken by the Swim Club.
9. The Food Services Committee shall be chaired by a Board Member and shall be composed of two or more Members who shall meet as necessary and report such meetings and their activities to the President. It shall be the responsibility of this Committee to oversee the operations of the Snack Bar, and any other food services related to the Swim Club. Coordination of employee utilization will be maintained through joint efforts of the Food Services Director, the Pool Manager, and Personnel Board member. Responsibilities also include maintaining the Snack Bar Facility and all contents, and food management for all daily and special events.
10. The Rules Committee shall be composed of two or more Members and the Chairman, appointed by the President, who shall meet every even year prior to seasonal opening and report such meetings and their actions to the President. It shall be the responsibility of this committee to prepare and maintain the Rules and Regulations for health, safety and good conduct of the Club operations working with the other committees and the Pool Manager in this activity and closely coordinating with the Membership and its desires; to monitor and recommend adjustments and changes to the Rules as may be desired for the success of the Club.
11. The BY-LAWS Committee will meet prior to the Annual Membership meeting on every odd year. It shall be composed of two or more Members and the Chairman, appointed by the President. It shall review the BY-LAWS and recommend adjustments and changes as may be desirable for the success of the Club.
12. Such other committees as may be deemed necessary and desirable may be appointed by the President.

ARTICLE XI - MISCELLANEOUS

1. 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 matters as to which he shall be adjudged in such action, suit, or proceeding to be liable for gross negligence or willful misconduct and except for any sum paid for the Club in settlement of an action, suit, or proceeding based on 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. The right of indemnification provided herein shall insure to each Director or Officer referred to in the above, 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 his legal representatives.

2. Questions as to the meaning and interpretation of the BY-LAWS shall be determined by the Board. The Board shall cause review of the BY-LAWS to be made every two years by a duly authorized Committee of Members reporting to the Chairman.
3. These BY-LAWS may be amended or repealed by a two-thirds vote of Owner-Members present at a duly called regular or special Membership Meeting, provided that due and proper notice is given to the membership as prescribed in Article VIII, Section 2.