

THE SPRINGFIELD SWIM CLUB, INC.

THE CONSTITUTION

SPRINGFIELD SWIM CLUB, INC
343 N. ROLLING ROAD
SPRINGFIELD, DELAWARE COUNTY, PENNSYLVANIA 19064

CONSTITUTION

ARTICLE I: Name and Purpose

- Sec 1: The name of this organization shall be Springfield Swim Club, Incorporated ('Club').
- Sec 2: This club is organized under the laws of the Commonwealth of Pennsylvania as a Non-profit organization to promote, finance, lease own, operate and maintain recreational and educational facilities including swim pool, together with such incidental objects as are appropriate to the conduct of its activities, for the exclusive use of its members and their families.

ARTICLE II: Membership

- Sec 1: Eligibility for membership in the Club shall be limited to residents of Springfield Township, Delaware County, Pennsylvania, residing in one household.
- Sec 2: Admission to membership shall be by majority approval by the Board of Governors. The initial application shall be processed as described in the By Laws, but the decision or recommendation taken thereby shall not be binding on the Board of Governors.
- Sec 3: The Corporation, by its Board of Governors, may revoke the membership of any Person who fails to comply with the lawful and reasonable rules, regulations, and requirements enacted by the Board of Governors for the government of the Club, as provided in the By Laws, or having the legal effect thereof.

ARTICLE III: Shares

- Sec 1: The Club shall be authorized to issue and sell not more than 800 shares in the Corporation.
- Sec 2: The maximum number of shares may be fixed at any amount up to 800 by a two thirds (2/3) vote of a quorum at an Annual Meeting or at duly organized meeting, provided that a notice of such vote is given to all shareholders of record at least five (5) days preceding the meeting, after such a proposal having previously been approved by the Board of Governors.

- Sec 3: The par value of each shall be Two Hundred Dollars (\$200.00).
- Sec 4: The shares of this Club shall be non-transferable (except as provided in Sections 8 and 11 of this Article) non-assessable, non-negotiable, non-profit sharing, non-interest bearing, and shall not represent an obligation of the Club except as provided in Sections 8 and 10 of this Article, or the case of dissolution of the Club under Article V.
- Sec 5: Ownership of a share of the Club entitles the owner to admission to Club property and the use of Club facilities or privileges, provided that the owner is in good standing in accordance with this Constitution and By-laws.
- Sec 6: The stated price at which shares shall be offered for sale or purchased by the Corporation shall in no event be less than par, and shall be fixed from time to time by resolution of the Board of Governors.
- Sec 7: There shall be issued for each fully-paid share a numbered certificate. Only one share shall be issued per household.
- Sec 8: No shares may be sold by shareholders, except by first offering them to the Corporation. The Corporation shall have the exclusive option to purchase any membership shares offered it for sale, within a period of six months from the time it is offered, as provided in Section 6 and shall purchase on the same terms any shares that may be recalled by the Board of Governors.
- Sec 9: The Corporation, by its Board of Governors, may recall the share certificate of any person who fails to comply with the lawful and reasonable rules, regulations, and requirements enacted by the Board of Governors for the government of the Club, as provided by the By-laws, or having the legal effect thereof.
- Sec 10: Shares passing by will or intestacy shall be transferable on the stock transfer book to legatees or lawful heirs, provided that such legatees or heirs desire, and are first elected to membership in the Club, as provided by Article II or further specified in the By-Laws. Should the legatees or lawful heirs not desire or not be eligible for membership, the share shall be purchased as specified in Section 8 of this Article.
- Sec 11: Shares may be transferred to another eligible family member, i.e. parent, son, or daughter, with the approval of the Board of Governors.
- Sec 12: In the event of dissolution of a household the share shall be recalled for redemption by the Board of Governors. The value of the share shall be disbursed in accordance with any court order or shall be pro-rated between named shareholders.

ARTICLE IV: Voting Rights of Shareholders

- Sec 1: Each fully-paid share shall be entitled to vote at any duly organized meeting of the Club.
- Sec 2: There may be voting by proxy. Those entitled to vote shall cast their votes in person, by mail, or electronically, as stated in the call or notice of the meeting.
- Sec 3: A quorum for the conduct of business at a duly organized meeting shall be fifty (50) shares of record.

ARTICLE V: Dissolution of the Corporation

- Sec 1: In the event of dissolution or liquidation of this Corporation, after payment of all liabilities, the assets of the Corporation shall be disposed of as follows:
- (a) The shareholders of record at the time of dissolution shall share pro-rata up to the stated price of a share, and all share certificates shall be assigned to the Corporation and cancelled.
 - (b) Assets remaining after retirement of shares shall be given to such community organizations, charities, and projects as the Board of Governors shall determine by resolution.

ARTICLE VI: Government

- Sec 1: The Club shall be managed by a Board of Governors no less than nine (9) and no more than fifteen (15) in number.
- Sec 2: Only shareholders shall be eligible to serve as Governors.
- Sec 3: At each Annual Meeting, Governors shall be elected for a term of four (4) years to fill vacancies. A Governor may be elected, as necessary, for terms less than four (4) years when filling positions which have been vacated.
- Sec 4: No Governor elected for a four-year term may be re-elected as a Governor until a lapse of one (1) year following this term.
- Sec 5: Nominations for office of Governor:
- (a) Shall be made by a Nominating Committee. The notices for the Annual Meetings shall list the nominees for Board of Governors, indicating who are the incumbents.

- (b) May be made by a petition signed by at least ten (10) shareholders entitled to vote and mailed to the Secretary not less than twenty (20) days before the Annual Meeting.

Sec 6: Any member of the Board of Governors:

- (a) May be removed from office by a two thirds majority vote of the Board of Governors, after ten (10) days' notice to the Governor concerned to attend a hearing before the Board.
- (b) Who misses three (3) consecutive Board meetings is automatically removed from the Board at the third missed meeting by failure to attend unless two thirds (2/3) majority of those present at the meeting approves their continuance. The Secretary/Treasurer, shall be responsible for checking attendance of all Board members.

Sec 7: The Board of Governors shall:

- (a) Transact all Club business, make and amend rules for the regulation and use of the Club property, and make and amend the By-Laws of the Corporation. It may appoint and remove such officers, clerks, agents, servants, or employees as it may deem necessary and fix their duties and compensation.
- (b) Elect members.
- (c) Fix impose and remit penalties for violations of this Constitution and the By-Laws and Rules of the Club.
- (d) Elect from the Board of Governors a President, and a Secretary//Treasurer, both of whom shall serve without compensation.
- (e) Constitute and appoint committees and fix their duties
- (f) Secure the fidelity of its financial officers, or their assistants or servants, in amounts consistent with their responsibility.
- (g) Fix the stated price of the shares of the Corporation annually at the January meeting of the Board of Governors. The stated (market) price of the shares must not be less than par (\$200).
- (h) Fill any vacancy in the Board of Governors, to serve until the next Annual Meeting.
- (i) Fix the fees and dues for Club facilities, and the date for their payment.

- (j) Conduct an annual review of the financial records, practices and procedures of the corporation, by a Committee of qualified, independent accountants.
- (k) Make or authorize all financial decisions necessary or desirable for the operation of the Club, set short and long-term financial goals, establish investment strategies, and create, approve, and update as necessary policies that help ensure the assets of the Club are protected.
- (l) Do or cause to be done all other things necessary for the operation and maintenance of the Club.
- (m) The Board of Governors shall select a convenient time and place for an Annual Meeting of the shareholders to be held subsequent to the close of the swimming season in one year and prior to the opening of the swimming season in the next succeeding calendar year.

ARTICLE VII: Charter and Zoning Provisions

Sec 1: No intoxicating liquors shall be permitted on the premises during normal operating hours.

ARTICLE VIII: Amendment

Sec 1: Amendments to this Constitution or an Article thereof may be initiated by petition to the Board of Governors signed by twenty-five (25) shareholders and may be adopted at any duly organized meeting of shareholders, by a two-thirds (2/3) vote of a quorum provided that the proposed amendments have been given in writing to all shareholders at least ten (10) days before such meeting. In the event a quorum is not present, the Board of Governors may request a vote by mail ballot.