

BY-LAWS OF
THE MAPLE VALLEY CLUB, INC.

November 24, 2009

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**ARTICLE I
IDENTIFICATIONS AND OFFICERS**

SECTION 1: Name. The name of the corporation shall be the Maple Valley Club, Inc., hereinafter referred to as the “Club”.

SECTION 2: Offices. The Principal Office of the Club shall be located in New Castle County, Delaware. All official correspondence shall be sent to Maple Valley Swim Club, ATTN: Secretary, P.O. Box 28, Newark, DE 19715. The Club address may be changed or updated as needed without requiring official amendment to these bylaws.

SECTION 3: Unless otherwise specified, all meetings of the Club or the Board of Directors shall be held at: The Maple Valley Swim Club, Old Possum Park Road, Newark, Delaware.

SECTION 4: The Club is organized on a non-stock, non-profit basis as specified in the Article of Incorporation.

**ARTICLE II
OBJECTIVE OF THE CLUB**

SECTION 1: The object and purpose of which this corporation is organized is to promote the health and general welfare of its membership and in pursuance thereof, to construct, own and operate a swimming pool and other recreational facilities together with such incidental objects as are appropriate in the conduct of its activities in the County of New Castle and State of Delaware.

**ARTICLE III
DEFINITIONS**

SECTION 1: Terms used in these bylaws are used in accordance with the following definitions. All Maple Valley Swim Club documents and correspondence should use these definitions to the maximum extent possible.

SECTION 2: DEFINITIONS

“Board of Directors”: Shall mean the Officers and Directors who comprise the governing body of the Club.

“Permanent Member”: A person who holds a certificate of membership issued by the Club that has not been cancelled and is at least twenty-one (21) years of age and the spouse of any such individual (if applicable). Each Permanent Member and spouse is entitled to one vote each during ballots/issues determined by a general membership vote. As a general rule, Permanent Members shall have a reduced annual dues requirement as opposed to other classes of members. Permanent Members have a pro rata ownership stake in the Club.

“Associate Member”: A person who has paid the Annual Membership Dues, who shall be a Club member only for the Club Season. An Associate Member will not be required to purchase a certificate of membership, shall have no voting rights and shall have no ownership stake in the Club. An Associate Member’s membership ends at the end of the Club Season. The Board shall set the different categories of Associate Membership from year-to-year.

“Student Member”: An Associate Member is eligible for a Student Membership if they are between the ages of fifteen (15) and eighteen (18), and are sponsored by a parent or guardian of the age of at least twenty-one (21).

“Certificate Holder Not in Good Standing”: A Permanent Member who is not a Member in Good Standing and who holds a non-redeemed certificate of membership. A Certificate Holder Not in Good Standing shall have no voting rights and shall have no Club privileges.

“Bond Holder Redemption List”: As of October 15, 2009 – list of 71 members, that have given appropriate notice under the previous bylaws that they wish to redeem their certificate of membership (bond).

“Guest”: Shall mean any person who is not a member who has paid for the temporary use of the Club facilities and is accompanied by a member.

“Application Fee”: Shall mean a non-refundable fee (specified annually by the Board of Directors) paid upon request to become a member of the Club.

“Membership Fee”: Shall mean a non-refundable fee paid by new members prior to be classified as a Permanent Member. The membership fee is refundable to those on the Bond Holder Redemption List. See special note on Page 4.

“Annual Membership Dues”: Annual dues paid by Club members; Associate, Permanent and Student (amount specified annually by the Board of Directors for all classes of membership). Permanent Members must pay Annual Membership Dues in order to remain a Member in Good Standing.

“Club Season”: Shall mean the Saturday preceding Memorial Day through Labor Day.

“Member in Good Standing”: Shall mean a Permanent Member who has paid all applicable fees, assessments and dues and who is not suspended for any reason.

ARTICLE IV
MEMBERSHIP/GUEST PROCEDURES

SECTION 1: MEMBERSHIP

- A. General: The Club shall have three classes of membership. The Board of Directors shall set the number of memberships. All individuals 21 years of age or older shall be eligible to apply for membership subject to the conditions hereinafter provided.
- B. Permanent Members.
1. Shall be defined as those individuals who have purchased one certificate of membership by paying the Membership Fee and who have paid the Annual Membership Dues and the spouse of any such individual. Includes all persons residing in the same household and who are financially dependent upon Club member, excluding persons residing in the same household over the age of 23.
 2. One certificate of membership shall be issued upon payment of the Membership Fee and the Annual Membership Dues.

FOOTNOTE NOTE 1 ABOUT PERMANENT MEMBERSHIPS: For new members who join the club as Permanent Members as of the date of this revised bylaw adoption, the one time Membership Fee (or bond payment) is a non-refundable contribution to capital. For current Permanent Members, who are not on the Bondholder Redemption List, the Membership Fee that was paid upon acquisition of the certificate of membership is also a non-refundable contribution to capital. Transfer of certificates of membership shall be governed by Article V Section 2E of these bylaws.

- C. Associate Members (non-certificate holders).
1. As of date of these amended bylaws, the Club will allow families to purchase an annual membership for the Club Season at a rate to be determined by the Board of Directors. Such membership shall not require the purchase of a certificate of membership.
 2. Associate Members shall meet the same household requirements as a Permanent Member and are afforded the same Club privileges as a Permanent Member but shall not have a vote in the operation/management of the Maple Valley Swim Club and shall have no ownership stake in the Club.
 3. Associate Memberships shall expire at the end of the Club Season for which it is granted.
- D. Student Members (non-certificate holders).
1. As of the date of these amended bylaws, the Club will allow an individual who is the parent or guardian of a minor between the ages

of 15 and 18 to purchase an annual membership for the Club Season for said minor at a rate to be determined by the Board of Directors. Such membership shall not require the purchase of a certificate of membership.

2. Student members shall not have a vote in the operation/management of the Maple Valley Swim Club.
3. Student membership shall expire at the end of the Club Season for which it is granted.

SECTION 2: GUESTS

- A. The Board of Directions will establish Guest fees prior to the start of the Season.
- B. Prior to admittance the Guest must be registered and guest fees paid at the office.
- C. The Club Member is required to remain on the Club premises, as long as the guest is at the Club.
- D. The Club member is responsible for the Guest conduct.
- E. The Board of Directors may extend/authorize long-term Guest procedures for recurring Guest privileges. The policy for long term Guest procedures and fees will be determined prior to the start of the Club Season. The purpose of the provision is to allow for daycare and/or long term out of town visitors. Applications for long term Guest privileges will be sent to the Membership Committee Chairman.

SECTION 3: SUSPENSION/REVOCAION OF MEMBERSHIP

- A. Members and their Guests shall at all times strictly adhere to Club rules; pool, grounds, safety and sanitary regulations.
- B. All rules are to be posted.
- C. The Board of Directors has the authority to suspend and/or revoke Club membership of any Club Member for deliberate or flagrant violations of the rules and regulations of the Club, or for violation of criminal laws occurring on Club property and/or Club facilities by two-thirds vote of the Board of Directors, after being given the opportunity for a hearing.

ARTICLE V

DUES, FEES, AND RESIGNATION; DISSOLUTION OF THE CLUB

SECTION 1: DUES/FEES

- A. Dues shall be sufficient to provide for payment of the necessary operating expenses of the Club and the proper maintenance and improvements of its property. The Board of Directors shall establish dues for the ensuing Season on or before March 15th, payable by a date set by the Board at that time.

- B. No dues or part thereof shall be refunded in the event that pool operation is required to be suspended for any period.
- C. The Board of Directors shall set special assessment fees in circumstances that require additional fees for operation of the Club.
- D. The Board of Directors shall set Application Fees for membership in the Club as determined year-to-year as required.

SECTION 2: MEMBERSHIP RESIGNATION

- A. If a certificate of membership holder (Permanent Member) desires to terminate Club membership, the certificate of membership holder must submit a written request along with the certificate, and it must be mailed to the Membership Director. Written resignation requests must be signed by the certificate of membership holder and must be post marked no later than December 31st.
- B. Upon termination of membership for any cause, all indebtedness owed to the Club by the certificate of membership holder, shall be considered a lien against the value of the certificate. All outstanding charges against the certificate will be deducted prior to a certificate refund in accordance with Footnote 1 above. In some cases, the certificate may be taken over by the Club to satisfy indebtedness.
- C. In the event the Club is unable to obtain possession of the certificate, it may be canceled on the books of the Club and a new certificate issued in its place to the next prospective Permanent Member.
- D. Certificate of membership holders not on the Bond Holder Redemption List are not eligible for Membership Fee refund at the time of resignation, such payment having constituted a contribution to the capital of the Club, and being non-refundable, except as provided for Section 5 herein, in the event of the dissolution of the Club or as stated in Footnote 1 above.
- E. While certificate of membership Membership Fees are nonrefundable as of the date of these revised bylaws, as to those who are not on the Bond Holder Redemption List, the certificate of membership is transferable as detailed in Section 3A below. After giving the proper notice of termination of membership, the certificate of membership holder may transfer their certificate to a third party in accordance with Section 3A below and in accordance with procedures as the Board may set from time to time. Such transfer must be a whole transfer and not a partial transfer and may only be transferred once.
- F. Certificate Holders Not in Good Standing on the Bond Holder Redemption List – those who are on the fixed Bond Holder Redemption List shall receive a refund of their Membership Fees as new Permanent Members join the Club and pay their Membership Fees. The Membership Fees shall be refunded in the order of the former members who have been on the Bond Holder Redemption List the longest. However, there is no guarantee that Certificate Holders Not in Good Standing shall have their Membership Fees refunded unless sufficient new Permanent Membership join the Club and pay a

Membership Fee or the Club is dissolved and sold for sufficient consideration to cover the outstanding bonds.

SECTION 3: MEMBERSHIP TRANSFERS

- A. A certificate of membership holder may transfer the family membership certificate to any third party for any or no consideration. This is accomplished by written request and submission of the original certificate of membership to the Membership Director who in-turn will issue a new member certificate. If the original certificate of membership was redeemable for a bond (person was on the Bond Holder Redemption List), that bond becomes a non-refundable contribution to the capital of the Club upon cancellation of the original certificate.

SECTION 4: INDEBTEDNESS

- A. Membership of any Club Member failing to pay any indebtedness within fifteen (15) calendar days of the second dues notice shall be suspended. A written notice of suspension shall be sent to the mailing address of record of the member. If the indebtedness is not cleared within the established time period, membership in the Club shall be terminated.
- B. The Board of Directors may levy reinstatement fines for Club Members whose membership is reinstated and/or suspension rescinded.
- C. It is the responsibility of the Club Member to keep an up-to-date address on record with the Membership Director so as to guarantee all notices are properly received.

SECTION 5: DISSOLUTION OF THE CLUB

- A. The Club may be disbanded or sold by a two-thirds (2/3) majority vote of the Members in Good Standing.
- B. All certificates of membership issued shall be a lien on the proceeds of the sale of any property of the Club, after payment of all such debts, expenses of the sale and other obligations, subject to a reduction of all debts, dues, and obligations owed by the Club Members to the Club.
- C. After payment of all certificates of membership outstanding upon the effective date of dissolution of the Club, the surplus remaining, if any, shall be distributed to all Permanent Members and Certificate Holders Not in Good Standing pro-rata, subject to a reduction of all debts, dues, and obligations owed by the Club Member to the Club.

ARTICLE VI CLUB MEETINGS

SECTION 1: GENERAL MEMBERSHIP MEETINGS

- A. The Annual Meeting of the Club shall be held before the 1st of February at such time and place as the Board of Directors may determine. Notice of the Annual Meeting shall be given by mail to members at least thirty (30) days prior thereto.
- 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 by written request of a member submitted seven (7) days in advance of the meeting.
- C. The notice of the Annual Meeting shall include the names of candidates nominated by the Nominating Committee. Independent nominations may be made.

SECTION 2: BOARD OF DIRECTORS MEETINGS

- A. The Board of Directors shall hold its first meeting within thirty (30) days following the Annual Meeting of the members.
- B. The Board of Directors may, by resolution, establish from time to time a schedule of its other meetings and rules for the conduct thereof.
- C. Special meetings of the Board of Directors may be called by the President and shall be called by the Secretary upon the request of two (2) members of the Board.

SECTION 3: SPECIAL MEETINGS

- A. Special meetings of the Club may be called by the Board of Directors. Also upon the written request of 10% of the Members in Good Standing, to the Secretary, stating the purpose therefore, a Special Meeting shall be called by the Secretary within thirty (30) days. Notice of Special Meetings shall be given by mail to the members at least seven (7) days prior thereto. The notice shall states the purpose for which the Special Meeting is called and no other business shall be transacted thereat.

SECTION 4: QUORUM; VOTING; NOTICE

- A. Six (6) members of the Board of Directors plus twenty (20) other Members in Good Standing, present in person, shall constitute a quorum at all Club meetings.
- B. Only Members in Good Standing shall be entitled to vote at meetings of the Club. They may be represented by written proxy if unable to attend in person. Voting may be by voice vote, but ten (10) members including those represented by proxy shall have the right to demand voting by roll call.

- C. A simple majority is required to an issue before the Board unless otherwise stipulated by the bylaws.
- D. Whenever in these Bylaws notice to members is required, the mailing of such notices by general mail to the last known address of the member shall constitute notice.

ARTICLE VII OFFICERS AND DIRECTORS

SECTION 1: BOARD OF DIRECTORS

- A. At the First Annual meeting of the Members, nine (9) directors shall be elected; three (3) serve for a period of one (1) year, three (3) serve for a period of two (2) years and three (3) serve for a period of three (3) years.

At the Third Annual meeting, four (4) directors will be elected for a term of three (3) years, for a total of twelve (12) directors. At each Annual Meeting thereafter, four (4) directors shall be elected and will serve for a term of three (3) years until their successors shall have been chosen. Seven (7) members of the Board shall constitute a quorum. Directors shall serve without compensation.

- B. The Board of Directors shall have the power:
 - 1. To purchase or otherwise acquire property, rights or privileges for the corporation, which the corporation has power to acquire at such prices and on such terms as the Board of Directors may deem proper.
 - 2. To create, make and issue mortgages, bonds, deeds of trust, trust agreements and negotiable or transferable instruments and securities, secured by mortgages or otherwise, and do every act and thing necessary to effectuate the same.
 - 3. To appoint and remove such officers, clerks, agents, servant or employees as it deems necessary and to fix their duties and compensation.
 - 4. To designate a member of the Board who shall be the personnel supervisor. This supervisor will be responsible to the Board for recommendations as to selection, employment, discharging or suspending employees. He shall be responsible for the supervision of employees.
 - 5. To fix, impose and remit penalties for violations of the bylaws and rules of the Club.
 - 6. To set membership benefits by class of membership as required year to year.
 - 7. To elect from the Board, a President, Vice President, Secretary, Corresponding Secretary, and Treasurer, all of whom shall serve without compensation.

8. To confirm appointments to committees and define their powers and duties. Standing committees shall include Finance, Membership, Pool and Grounds, and Rules. Chairmen of the standing committees shall be selected from the membership of the Board.
9. To fill any vacancy in the membership of the Board by electing a member to complete the unexpired term.
10. To elect a nominating Committee of five (5) Club members to present nominations for directors at the Annual Meeting of the Club.
11. To 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 payments of funds of the Club shall be executed.
12. The Board shall cause the books of the Club to be audited annually by auditors, selected by the Board. The auditors shall be neither Directors, officers nor members of the Club. The report of the auditors shall be available to the members at all times upon their request to any officer of the Club.
13. All members of the Board of Directors have voting privileges (one vote each). In the case of a tie in the voting, the President shall cast the deciding vote.

SECTION 2: OFFICERS

- A. The officers of the Club shall be a President, a Vice President, a Secretary, a Corresponding Secretary, and a Treasurer. They shall be elected annually by the Board from among its members and shall hold office until the end of the first meeting of the Board following the next Annual Meeting of the Club.
- B. President – The President shall preside at the meetings of the Club and of the Board. He shall be the administrative officer of the Club. He shall appoint, subject to confirmation by the Board, all standing committee chairmen. With the exception of the nominating committee, he shall be an ex-officio member of all committees, without voting power.
- C. Vice President – In absence or disability of the President, the Vice President shall act in his stead. He shall also have other duties as defined and assigned by the President.
- D. Secretary – The Secretary shall record all business transacted at each meeting of the Club and of the Board of Directors and shall present him minutes for approval at the next meeting. He shall act as a custodian of all records, except those delegated specifically to others, and shall promptly deliver all records to his successor.
- E. Treasurer – The Treasurer shall keep the accounts of the Club, collect its revenues, and pay its bills promptly as approved by the Board. He shall deposit funds of the Club received by him, in the name of the Club, in such depository as may be authorized by the Board.
- F. Corresponding Secretary – The Corresponding Secretary shall conduct the correspondence of the Club. He shall send out notice of the Annual Meetings. He shall, in the absence of the Secretary, act in his stead.

SECTION 3: REMOVAL OF THE BOARD OF DIRECTORS

- A. Any member of the Board of Directors may be removed from office by a majority vote of the membership, with or without cause at the annual membership meeting, or by any special meeting called according to these by-laws.
- B. Any member of the Board of Directors may be removed from office by a $\frac{3}{4}$ majority vote of the entire Board of Directors for failure to fulfill their responsibilities and/or non-attendance of Board meetings.

ARTICLE VIII QUALIFICATIONS OF OFFICERS AND DIRECTORS

SECTION 1: ELIGIBILITY REQUIREMENTS

- C. Club Members must be twenty-one (21) years of age to be eligible to be elected or appointed as Board members.
- D. Board members may only hold one office or Board position at one time
- E. Only one person per certificate of membership may hold a Board position at one time.
- F. Must be a Member in Good Standing.

SECTION 2: EXPENSES

- A. All routine expenses incurred on behalf of the Club shall be approved by a simple majority vote of the Board.
- B. Board members or other authorized representatives of the Club shall be reimbursed for any reasonable and properly documented expenses incurred on behalf of the Club. One time purchases in excess of \$250.00 shall require prior Board approval.

ARTICLE IX COMMITTEES

SECTION 1: STANDING COMMITTEES

- A. The standing committees shall be Pool and Grounds, Membership, Rules and Finance.
- B. The Pool and Grounds Committee shall exercise supervision over the pool and grounds; shall attend to the improvements and maintenance of the pool, buildings, operating equipment and grounds; shall have authority there over; and shall see the rules and regulations of the Club are enforced. The Board may delegate to the Pool and Grounds Committee, or a responsible employee of the club, the power to summarily suspend pool privileges for the violation of Club rules and regulations provided such suspension, containing reasons

therefore, shall be submitted to the President or a member of the Rules Committee within 24 hours.

- C. The Membership Committee shall investigate and recommend for approval to the Board of Directors applicants for membership.

SECTION 2: SPECIAL COMMITTEES: The President shall be empowered to appoint and discharge any special committees required by these Bylaws or which may otherwise be considered useful in conducting affairs of the club.

ARTICLE X USE OF CLUB'S FACILITIES BY NON-MEMBERS

The Board of Directors, by majority vote, has the authority to extend the use of the Club facilities to any person or persons if such use does not interfere with the use of the Club facilities by the Club Members.

Outside Clubs and organizations may apply to use the Club facilities. All requests must be presented in writing, for approval by the Board of Directors at least thirty (30) days prior to the requested date to use the Club facilities. Those Club and organizations to which the use of the Club facilities is granted will be subject to the rules and regulations governing the use of the Club's facilities as presented to them by the Board of Directors.

The Board of Directors has the authority to assign a rental charge for the use of the Club facilities. Any rental of the Club shall not unduly interfere with normal usage of the Club facilities by the Club members.

ARTICLE XI RULES AND REGULATIONS

The rules and regulations governing operations of the club shall be forwarded by the Board of Directors prior to the Annual Meeting each year, and outlined and published at the Annual Meeting.

ARTICLE XII METHOD AMENDING THE BY-LAWS

These Bylaws may be amended at any meeting of the Club when a Quorum is present, and providing a set of the proposed amendments shall have been included in the meeting notice distributed to the membership prior to that meeting.

ARTICLE XIII
MISCELLANEOUS

SECTION 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 to 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 with full 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.

SECTION 2: The right of indemnification provide herein will insure to each Director and Officer to in Section 1 above whether or not he is such Director or Officer at the time such costs or expense are imposed or incurred and in the event of his death, shall extend to his legal representatives.