

BYLAWS OF TOWN CREEK RECREATION, INC.

October 30, 2014

ARTICLE I – NAME

The name of this corporation is to be: Town Creek Recreation, Inc.

ARTICLE II – OBJECT

The purpose for which this nonprofit organization is formed is to foster and promote the recreational, social, and civic activities of its members.

ARTICLE III – GOVERNMENT

SECTION 1. Shareholder meetings shall be at the principal office or place of business of this Corporation or at a place designated by the Board of Directors.

SECTION 2. A semiannual meeting of the shareholders shall be held in the Fall for the purpose of electing new or replacement members to the Board of Directors. A second meeting will be held in the Spring to present plans for the upcoming swimming season.

SECTION 3. Notice of semiannual meeting shall be mailed and/or emailed to every shareholder of record at least two weeks prior to the meetings.

SECTION 4. Each shareholder of good standing shall be entitled to one vote for or each share of stock in his name on the books of the Corporation, whether represented in person or by proxy. A shareholder is considered in good standing when his annual dues, fees, or other duly approved assessments are not in arrears.

SECTION 5. These ByLaws may be amended by a two-thirds vote of the shareholders of good standing present at any meeting, providing the following conditions are met:

a) There must be a quorum of at least fifteen percent of the shareholders of good standing present, or represented by proxy.

b) At least fifteen days notice of the proposed amendment(s) must have been given by mail to each shareholder of good standing.

SECTION 6. All transactions carried out during the pool year should be a matter of record to be passed on to the next year's Board of Directors.

ARTICLE IV BOARD OF DIRECTORS

SECTION 1. A Board of nine Directors shall be chosen by ballot to serve a term of office of two years. If elections of the Board of Directors cannot be held at the fall shareholders meeting, elections may be accomplished via mailin and/or email vote in accordance with rules established by the Board of Directors. Term of office will commence in October or immediately following the election.

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SECTION 2. Vacancies in the Board of Directors shall be filled as soon as possible by the remaining Directors, choosing from the shareholders a Director to fill the term.

SECTION 3. Regular meetings of the Board of Directors shall be held quarterly during the offseason and monthly during the swimming season. The pool manager will be a nonvoting member of Board meetings during the swimming season and at special meetings when invited by the Board. A special meeting may be called by any four Directors by publishing a notice to all Directors at least ten days prior to the special meeting. A majority of the Directors shall constitute a quorum.

SECTION 4. The Directors shall have the general management and control of the business and affairs of the Corporation and shall exercise all the powers that may be exercised or performed by the Corporation under the statutes, Articles of Incorporation, and the ByLaws.

SECTION 5. Consistent with the ByLaws, the Board of Directors shall:

- a) Make and amend rules for the regulation and use of recreational facilities held by the Corporation;
- b) appoint and remove such officers, clerks, agents, servants, or employees as it may deem necessary and may fix their duties and compensations;
- c) Act as a screening committee for all proposed new shareholders;
- d) Fix, impose, and collect penalties for any violations of any duly promulgated rules or regulations of the Corporation and for any other conduct which threatens, impairs, or endangers the life, health, safety, person, or morals of other members of the Corporation;
- e) Elect from the Board of Directors a President, Vice President, Secretary and a Treasurer, all of whom serve without compensation;
- f) Constitute and appoint committees and define the powers and duties of the same.

SECTION 6. The Board of Directors shall designate the bank or banks in which the funds of the Corporation shall be deposited and determine the manner in which checks, drafts, and other instruments for the payment of funds of the Company shall be executed. The Board of Directors shall always require that the President and Treasurer or their appointed representatives sign all such instruments for the payment of money drawn in the name of the Corporation.

SECTION 7. The Board of Directors shall cause the books of the Corporation to be audited annually by an auditor selected by the Directors, and the report of the auditor shall be available to the shareholders at all times.

SECTION 8. Each Director or Officer, whether or not then in office shall be indemnified by the Corporation against all costs and expenses reasonably incurred by or imposed upon him in connection with or arising out of any action, suit, or proceeding in which he may be involved by reason of his being or having been a Director or Officer of the Corporation, such expenses to include the cost of reasonable settlements made with a view to curtailment of costs of litigations.

ARTICLE V – MEMBERSHIP

SECTION 1. Application for membership shall be accepted from interested parties without regard to race, color, creed, sex, or national origin.

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SECTION 2. Shareholder membership in the corporation shall be limited to one hundred, twentyfive (125) active family units. There is no limit on the number of inactive shareholder members.

SECTION 3.

a) The amount of the membership fee shall be fixed by the Board of Directors with the amount never being less than that of the charter membership (the amount of a charter membership was fixed at \$300). The Board of Directors shall establish such initiation fees as it may consider suitable to help defray the installation and other costs borne by the charter members.

b) Shareholder memberships shall be given preference in the composition of the allowed memberships.

c) Inactive shareholder members shall retain voting rights, but are not entitled to the use of the swimming pool or other recreational facilities of the Corporation. The yearly fee for inactive shareholder membership shall be a minimum of \$100 as determined by the Board of Directors and is not refundable.

d) Nonvoting associate memberships will be sold on a yearly basis. The number of associate memberships allowed will be determined by the Board of Directors on a yearly basis with the total number of combined active memberships (i.e., active shareholders and associates) not to exceed the number allowed by the liability insurance premium. The fee for associate memberships shall be equivalent to the annual dues plus at least \$100. This fee is not refundable, except as provided for in section 6 of Article V.

SECTION 4. Members and guests (guests as defined by the Board of Directors) are entitled to the use of the swimming pool and other recreational facilities of the Corporation, subject to such Rules and Regulations, and/or access fees as the Board of Directors may adopt.

SECTION 5.

a) Any shareholder member desiring to sell his membership in the Corporation may sell that membership to any individual who is eligible for membership under Section 2 of Article V.

b) Any shareholder member who does not sell his membership to an eligible individual must sell his membership back to the Corporation. The Corporation agrees to liquidate the membership as soon as a new member has been obtained.

c) Shareholder members wishing to have their shares repurchased by the Corporation will have their names placed on the Repurchase List in the order in which their written requests are received by the Board of Directors. When a shareholder member becomes first on the repurchase list and a new member is obtained, the shareholder member must sell his shares or be removed from the list.

d) No shareholder member may place his name "on hold" when it reaches the top of the list, unless military or civilian orders or job transfers are unexpectedly delayed. The Board of Directors will decide cases with extenuating circumstances.

Section 6.

a) Yearly operating expenses shall be known as annual dues and are to be divided equally among the active shareholder members. No refunds of current year's operating expenses are to be

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made, with the exception of those who receive military or civilian orders for reassignment. The amount of refund shall be pro-rated on the amount of time left during the summer period, as established by the Board of Directors.

b). The costs of unanticipated major repairs or necessary capital improvements to the swimming pool or other recreational facilities of the Corporation shall be known as assessments and are to be divided equally among shareholder members. Assessments shall be approved by a simple majority vote of shareholder members of good standing present at any meeting, subject to the conditions of Paragraphs a) and b) of Section 5 of Article III.

Section 7. Any member failing to pay dues of indebtedness before the 10th day of the month following that in which a statement of his indebtedness shall have been sent to him by the Treasurer shall be notified. If such indebtedness is not paid within twenty (20) days thereof, the delinquent shall be automatically suspended. If the indebtedness is not paid in full within fifteen (15) days, he shall cease to be a member of the Corporation, and his membership fee shall be returned, less his indebtedness. The Directors, at their discretion, may reinstate any member upon request and repayment of all indebtedness to the corporation, plus such reinstatement fee as the Board of Directors may set, but not less than \$5.00.

Section 8. The Corporation assumes no responsibility and members or guests (of any type) or any other person or employee can have no claim against the Corporation for the property of members, employees, and guests or any other which may be brought or left in the buildings or on the premises of the Corporation.

Section 9. The Corporation assumes no responsibility and members or guests (of any type) and employees have no claim against the Corporation for any accident or injury to any person or their property.

Section 10. A copy of these ByLaws and the operating rules of the Pool shall be made available to each member.