

**BY-LAWS
WEST STANLY SWIM CLUB, INC.**

ARTICLE I - Certification of Membership

Section 1. Form

Certification of membership shall be issued in numerical order from the membership certificate book; they shall be signed by the President and the Secretary, and the seal shall be affixed. A record of each certificate shall be kept on the stub thereof.

Section 2. Number and Amount

Certificates of membership shall be non-transferable except as hereinafter provided. All active memberships two years subsequent to the date of purchase which are in good standing in the corporation may be redeemed to the corporation provided that there shall be at least one hundred and fifty (150) active memberships outstanding in the corporation and a person or persons acceptable to the directors who have made application to the corporation for active membership who shall be available to take such certificate or certificates of membership in the corporation. Certificate holders desiring to dispose of their certificates shall give notice in writing to the directors of such intention and the directors shall have the option to purchase said certificate. The option price for each certificate redeemed shall be in the issue price of that certificate or fair market value, whichever is lower. In the event the corporation shall fail to exercise said option, the offered certificate of membership shall not be offered for sale on the open market. Transfers of certificates under the procedure herein outlined shall be made only upon the books of the company, and must be submitted for cancellation and dated before a new certificate is issued by the secretary. The books of the company shall be closed for transfers five (5) days before general elections and only certificate holders of record on that date will be entitled to vote. Certificates of membership may be issued to individuals over eighteen (18) years of age subject to approval by the Board of Directors.

Section 3. Transference

Any certificate holder who is a member in good standing has the right and privilege of transferring his membership to members of his immediate family (i.e. husband, wife, father, mother or children). Provided such children are married or not less than eighteen (18) years of age and requirements for standard eligibility are met, and the transfer is approved by the Board of Directors.

ARTICLE II - Certificate Holders

Section 1. Annual Meetings

The annual meeting of the certificate holders of this company shall be held in such place each year as designated by the President at seven thirty (7:30) o'clock p.m. on the third Tuesday in January of each year, if not a legal holiday, but if a legal holiday, then on the following day.

Section 2. Special Meetings

Special meetings of the certificate holders may be held at any time upon call of the directors or of certificate holders of at least one-fourth (1/4) of the outstanding certificates.

Section 3. Notice of Meetings

Notice of meetings, written or printed, for every regular or special meeting of the certificate holders, shall be prepared and mailed to the last-known post office address of each certificate holder not less than ten (10) days before any such meeting and if for a special meeting, such notice shall state the object or objects of thereof.

Section 4. Quorum

A quorum for any membership meeting shall consist of those persons present provided proper notice of meeting has been given.

Section 5. Manner of Acting

A majority of those voting in person or by proxy shall decide any issue that may come before a meeting of certificate holders.

Section 6. Voting Rights

Each certificate holder shall be entitled to one vote only.

Section 7. Order of Business

The order of business at the annual meeting, and as far as possible at all other meetings of the certificate holders shall be: (1) roll call; (2) proof of notice of meeting or occurring waivers of notice in writing; (3) reading and disposal of any unapproved minutes; (4) annual reports of officers and committees; (5) election of directors; (6) unfinished business; (7) new business; (8) adjournment.

ARTICLE III - Directors

Section 1. Number and Term

There shall be fifteen (15) directors elected from the certificate holders. At the first annual meeting of certificate holders, five (5) directors shall be elected by ballot for a one-year term, five (5) directors shall be elected for a two-year term, and five (5) directors shall be elected for a three-year term.

Section 2. Purpose of Board

The business and affairs of the corporation shall be managed by its Board of Directors consisting of fifteen members to be elected as here before provided.

Section 3. Elections

At each annual meeting thereafter, there shall be elected five (5) members of the Board of Directors who shall hold office for a term of three years. All Directors shall serve until their successors are elected and qualified. The election of members of the Board of Directors shall be by secret ballot and the persons receiving the majority of votes cast shall be the duly qualified and elected members of the Board of Directors.

Section 4. Replacement of Members

All members of the Board of Directors must be members in good standing of the corporation, and a failure on the part of any Director to maintain good standing in the membership shall, at the option of a majority of the remainder of the Board of Directors, result in a forfeiture of the office. In such event, the vacancy so created, or any other vacancy on the Board of Directors, shall be filled by the Board of Directors until the next regular annual meeting of the membership when a successor shall be elected for the remainder of the un-expired term. After the election of the directors at the first annual meeting of certificate holders, no director shall succeed himself in office until the lapse of one (1) full year.

Section 5. Annual Meeting

The annual meeting of the directors shall be held immediately after, and at the same place as, the annual meeting of the certificate holders.

Section 6. Special Meetings

Special meetings of the directors may be called at any time by the President or by a majority of the directors in writing.

Section 7. Notice of Meeting

Notices of both regular and special meetings shall be mailed by the Secretary to each director not less than three (3) days before any such meeting, and notices of special meetings shall state the purpose thereof. Any director may waive notice of any meeting. The attendance by a director at a meeting shall constitute a waiver of notice of such meeting, except where a director attends the meeting for the express purpose of objecting to the transactions of any business because the meeting is not lawfully called or convened.

Section 8. Quorum and Manner of Acting

A majority of the directors shall constitute a quorum for the transaction of business at any meeting of the directors. Except as otherwise provided in these by laws the act of the majority of the directors present at a meeting at which a quorum in present shall be the act of the directors.

Section 9. Qualification

Officers of the corporation shall be directors and shall be elected annually by the directors. Beginning in 1984 and thereafter, the officers of President and Vice-President shall be filled only by directors who have served as directors during the preceding year. If any office becomes vacant during the year, other than by removal, the directors shall fill the same for the un-expired term and the certificate holders shall elect a new director to fill the vacancy.

Section 10. Duties

The business, property and affairs of the corporation shall be managed by the Board of Directors provided that, after the original installation of facilities during the first fiscal year of operation of the corporation, the purchase, sale, encumbrance, construction or repair of all improvements, subsequent to the original facilities, which are anticipated to cost one thousand dollars (1,000.00) or more shall first be submitted to a meeting of the certificate holders for approval of a majority of the voting members of the corporation; provided that such membership approval shall not be required in the event the

directors determine such expenditure is necessary for emergency purposes to sustain swimming pool operations. The directors shall (a) transact all business of the corporation; (b) make and amend rules and regulations for the use of corporate property and appropriate conduct thereon; (c) elect the officers of the corporation in accordance with these by laws; (d) appoint and remove such clerk, agents, lifeguards, and employees as the directors may deem necessary and proper and fix the duties and compensation for such persons; (e) approve applicants for membership; (f) see that adequate insurance, particularly liability insurance, is in effect at all times for the protection of the club and its membership; (g) fix, impose, and remit penalties for violations of the charter, bylaws and rules and regulations of the corporation; (h) fix the duties of, and delegate such authority to, the officers of the corporation for the daily operation of the corporation facilities as the directors, in their discretion, shall deem necessary and proper; (i) serve as directors without compensation for their services except for reimbursement for expenses as authorized by these bylaws; (j) such other committees as are deemed necessary for special purposes shall be appointed from time to time. The duties of these committees shall be set forth by the Board of Directors and their activities shall be subject to control and approval to the Board.

ARTICLE IV - Officers

Section 1. Number

The officers of the company shall be a President, a Vice-President, a Secretary, and a Treasurer, who shall be elected for one (1) year and shall hold office until death, resignation, disqualification, removal, or his successor is elected and qualifies.

Section 2. President

The President shall preside at all meetings of certificate holders and directors, shall have general supervision of the affairs of the company, shall sign all certificates of membership and sign or countersign all checks, contracts, and other instruments of the company, shall make reports to the directors and certificate holders and perform all such other duties as are incident to his office or are properly required of him by the directors.

Section 3. Vice-President

The Vice-President shall in the absence or disability of the President exercise all the duties and powers of the President. In addition, he shall perform such other duties and have such other power, as the Board of Directors shall prescribe.

Section 4. Secretary

The Secretary shall issue notices for all meetings, shall keep the minutes of all meetings, shall have charge of the seal and the corporate books, shall sign with the President such instruments as require such signature, and also all certificates of membership, shall make such reports and perform such other duties as are incident to the office, or are properly required of him by the directors.

Section 5. Treasurer

The Treasurer shall be bonded and shall have the custody of all the funds and securities of the company, and the deposit the same in the name of the company in such bank or banks as the directors may select; he shall countersign all checks, drafts, and orders for the payment of money approved by the directors; and the Treasurer shall at all reasonable times exhibit his books and accounts to any director or certificate holder of the company upon application at the office of the company during business hours.

Section 6. Audit

The directors shall have an annual audit by a public accountant made prior to the annual meeting, and this report shall be made at the annual meeting of the certificate holders.

ARTICLE V - Club Membership

Section 1. Active Members

An active member, hereinafter referred to as "member", shall be an owner of a certificate of membership who pays annual dues.

Section 2. Privileges of Membership

The privileges and use of the facilities of this club shall be limited to members in good standing, and children of members as hereafter set forth. The total membership of this club shall, at no time, exceed one hundred and fifty (150) families.

Section 3. Approval of Membership

All applications for membership must be approved by the directors or by a Membership Committee elected by the directors and empowered with authority to approve or reject applications for membership based on standards of eligibility, set by the directors, including moral character and general reputation in the community. The ownership of a membership certificate of this company shall not automatically entitle the owner thereof to membership.

Section 4. Use of Facilities

Except as herein provided, the use of the facilities of the club shall be limited to the membership of the club. Unmarried children of members who are minors, students, active duty military personnel, or of majority age residing with their parents and other bona fide members of the household of a member shall be entitled to use the facilities of the club.

Section 5. Guests

The directors in their discretion may permit the admission of guests of members to the facilities of the corporation under such rules, regulations, conditions and fees as may, from time to time, be set by the directors.

Section 6. Suspension and Revocation of Membership

Notwithstanding the provisions of Article I Section 2, the directors are authorized and empowered to suspend or revoke the membership or the privilege of the membership extended to the family of any member for failure to observe rules adopted by the directors for operation of the club facilities, or nonpayment of dues. In the event any club member is suspended, no dues or assessments shall be refunded to cover the period of suspension. Revocation of club membership, as distinguished from suspension, shall require two-thirds vote of the directors and in such event the club shall refund to the expelled member the issue price that he paid for his certificate of membership, upon surrender of such certificate of membership to the club Secretary.

Section 7. Death

In the event of the death of a person to whom a membership certificate has been issued, such certificate shall be redeemed at par upon written application of such person's lawfully appointed and acting representative, or the membership may be continued by the immediate family for the deceased member residing in his household.

Section 8. Member Moves

If a charter member moves and subsequently returns, his name shall be placed at the top of the waiting list.

Section 9. Divorce

Upon divorce, either spouse may retain membership, but the other loses use of club facilities and the club must be informed within 60 days as to which spouse is to retain membership. Failure to give the club notification within 60 days will mean membership will be forfeited.

ARTICLE VI - Dues, Assessments and Fines

Section 1. Annual Membership Fees

Annual dues shall be fixed by the directors and shall be assessed equally on each certificate of membership.

Section 2. Dues and Assessments

Annual dues shall be paid by active members on or before the 1st day of April each year and both dues and assessments shall be accumulative. Failure to pay annual dues on or before April 1 of each year as assessments are imposed shall be grounds for the directors to suspend temporarily the membership of the delinquent member and during the period of suspension, his family and guests shall forfeit all privileges to the use of the club facilities. Dues shall be paid by members before membership is reinstated or certificates of membership can be transferred or sold.

Section 3. Failure to Pay

Failure to pay annual dues, assessments or other fees shall be grounds for the Board of Directors to suspend temporarily the privileges of membership of the delinquent member and after delinquency of 90 days to revoke the membership.

ARTICLE VII - Seal

ARTICLE VIII - Amendments

These bylaws may be amended, repealed or altered, in whole or in part by majority vote of the holders of outstanding active membership certificates of the corporation at any regular meeting of the membership or at any special meeting of the membership upon notice having been given as to the amendment of the bylaws to be considered. A quorum of 50 people, with a 2/3-majority vote must be attained to amend or change the bylaws.

ARTICLE IX - Miscellaneous

Section 1. Personal Property

Neither the Corporation nor its directors assumes any responsibility, and members or their guests can have no claim against the Corporation or its directors for the property of members or any guest, which may be brought onto or left in the Corporation buildings or on the Corporation's ground or facilities.

Section 2. Accident or Injury

Neither the Corporation nor its directors assumes any responsibility, and members or their guests can have no claim against the Corporation or its directors for any accident or injury to any person or their property.

Section 3. Non-Profit Status

No member shall receive a dividend or anything else of value by reason of such membership and no profits or surplus funds of this corporation shall ensure to the benefit of such members. Such profits or surplus as may accrue shall be used solely in the purchase of additional real or personal property or for the improvement of the facility of the corporation and shall be used only for the benefit of the corporation and members, as the Governing Board may determine from time to time.

WEST STANLY SWIM CLUB, INC.
PO BOX 542
LOCUST, NC 28097

Rules and Regulations

Operation

1. Operating hours for the pool will be determined and posted by the Board of Directors.
2. Only paid-up members and their guests will be allowed to use the pool or park area.
3. No member shall use the pool or the pool area except during the scheduled hours or operation, except for special programs approved by the Board of Directors and Pool Manager and held under the supervision of the pool staff.
4. Any violations of membership privileges, general rules or regulations shall be reported to the Board of Directors. Suspensions from use of the pool shall be enforced as necessary to enforce the necessary rules and regulations for the safe, efficient operation of the pool. Such suspensions may be appealed to the Board of Directors.
5. The pool management/staff, directors or officers will not be responsible for valuables.

Staff

1. The pool manager and their staff are in complete charge of the pool operation and the enforcement of the rules, which have been passed upon by the Board of Directors. Members are required to abide by the decisions of the board of Directors. Members may not interfere with or reprimand employees of the club.
2. Lifeguards must not be disturbed while they are on duty.
3. The pool staff shall be in charge of and conduct any instructional program in swimming and lifesaving.
4. The pool manager shall be responsible for the proper operation of the pool filter and the maintaining of good water at all times.

Health

1. Each swimmer should shower before going into the pool.
2. Persons with skin eruptions, sores and bandages are not permitted in the pool.
3. For safety and health, lifeguards shall direct any swimmer or bather who is showing signs of being chilled or having been in the water too long to remain out of the pool for a minimum of 15 minutes. Normally no person should stay in the water more than an hour without a rest period.
4. No swimmer will be permitted in the pool during rain or electrical storms.
5. No pets are permitted in the pool area.

Rules

1. General protective discipline shall be enforced. This includes: no running on the concrete around the pool area, no pushing or shoving of other bathers in the pool, no ducking of other swimmers, no "horseplay", only one person on the diving board at a time, no diving until the previous diver has cleared the immediate area.
2. No child under nine years of age shall be left at the pool without the direct supervision of a person 18 years of age or older. Exception: The swimmer satisfactorily completes a prescribed proficiency test approved by the lifeguard and the parent. The child may then swim unattended with the signed approval of the parent.
3. Children under 12 shall not be allowed in the pool after 6PM unless accompanied by a parent.
4. No smoking or tobacco of any kind shall be permitted in the pool. No drinks or food shall be permitted in the pool area except for designated areas. No breakable bottles shall be permitted on the pool property. No gum, food or drinks of any kind are allowed in the pool.
5. There shall be no diving except in the designated diving area. There shall be no swimming in the diving area except to reach a ladder.
6. The following items will not be permitted in the pool: large floats, large toys (exception: official US Coastguard approved life preservers).
7. Non-swimmers and those who cannot swim the width of the pool will not be allowed beyond the lifeline.
8. When the pool is cleared for safety check, all swimmers must get completely out of the water and remain out until the lifeguards give the signal to resume swimming.
9. No alcoholic beverages or drugs will be permitted in the pool or park area during regular pool hours. The management reserves the right to refuse admittance to anyone appearing to be under the influence of alcohol or drugs.
10. Members will be responsible for all property damage incurred by themselves, their children or guests.
11. Only authorized personnel are permitted on the lifeguard stands or in the pool management office.
12. No abusive or objectionable language will be permitted in the pool or park area.
13. Towel snapping is will not be permitted.
14. Out of town, in house guest may use the pool at any time without charge with the attendance of certified member.
15. Local guest will be permitted 2 days per week with attendance of certified member. A fee of \$5 per person per day will be charged to all local guests.