

DARLEY CLUB, INC. BYLAWS

(11/30/94 changes indicated by ** - see last page)

(10/1/95 changes indicated by *** - see last page)

(4/12/03 changes indicated in **bold-faced type** – see last page)

(1/29/06 changes indicated in *italic* print - see last page)

Article 1- Name

The name of the club shall be Darley Club, Inc., **also known as Darley Swim Club, Inc.**

Article 2 – Purpose of the Club

The Club is formed to promote the health and general welfare of its members by constructing, owning and operating a swimming pool and other recreational facilities, and by conducting such incidental activities as are appropriate, in the County of New Castle and State of Delaware.

Article 3 – Club Management

The Club shall be managed by a Board of Directors elected from the membership at the Club's annual meeting. *The term of office for a Board member will be three years with no limit on number of terms served.*

Article 4 – Board of Directors

Section 1 – Consistent with these bylaws the Board shall:

- A. Transact all Club business and make and amend rules for the regulation of the use of Club property. It may appoint and remove such officers, clerks, agents, contractors, servants, or employees as it deems necessary, and may fix their duties and compensation.
- B. Admit members.
- C. Fix, impose, and remit penalties for violations of these bylaws and rules of the Club.
- D. Elect from the Board those members who are to fill the specific offices described in Article 5, Section 1.
- E. Provide for the appointment of committees and define their powers and duties. *Standing committees can include, but are not limited to: finance, long range planning, membership, pool, ground and summer recreation program committees.* Members of the Board shall chair these committees.
- F. Fill vacancies on the Board by electing a Club member to fill out the unexpired term.

- G. *An Executive Committee will consist of the elected officers, as identified in Article 5, sections 2 through 6. This committee shall meet, when needed, between regularly scheduled Board meetings. It shall only meet when an immediate decision is needed and no decision or a late decision would be detrimental to the Club.*

Section 2

The Board shall designate the bank, or banks, in which the funds of the Club are deposited and determine the manner in which checks, drafts, and other instruments for the payment of funds of the Club will be executed.

Section 3

The Board shall assure that the financial accounts of the Club are audited annually by an auditor selected by the Board, who is not an officer of the Club. The auditor's report shall be available to members at all times.

Section 4

The Board shall hold its first meeting before the end of January, and shall meet at such other times and intervals as it deems necessary. Board meetings may be called by the President, or shall be called by the Recording Secretary upon the request of two (2) Board members. Notice of the Board meetings shall be provided to each member of the Board at least seven (7) days before the date of the meeting. Fifty percent or more of the members of the Board shall constitute a quorum.

Section 5

Nothing in these bylaws shall be construed to permit the Board to borrow or pledge the credit of, or dispose of, the assets of the Club in an amount exceeding **\$15,000** in any one year without the approval of the *active bondholders* at a duly held meeting, provided that at least seven (7) days' notice of the subject has been given.

Section 6

Any member of the Board may be removed from office by a majority vote of the membership present in person, or represented by written proxy, at either an annual meeting or a special meeting called in accordance with these bylaws.

Article 5 – Officers

Section 1

The Board shall elect annually from among its **bondholder and spouse members** a president, vice president, treasurer, recording secretary, and corresponding secretary. The Board may appoint from its membership additional chairmen to assist in operation of the Club. Among the additional officers may be: assistant treasurer, pool chairman, grounds chairman, social activities chairman and swim team chairmen.

The Board shall consist of no less than eight members. Officers will assume their duties at the first Board meeting following the annual meeting and their terms will extend through the next such meeting.

Section 2

The President shall preside at the meetings of the Club and of the Board. The President shall be the administrative officer of the Club. The President shall appoint, subject to confirmation by the Board, all standing committees, nominating committee, as may be directed. He shall be ex officio, a member of all committees.

Section 3

The Vice President in the absence or disability of the President *will assume the President's duty.*

Section 4

The Recording Secretary shall keep the minutes of the meetings of the Club and of the Board and attend to the correspondence pertaining to *this* office.

Section 5

The Treasurer shall keep the financial accounts of the Club, collect its revenues, and pay its bills as approved by the Board. *The Treasurer* shall deposit funds of the Club received, in the name of the Club, in such depository as may be authorized by the Board. *The Treasurer* shall be bonded. *The Treasurer* shall maintain a safe deposit box as needed.

Section 6

The Corresponding Secretary shall prepare the annual dues letter. *Corresponding Secretary* shall maintain a record of the membership status of the Club. *Corresponding Secretary* duties include the issuance of bonds to new members and recommendations to the Treasurer for the redemption of outstanding bonds. *Corresponding Secretary* shall serve as the focal point for the control of applications for new memberships.

(Optional Officers)

Section 7

The Assistant Treasurer shall maintain a record of the membership status as to dues and assessments. *The Assistant Treasurer* is responsible for seeing *that* Board members are made aware of the obligations, and that they are brought to the attention of delinquent members.

Section 8

The Pool Chair will be responsible for the managing the lifeguard staff. The Chair will make recommendations for the Pool Manager/Head Lifeguard position, as well as the Life Guarding staff, subject to Board approval. The Chair will serve as the liaison between the Life Guard staff and the Board.

Section 9

The Grounds Chair, with any assistants, will be responsible for the operation of the pool and maintenance of the Club's property. The Chair will advise the Board of needed repairs and recommend, for Board approval, contractors hired by the Club, including a certified Pool Operator.

Section 10

The Long Range Planning Chair, with any assistants, will advise the Board on any short range or long range issues that may affect the overall well being of the Club.

Section 11

The Social Committee Chair, with any assistants, will organize and conduct any Club sponsored social event. The Chair will present a calendar of events, for Board approval, at the Board's annual spring meeting.

Section 12

The Swim Team Chair, with any assistants, will organize and manage all duties associated with the Club's swim team. The Chair will recommend to the Board, for approval, the Swim Team Coach and Assistant Coach. The Swim Team Chair will also recommend, with Board approval, the Club's North Brandywine Swim League's representative.

Section 13

The Membership Committee Chair, with any assistants, will coordinate activities necessary to maintain a membership level necessary for the overall financial well being of the Club.

Section 14

The Summer Recreation Program Chair, with any assistants, will organize and manage all activities associated with the Summer Recreation Program. The Chair will recommend to the Board, for approval, any personnel needed to facilitate the program.

Article 6 – Members

Section 1

On considering applications for membership, the Club does not discriminate for reasons of age, sex, race, religion, marital status, color, handicap, or national origin.

The term “adult member”, whenever it appears in these bylaws, refers to a member who has attained the age of twenty-one (21) years by May 1 of the current year. The term

“family”, whenever it appears in these bylaws, refers to the normal family unit residing at a single address with the following exceptions: any adult member of the family (excluding the bondholder and spouse) may elect to retain or reject Club membership. If this person declines membership he may be admitted to the pool as a guest. Grown non-dependent children of members who do not live at the residence of the bondholder will be required to purchase their own **membership** as a separate family unit. These persons may also be admitted as guests. When grown children of bondholders reside at home and reach the age of 19 years, dues are optional for those children. They may be admitted to the pool as guests.

Section 2

Membership in this Club is limited to 700 persons. Membership is a prerequisite for admission to Club property, except as provided below for guest privileges (Section 5B). Membership is established as follows:

A. **Bondholder**

(1) One adult in the family will own a bond and be designated the bondholder. The face value of the bond is \$333.33.

(2) The bondholder is responsible for payment of the family’s annual dues and assessments and assuring the good standing of each family member.

(3) When the foregoing criteria are met, all persons in the normal family unit of the bondholder are members of the Club.

B. **Non-bondholder (general membership)**

(1) The primary member is likewise responsible for payment of the family’s season’s dues and assessments, as set by the Board before the start of the season.

(2) When the foregoing criteria are met, all persons in the normal family unit of the primary member are members of the Club.

C.** The Board is authorized:

- (1) To reduce the number of bondholders to 140 from 180 (vs. what is specified in Article 8, Section 1).
- (2) To allow non-bondholders to join. ***
- (3) To set dues for non-bondholders.
- (4) Not to allow non-bondholder to hold office, to vote nor to be counted to determine a meeting quorum.
- (5) To allow non-bondholders all other privileges of the Club.

D. ** In the event that a bond- or non-bondholder joins after the start of the season, the membership for that year may be reduced appropriately at the consent of the majority of the Board.

Section 3

- A. **Applications for membership shall be made in writing on forms supplied by the Corresponding Secretary and shall be accompanied by appropriate dues. Individuals purchasing bonds shall submit a minimum of one-third (1/3) of the cost of the bond upon acceptance of the application and payment of dues. The remaining two-thirds (2/3) must be remitted by Labor Day. If total amount due on the bond is not received, the initial payment toward the bond will be applied to the general non-bondholder membership fee.**
- B. New members shall be admitted as vacancies occur in the order their names appear on the waiting list, except as otherwise provided in Section 7.

Section 4

A bondholder may withdraw from the Club at any time by presenting his bond for redemption. If withdrawal is made after payment of dues and on or before July 15, the Treasurer shall refund one-half (1/2) the dues of the family. No refund will be made for later withdrawal.

Section 5

- A. Any member may, for cause and after having been given an opportunity for a hearing, which may be open at the option of said member, be suspended or expelled by a two-thirds (2/3) vote of the members of the Board. Cause for suspension or expulsion shall in general consist of violation of these bylaws or of the rules of the Club, or of conduct unbecoming a lady or gentleman.

- B. The Board may delegate to the Pool Committee and/or the Grounds Committee, or to a responsible employee of the Club, the power to summarily suspend pool privileges for the violation of Club rules and regulations, provided such suspension does not exceed seven (7) days. A written report of such suspension, containing reasons therefore, shall be submitted to the President within seventy-two (72) hours.

- C. It is intended that the Club shall operate in accordance with, and the members shall at all times observe the following requirements:
 - (1) No beverage subject to tax under Chapter 57 of the Internal Revenue Code (distilled spirits, wines, and beer) will be served, or permitted to be consumed, on any premises under control of the Club, except for specific social events **for adult members and their adult guests; such events to be approved by the Board.**
 - (2) No dining facilities (other than facilities for light refreshment) will be provided on any premises under control of the Club; and

- (3) The Club shall not be controlled by, nor be under common control with, any other organization.

Section 6

- A. An identification number shall be assigned to each **member family**.
- B. The Board shall by rule fix the terms and conditions upon which guests of members may use the facilities of the Club. The Board shall establish a policy of guest privileges as liberal as may be compatible with best use of the facilities by the membership. The Board may make limited exception to guest rules under unusual circumstances.
- C. The Club assumes no responsibility, and members or their guests can have no claim against the Club, for the property of members or any guests, which may be brought into and left in the Club buildings or on the grounds.
- D. 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 on their property.

Section 7

Former members applying for readmission may be accorded preferential treatment with respect to the waiting list.

Article 7 – Dues and Fees

Section 1

- A. The amount of dues for each year shall be recommended by the Board and established by vote of the membership at the annual meeting.
- B. No dues, nor part thereof, shall be refunded in the event that pool operation is required to be suspended for any period.
- C. Dues shall be paid by May 1. A 5% penalty shall apply to all dues not paid by this date. Payment of dues is a prerequisite for admission to, or use of, Club property, after the date on which payment is due. In any case, if a bondholder has not paid dues and any penalties by June 15, that bondholder is considered to have resigned. One-half the dues shall be subtracted from his bond and the remainder of the bond's value **shall be the value of the bond redemption. If that bondholder has not notified the Board in writing by May 1 of the following season, the full value of the bond redemption shall be subtracted and that bond will be automatically retired.**
- D. Payment of dues is required for all persons in a family who are at least two years old May 1, except as provided in Article 6, Section 1. Exemptions may be granted by the Board for unusual circumstances, such as physical disability or absence from home, provided such circumstances apply for the complete swimming season.

Article 8 – Capitalization

Section 1

At the 1987 annual meeting the Board was authorized to issue up to 180 bonds of \$333.33 face value, payable 50 years hence without interest. Bonds are callable at face value by the Club at its discretion, and may be held only by members.

Section 2

- A. Bonds shall be nontransferable, and shall contain an appropriate notation to that effect on the face thereof. In the event of the owner's death, the bond shall be redeemed by the Club at face value upon written request from an authorized representative of the estate. In special situations the Board may authorize the corresponding secretary to reissue a bond in the name of another adult.
- B. The bonds shall be redeemed at face value upon request of the owner from funds made available by sale of new bonds. Any indebtedness against the bond, such as unpaid dues, shall be deducted from the value of the bond before redemption.
- C. **If a Bondholder has notified the Board of his intention to redeem his bond and has not paid that season's dues, he must pay an administrative fee determined by the Board to return to active membership in a subsequent season.**

Section 3

In the event of the 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, bonds shall be a lien upon the proceeds of the sale of the property of the Club after the payment of all of its just debts and obligations. After payment of all bonds outstanding upon the effective date of dissolution of the Club, the surplus remaining shall be paid and distributed equally among the **active bondholders. Active bondholders are defined as bondholders who have paid annual dues for the most recent Club fiscal year.**

Article 9 – Meetings

Section 1

- A. An annual meeting of the Club shall be held no later than the 30th of November of each year, at a time and place determined by the Board of Directors. (Change voted 9/93) from “An annual meeting of the Club shall be held during the month of November in each year, at such place and time as the Board may determine”)

- B. The annual meeting shall be for the purpose of electing Board members, presenting committee reports, approving the budget, and transacting such other business as may be indicated in the notice or may be brought before it.

Section 2

Special meetings of the Club may be called by the Board. Also, upon written request of twenty (20) **bondholding** members to the Recording Secretary, stating the purpose thereof, a special meeting shall be called by the Secretary within thirty (30) days.

Section 3

- A. Notice of the annual meetings shall be given by mail **and/or public notice at the Club** to the bondholders at least twenty-one (21) days prior thereto. The notice of the annual meeting shall include the names of candidates nominated by the nominating committee.

- B. Independent nomination of candidates for election at the annual meeting may be made by a letter signed by fifteen (15) **bondholding** members, and

delivered to the Corresponding Secretary at least fifteen (15) days before the annual meeting. The Secretary shall give notice thereof to all bondholders entitled to vote at least seven (7) days before the annual meeting.

- C. Special meetings of the Club may be held on seven (7) days' notice by mail **and/or public notice at the Club** to all *active* bondholders. The notice shall state the purposes for which the special meeting is called and no other business shall be transacted thereat.

Section 4

Only **active** adult bondholding* members shall be entitled to vote at meetings of the Club. Any member may be represented by written proxy if not able to attend in person. Voting may be viva voce, but ten (10) members including those represented by written proxy shall have the right to demand voting by roll call. Proxies shall be voted only on questions set forth in the form attached to the notice of the meeting. (*The word "bondholding" added by vote on 12/93)

Section 5 **

Ten percent (10%) of **active adult, bondholder members**, present in person or represented by written proxy, shall constitute a quorum at all Club meetings.

Section 6

Whenever in these bylaws notice to bondholders is required, the mailing of such notices to the last known addresses of the bondholders shall constitute notice.

Section 1

These bylaws may be amended by a two-thirds (2/3) vote of **active** adult bondholding members present in person or represented by written proxy, at a meeting of the Club provided at least seven (7) days' notice of such amendment by mail shall be given to each adult member. (*The word "bondholding" added by vote on 12/93)

(** These additions/changes were voted on at the 11/30/94 General Meeting. Article 6, Sections 2D and 2E were added, while Article 9, Section 5 was changed.

*** This change was voted on and passed at the 10/1/95 General Meeting. Article 6, Section 2D2 was changed.)

Revisions indicated in bold-faced type were voted on and passed at the 4/12/03 General Meeting.

Revisions indicated in *italic* type were voted on and passed at the January 29, 2006 General Meeting.