

BY-LAWS OF HILL FARM SWIM CLUB, INC.

ARTICLE I

Name and Objective

Section 1. Name.

The name of the corporation shall be Hill Farm Swim Club, Inc.

Section 2. Objectives.

The purpose for which this corporation is formed is to construct, own, and operate a swimming pool on a not-for-profit basis.

ARTICLE II

Members

Section 1. Members.

Members shall consist of two classes of members as set forth below, shall have all privileges of membership, and shall be entitled to one vote on any matter requiring a vote. Proxy voting shall be permitted as provided herein. Unless otherwise determined by the board of directors, the number of memberships shall not exceed 420, consisting of not more than 345 family memberships and not more than 75 adult memberships.

a. Adult membership. An adult membership includes an adult individual over the age of 18 or a couple over the age of 18. Each adult membership, regardless of makeup, is entitled to one vote on any matter requiring a vote.

b. Family membership. A family membership includes spouses, dependent children, and/or legal wards living at home. Each family membership, regardless of makeup, is entitled to one vote on any matter requiring a vote.

Section. 2. Removal and suspension of members.

a. Suspension of members. The board of directors may delegate to the chairperson of a committee, or to a responsible employee of the corporation, the power to suspend member privileges for violations of rules and regulations, provided that the suspension does not exceed 7 days. A written report of the suspension containing the reasons therefore shall be submitted to the President of the board of directors within 24 hours of any such action taken.

Any member, for cause, may be suspended for more than 7 days but not more than three months by a 2/3 vote of the board of directors.

b. Removal of members. Any member, for cause, may be removed by a 2/3 vote of the board of directors.

c. Cause. Cause for suspension or removal may consist of violation of these by-laws, violation of the rules of the corporation, failure to pay the stock fee or the annual membership dues, or of conduct unbecoming to any pool member.

A failure of a member to pay the balance owing of his or her initial stock fee within the agreed time, or such reasonable extension as may be granted by the board of directors, may result in forfeit of the stock fee paid to the corporation.

No annual membership dues, nor part thereof, shall be refunded in the event that pool operations are suspended for any period, nor in the event that any member is suspended or removed.

Section 3. Meetings of members.

a. Place of Meetings.

All meetings of the members shall be held in the City of Madison, Dane County, Wisconsin, at a place designated by the board of directors.

b. Annual Meetings.

The annual meeting of the members shall be held no later than November, unless the board of directors designates another day and time therefore, and it shall be the duty of the Secretary to give written notice of such meeting to each member not less than 10 or more than 50 days before the date of the meeting. The notice shall state the time and place of the meeting and be addressed to each member at his or her address as it appears in the records of the corporation. Notice of the annual meeting shall include the names of the candidates nominated for the board of directors by the nominating committee and a description of any matter or matters that must be approved by the members.

c. Special Meetings.

Special meetings of the members may be called by the President, the board of directors, or by written request signed and dated by members having 5% of the voting power of the membership. The Secretary shall give notice of the meeting in the manner prescribed in the preceding section, except that the notice shall, in addition, specify the purpose or purposes for which the meeting is called.

d. Proxies and Voting

Each membership (Family and Adult) is entitled to one vote. A member may appoint a proxy by signing an appointment form. A majority of the votes entitled to be cast by the members present in person or represented by proxy at a meeting at which a quorum is present are necessary for the adoption of any matter voted upon by the members, unless a larger percentage is required herein.

e. Quorum.

A quorum shall consist of 10% of the voting power of the membership.

f. Conduct of Meetings

The President, or in his or her absence the Vice-President, shall preside at meetings of the members, and the Secretary shall act as the Secretary thereof. If such officers are not present, their functions may be performed by any of the members present, as chosen by those in attendance.

ARTICLE III

Qualifications, Privileges, Dues, and Regulations

Section 1. Qualifications for Membership.

A certificate of membership shall be acquired by having all of the following occur:

1. Making written application for membership in the corporation on the form prescribed by the board of directors.
2. Paying to the corporation the initial stock fee as set by the board of directors.
3. Acceptance of the applicant for membership by the board of directors or by a person or committee designated by the board of directors.
4. Paying to the corporation the annual membership dues.
5. Issuance of the certificate of membership.

Section 2. Membership Privileges.

The swimming pool facilities are not open to the public, and are afforded only as provided to members and guests in these by-laws.

a. Family Memberships. Upon payment of annual membership dues set by the board of directors, a family membership provides use of pool facilities to parents and dependent children and/or legal wards. The family shall submit a list of the names and ages of the family member's dependent children and wards yearly to the Hill Farm Swim Club Office.

No other full-time or part-time residents of a family member's household may use the swimming pool, except upon application to and approval by the board of directors or a person or committee designated by the board of directors, and then upon such terms and conditions as are established by the board of directors.

b. Adult Memberships. Upon payment of annual membership dues set by the board of directors, an adult membership provides use of pool facilities to one adult person over the age of 18 or one couple over the age of 18 and access to all adult instruction or other adult programs of the pool. No other persons in the adult member's family may thereafter use the pool except as a guest under rules set by the board of directors.

An adult or family membership may, at the discretion of the board of directors, put their membership on inactive status for one summer season and renew the membership thereafter in the following season. Annual membership dues shall still be owed to the corporation as provided in Section 4 unless the adult or family membership is replaced for the summer season by the sale of a Summer Pass as provided in Section 5b. Summer Passes shall offset inactive adult or family membership requests in the order the requests are received.

Section 3. Transfer and Withdrawal of Membership.

a. Transfer.

A family or adult membership may be transferred with board approval. Members seeking to transfer their membership must provide written notice of the proposed transfer, including the name and address of the prospective transferee, to the chair of the membership committee. The committee shall have 10 days to review the proposal and therein either recommend to the board the purchase of the membership for a sum equal to the initial membership fee, or transfer to the prospective transferee named in the notice. The board shall have final approval of the committee's recommendation and shall approve or deny within 10 days of receiving the committee's recommendation. Waiver of these restrictions, or failure by the corporation to exercise the option under this section with respect to the transfer of any membership, shall not operate to waive or avoid these restrictions as to any other transfer of any memberships in the corporation, to sales or transfers by purchase, gift, bequest, operation of law or otherwise, and whether in the hands of original or subsequent holders.

b. Withdrawal.

A member seeking to withdraw from the membership must provide written notice of withdrawal to the board of directors. The initial stock fee for membership shall be set off against any amounts due and owing for annual membership dues. All amounts of initial stock fee remaining shall be returned to the member when a replacement member is identified by the board of directors.

Section 4. Annual Membership Dues.

The board of directors shall establish annual membership dues for the year, and describe the date on or before which the dues shall be paid. The annual membership dues for an adult membership of one individual shall be one-half of the regular membership dues rounded upward to the nearest \$5.00 and shall be paid as prescribed by the board of directors. The annual membership dues for an adult membership of two individuals shall be three-fourths of the regular membership dues rounded upward to the nearest \$5.00 and shall be paid as prescribed by the board of directors.

Annual membership dues shall be sufficient to provide for all expenses of operating the corporation for the year. The board of directors may establish a surcharge for any year, if they determine that a surcharge is necessary. The board of directors shall set the time by which the surcharge shall be paid. A surcharge may not exceed 25% of the annual membership dues for such year.

Failure to pay annual membership dues when prescribed by the board of directors or any surcharge thereon shall be grounds for suspension or removal by action of the board of directors.

Upon establishment of annual membership dues and surcharges and notice of those amounts to a member, the dues and surcharges are due and payable. Any sum owned by a member to the corporation including any unpaid annual membership dues or surcharges may be set-off by the corporation against any sum including payment owed by the corporation to such member upon removal or withdrawal from membership.

Section 5. Guests and Summer Passes.

a. Guests.

The board of directors shall fix the terms and conditions upon which guests of members may use the swimming pool. The board of directors may invite any person to be a guest of the corporation.

b. Summer Passes.

At its discretion, the board of directors may offer for sale one-time, nonvoting, adult and/or family Summer Passes. Nonvoting Summer Passes shall include privileges as granted by the board of directors but shall not include stock in the pool or voting privileges. All individuals with Summer Passes shall be subject to the rules and regulations of the pool. All privileges of Summer Passes shall end on September 15 and shall not be renewed for a consecutive year.

Section 6. Regulations.

a. Unless authorized by the board of directors, no alcohol is permitted on any premises under the control of the corporation, nor shall any person under the influence of alcohol or drugs be admitted on the corporation premises.

b. Unless authorized by the board of directors and except as to the picnic area, no dining facilities may be provided on the corporation premises.

c. Any property of the corporation broken or damaged by a member or by his or her guest shall be promptly paid for by the member with reasonable wear and tear excepted.

d. The corporation assumes no responsibility for the property of members or any guest which is brought into or left on the corporation premises.

e. The corporation assumes no responsibility for any accident or injury to any member or guest or his or her property.

f. Unless authorized by the board of directors, the corporation premises may be used only during regular pool hours.

g. Unless authorized by the board of directors, only programs sponsored or offered directly by the corporation are allowed on the corporation premises.

h. Unless authorized by the board of directors, no person may remove any of the corporation property from the premises.

i. The board of directors may prescribe such further rules regarding members and memberships, including the imposition of fines and penalties, and shall post those rules in a conspicuous space in the corporation premises. In addition, the board of directors may waive all or parts of the provisions set forth in the above regulations. Any waiver of the above regulations by the board of directors shall be reflected in the minutes of the meeting of the board where these waivers are approved.

ARTICLE IV

Directors

Section 1. Number.

The management of the corporation shall be vested in a board of directors consisting of no more than nine persons. Directors shall be voting members of the corporation.

Section 2. Powers.

The board of directors shall have the general supervision, management and control of the affairs and business of the corporation to the extent provided by these bylaws and Wisconsin law.

The board of directors has the power to authorize the borrowing of money for corporate purposes and the execution in the corporate name of evidences of indebtedness, but only after authorization by a meeting of the members.

The board of directors has the exclusive power and right to accept or reject all applications for membership in the corporation.

The board of directors has the power and right to create, define, and modify the duties of the board as needed.

The board of directors shall designate the accounts in which the funds of the corporation are deposited and determine the manner in which checks, drafts, and other instruments for the payment of funds of the corporation on are executed.

The board of directors shall require the books of the corporation to be reviewed annually by a committee of board and non-board members. The report of the committee shall be available to the members upon its completion.

Section 3. Term.

The term of each director shall be three years. Terms of directors shall be staggered with three directors elected annually by the voting membership at their annual meeting.

Section 4. Election.

Election shall take place at the annual meeting of members. Each voting member may cast one vote for each director position open for election at such meeting. Election shall be by a majority of the voting members present or represented by proxy at the meeting, provided a quorum is present. If no candidate receives a majority of votes in the first round of balloting, the two candidates with the most votes will stand for election in a second round.

Section 5. Resignation, Removal, and Vacancies.

A director may resign at any time by submitting a written resignation with the Secretary. Unless a later date is fixed by its terms the resignation is effective upon the filing thereof.

By an affirmative vote of a majority of the votes entitled to be cast by voting members present or represented by proxy, the members may, at any special meeting called for that purpose, remove any or all the directors.

By an affirmative vote of a majority of the members of the board of directors, the board may remove any director absent from three successive regularly scheduled meetings.

Any member of the board of directors who ceases to be a member of the corporation is automatically removed from the board of directors.

Whenever a vacancy occurs in the board of directors for any cause, the board shall elect a successor to fill the vacancy for the remainder of the term for that position.

Section 6. Meetings of the Directors.

The annual meeting of the board of directors shall be held immediately after the annual meeting of the members, at the place of the member's meeting.

Regular meetings of the board of directors shall be held monthly during the months of January, February, March, April, May, August and September. Special meetings may be called by the President or upon request of any three directors. The Secretary shall give all directors at least three days notice of regular or special meetings.

At any meeting of the board of directors, a majority of the directors constitutes a quorum for the transaction of business. Less than a majority may adjourn the meeting from time to time until a quorum is present. The act of the majority of the directors present at a meeting at which a quorum is present is an act of the board of directors. Proxy voting shall not be allowed.

Section 7. Organization of Meetings and order of Business.

The President, and in his or her absence the Vice-President, shall preside at meetings of the board of directors and the Secretary shall act as Secretary thereof. In the absence of either of those officers, their functions may be performed by any member of the board selected by those present. The regular order of business is 1) call of the roll; 2) reading of minutes of previous meeting; 3) report of officers and committees; 4) unfinished business; 5) new business; 6) establish date of next board meeting and 7) adjournment. The meetings shall be conducted pursuant to Robert's Rules of Order unless some other procedure is approved by a two-thirds vote of directors present and voting.

Acting by unanimous consent or conducting meetings telephonically shall be permitted to the extent and under the conditions permitted by law.

ARTICLE V

Officers

Section 1. Officers and Election.

The officers of the corporation shall consist of a President, Vice-President, Secretary and Treasurer. The officers shall be elected by the board of directors at the annual meeting of the board. Each officer shall serve a term of one (1) year or until his or her successor is elected. An officer may be removed by a two-thirds vote of the board at any time.

Section 2. Duties.

The duties of each office below shall include, but not be limited to, duties prescribed by law and those additional duties set forth below. The President may assign additional duties to any officer as the President deems appropriate.

a. President. The President is the chief executive officer of the corporation, charged with its general supervision and management, but subject to the control of the board of directors. He or she shall preside at all meetings of the board of directors and members and have such other duties as may from time to time be prescribed or delegated to him or her by the board of directors. The President shall appoint, subject to confirmation by the board of directors, all standing committee members, designating the chairperson thereof, and all special committee members as may be directed. The President is an ex-officio member of all committees.

b. Vice-President.

The Vice-President shall discharge the duties of the President in his or her absence or disability, and, in addition, may have any other duties as are from time to time be prescribed or delegated to him or her by the board of directors.

c. Secretary.

The Secretary shall keep a complete and permanent record of all meetings of the members and of the board of directors. He or she shall, in addition, have general charge of the books and records of the corporation; shall attend to the giving of notices of meetings of the members and of the board of directors; and shall, in addition, perform all other duties as may from time to time be prescribed or delegated to him or her by the board of directors.

d. Treasurer.

The Treasurer shall be the fiscal and disbursing agent of the corporation. He or she shall keep and account for all moneys, credits and property; shall make and endorse checks and evidences of indebtedness; shall deposit funds coming to his or her possession from the directors; and shall, in addition, perform any other duties as may from time to time be prescribed or delegated to him or her by the board of directors. The treasurer shall report to the President, board of directors, and members on the financial status of the corporation.

Section 3. Absence or Disability.

In the case of the absence of disability of any officer of the corporation, the board of directors may delegate his duties to one of the other officers, or to a member of the board of directors, until the return or recovery of the absent or disabled officer.

Section 4. Vacancies.

Whenever a vacancy occurs among the officers from resignation, removal, disability or death, the board of directors may elect a successor to hold office until the next annual meeting of the board of directors or until his or her successor is elected. The duties of any officer may be delegated to one of the other officers by resolution of the board of directors until a successor is elected.

Section 5. Compensation.

Unless otherwise provided by the board of directors, no salary or other compensation shall be paid to any officer or director of the corporation for services performed as an officer or director except that they may be reimbursed for actual out-of-pocket expenses incurred in performance of the duties of their office.

ARTICLE VI

Committees

The standing committees below shall advise the board of directors. The board of directors shall appoint all committee members and may delegate executive authority to such committees, but the board of directors is responsible for the management and affairs of the corporation. The duties and responsibilities of the standing committees are as follows together with those duties and responsibilities delegated by the board of directors:

Section 1. Building and Grounds:

- a. Operation of the pool and grounds.
- b. Repair and maintenance of the pool, buildings, operating equipment and grounds.
- c. Enactment of rules of health and good conduct in connection with operation of the pool.

Section 2. Social, Publicity, Grievance:

- a. Prepare the program of instruction and entertainment;
- b. Attend to the publication of reports of meetings and affairs of the corporation.
- c. Encourage children of members to use the swimming pool facilities and participate in the program of instruction.
- d. Consider all grievances brought to its attention and report its findings and recommendations to the board of directors.

Section 3. Budget Committee:

- a. Prepare the annual budget for submission to and- approval by the board of directors.
- b. Make recommendations concerning the financial transactions of the corporation.
- c. Recommend to the board of directors and members proposed amendments or changes in the by-laws.

Section 4. Membership Committee:

- a. Solicit, receive and recommend approval or disapproval of applications and transfers for membership.
- b. Deliver all applications and transfers to the board of directors with the committee's recommendation.

Section 5. Nominating Committee:

- a. Nominate at least three candidates for the vacancies on the board of directors to be filled at the annual meeting.
- b. Report the nomination to the Secretary on or before September 1st of each year.

Section 6. Personnel Committee:

- a. Recommend to the board candidates for pool director when an opening occurs.
- b. Set the pay scale of the pool director, administrative staffing and pool staffing.
- c. Follow the direction of the pool director regarding matters directly relating to the personnel committee's responsibilities.

The Board may vote to add or remove additional committees as needed.

ARTICLE VII

Amendments

a. These Bylaws may be amended by a vote of two-thirds of the members of the corporation present or by proxy and voting at a meeting duly called for such purpose. Written notice of the meeting, including the text of the proposed bylaw amendment, must be given to each voting member at least 10 days before the date of the meeting.

b. These bylaws may also be amended by a vote of two-thirds of the entire board of directors at a duly called regular or special meeting of the board, provided that written notice of the text of any proposed amendment must be given to each director at least 10 days before the date of the meeting. Provided, however, that no amendment adopted by the members may be altered or repealed by the board of directors.

ARTICLE VIII

Fiscal Year

The fiscal year of the corporation begins January 1 and ends December 31.

ARTICLE IX

Miscellaneous

Section 1. Indemnification.

Each person who acts as a director or officer of the corporation is indemnified by the corporation as provided by Wisconsin law.

Section 2. Informal Action.

a. Informal action by members. Any action required or permitted by the articles of incorporation or bylaws or any provision of law taken by the members at a meeting may be taken without a meeting if the action is approved by members holding at least 50% of the voting power, and is evinced by one or more written consents, setting forth the action so taken, signed by the required number of members, and delivered to the corporation for inclusion in the minutes or filing with the corporate records.

b. Information action by directors. Any action required or permitted by the articles of incorporation or bylaws or any provision of law taken by the board of directors at a board meeting may be taken without a meeting if consent in writing setting forth the action is signed by all of the directors then in office.

Section 3. Notice and Waiver.

a. Notice. Whenever these bylaws require written notice to members, such notice shall be mailed to each member by regular first-class mail to the member's address as shown on the records of the corporation. Whenever these bylaws require written notice to directors, such notice shall be mailed to each director by certified mail, return receipt requested, to the director's address as shown on the records of the corporation. Each member and director shall be responsible for advising the corporation of his, her, or its current mailing address. In all cases, notice shall be deemed given on the date of mailing.

b. Waiver by members. A member may waive any notice required by law, the articles of incorporation, or bylaws provided the waiver is in writing, signed, and delivered to the corporation for inclusion in the minutes or filing with the corporate records.

c. Waiver by board of directors. A director may waive any notice required by law, the articles of incorporation, or bylaws provided the waiver is in writing, signed, and delivered to the corporation for inclusion in the minutes or filing with the corporate records.

Section 4. Dissolution.

In the event of dissolution of the corporation the assets of the corporation shall be applied as follows:

First, assets shall be used for the payment of all debts and liabilities of the corporation.

Second, any remaining assets shall be paid pro rata, to holders of memberships, but only to the extent the initial membership fees were used for capital purposes. In no event may this payment exceed the amount paid as initial membership fees. It is intended that only amounts contributed for capital purposes be returned to the members and the earnings of the corporation or amounts contributed thereto for operating purposes are not returned.

Third, any remaining assets shall be paid to another non-profit corporation organized for public, charitable, recreation or educational purpose, as decided by the members.

Section 5. Non Profit Status.

The corporation operates on a not-for-profit basis. No part of the net earnings of the corporation shall inure to the benefit of any member or individual. It is intended that the corporation qualify for the exemptions from federal income and excise taxes provided in Sections 501(C)(7) and 4243 (C), Internal Revenue Code of 1954, and for exemption from Wisconsin income taxes pursuant to Section 71.02(3)(a), Statutes, and accordingly any ambiguity in these by-laws shall be construed to conform to the requirements of such sections.