

BY-LAWS
OF THE
ROSE GARDEN POOL ASSOCIATION
(A non-profit corporation)

ARTICLE I / NAME, CORPORATE SEAL AND OFFICES

A. Name

The corporation, chartered under the laws of the Commonwealth of Pennsylvania registered in the office of the Secretary of the Commonwealth on, or about April 6, 1965, shall be named and known as the **Rose Garden Pool Association**, hereinafter, referred to as the "Association." The Association may also have other offices within the Commonwealth of Pennsylvania or elsewhere as the Board of Directors (the "Board") may from time to time determine or the business of the Association may require.

B. Seal

The corporate seal of the Association, if the Board elects to maintain such seal, shall have inscribed thereon the name of the corporation, the year of its creation and the words "Corporate Seal, Pennsylvania."

C. Address

The Association's mailing address shall be P.O. Box 832, McMurray, Pennsylvania 15317, or other such place as the Board of Directors may from time to time designate.

ARTICLE II / PURPOSE

The purpose for which the Association is formed is to promote the health, mental and physical development, well-being and general welfare of its members; to construct, own and operate, or lease and operate, a swimming pool and other recreational facilities; to acquire by gift, option, lease and/or purchase any property, real or personal, necessary or desirable for the operation of a swimming pool and other recreational facilities for swimming, aquatic sports and other recreational activities; to promote, foster, provide instructional activities; to raise funds, borrow money, pledge or hypothecate assets, execute evidence of indebtedness and to do any and all acts incidental to the accomplishment of the aforesaid purposes.

ARTICLE III / MEMBERSHIP

A. Joining the Association

1. All applicants for membership in the Association are required to:

- a. pay an initiation fee, to be determined by the Board, and,
- b. purchase a non-amortizable bond, hereinafter, the "Bond", in the amount of \$500.00.

2. All holders of a Bond, shall hereinafter be referred as a "Bondholder" or as a "Member", and collectively as "Bondholders", or "Members", or the "Membership." All Bonds shall fall into one of the following categories:

- a. **Active Bond:** A Bond held by an **Active Member**, as hereinafter defined.

b. **Inactive Bond:** A Bond held by an **Inactive Member**, as hereinafter defined.

3. All Bondholders/Members shall have the right to sell or transfer their Bond to a buyer of their house/residence.

In the event of such a sale or transfer, the Bond that the buyer of a Bondholder's house/residence is obtaining shall fall into one of the following categories:

a. **Active Bond:** where the buyer of a home of an Active Member, as herein defined, shall have the privilege of replacing that previous Active Member immediately, provided that all applicable fees and/or assessments are paid in full.

b. **Inactive Bond:** where the buyer of a home of an Inactive Member, as herein defined, wishing to become an Active Member shall be afforded the same rights, privileges and status as the previous Inactive Member who is selling the Bond. The buyer shall be required to pay any applicable waiting fees set by the Board. Alternatively, the buyer may elect to remain an Inactive Member by paying all applicable fees.

4. All Bondholders/Members shall have the right to transfer their Bond to an adult son or daughter, or other member of the immediate family such as a parent.

5. Any transfer of a Bond shall require a transfer fee (amount to be determined by the Board). Such transfer fee is required to be paid at the time of the transfer and the new Bondholder shall not have any rights as a Bondholder/Member until such transfer fee is paid.

B. Membership Defined

1. Membership in the Association shall be annual and not perpetual. A Member of the Association shall renew Membership each year/season (which term, as used in these By-Laws, shall refer to the period March 15 to March 30 of the following year), by paying applicable dues, fees and assessments, in order to be afforded the privileges hereinafter set forth.

2. Membership in the Association shall be by Family Units. A "Family Unit" means an Adult Individual who is paying his or her annual dues to RGPA and is compliant with the rules and regulations set forth in these Bylaws AND:

- a) The spouse, paramour or significant other of the Adult Individual
- b) The minor children of the Adult Individual

For purposes of clarification, the members of a Family Unit as set forth in the preceding paragraph must permanently reside at the same home address as the Adult Individual Member.

3. The status and condition of Membership for these other persons shall be reviewed and established by the Board, at the Board's sole discretion.

4. The term "Member" shall refer to a Family Unit, or any person in a Family Unit, as defined hereinabove, and shall fall into one of the following categories:

a. **Active Member:** a Member in good standing; having paid, in full, all required and applicable dues, fees and assessments, as hereinafter set forth.

b. **Inactive Member:** a Member who has maintained payment and applicable "inactive member" fees and notified the Association's Treasurer in writing of the same.

C. Number of Family Units

1. The maximum number of Family Units permitted to join RGPA shall be three hundred and twenty-five (325) Family Units, in accordance with the Board's directives. Notwithstanding the foregoing, the Board may adjust the total number of RGPA member Family Units from time to time upon majority vote of the Board members without amending these bylaws except if the Board seeks to increase the total

number of RGPA member Family Units in excess of four hundred (400) Family Units, then these By-laws must be amended.

2. In instances when the number desiring Membership as Active Members in any given year / season exceeds the maximum number of Active Members permitted and available, a waiting list (the "Waiting List") shall be created and maintained by the Board, as the need requires.

3. Annual Membership shall be offered using the following prioritization:

a. Active Members from the preceding year / season shall have precedence over both Inactive Members and new applicants for Membership, so long as they have paid all applicable fees and dues in full, as determined by the Treasurer, as of the deadline date set by the Board for that year/season.

b. Inactive Members shall be considered for Active Membership on a "first-come, first-served basis" and shall have precedence over new applicants for Membership, so long as they have paid all applicable fees and dues in full, as determined by the Treasurer, as of the deadline date set by the Board for that year/season.

c. New applicants shall be considered for Active Membership, so long as they have paid all applicable fees and dues in full, based on their position on the Waiting List. Position on the Waiting List shall be determined on a "first- come, first-served basis."

d. Where referred to herein, the phrase "first-come, first-served basis" shall mean the postmark date, if received by mail or other recognized delivery service, or the date on which the Treasurer received, if hand-delivered, the application for Membership.

D. Privileges and Obligations of Members

1. Active Members, in good standing, shall be accorded the facilities of the Association, subject to the Association's By-Laws and Rules and Regulations.

2. All Members and their guests shall comply with all applicable Federal, State and Local laws, regulations, and ordinances.

3. A Member shall pay for any property of the Association which is taken, broken or damaged by said Member or his or guest.

4. Members shall pay dues, and all other charges or liabilities that may be imposed upon, or incurred by them or their guests.

5. The Association assumes no responsibility for any accident or injury occurring on or about the Property to any Member or guest of the Association, assumes no responsibility for the loss or damage of any property brought onto or left on the Property by any Member or guest.

6. Members shall not use the name **Rose Garden Pool Association** without the express written consent of the Board.

7. Members shall not solicit other Members of the Association or any other person in any way on the property of the Association without the express written consent of the board.

E. Resignation of Member

1. Any Member may withdraw from the Association at any time by submitting a written resignation to the Treasurer of the Association. Effective upon such resignation, the Member shall no longer be extended the privileges of the Association. There shall be no refund of annual dues, and the Bond for such Member shall become null and void with no further value.

2. A Member may request to be deemed an Inactive Member by writing a letter to the Treasurer of the Association, and by paying all applicable fees. Failure to pay said fees shall result in the Bond for such Member becoming null and void with no further value.

3. An Inactive Member may elect to become an Active Member each year during the annual registration process. Inactive Members who desire to become Active Members will be placed at the top of the Waiting List on a "first-come, first-served basis."

F. Penalties

1. Any Member failing to pay any applicable fees or dues within thirty (30) days following written notification by the Treasurer of the Association, shall be suspended, effective upon the receipt of such notification, until all amounts due are paid in full. If said amounts are not paid in full within said thirty (30) day period, the Board may, at its sole discretion, expel the Member from the Association. For avoidance of doubt, all applicable fees and dues are subject to this penalty, including Inactive Member fees.

2. Any Member may be suspended or expelled, such expulsion requiring the forfeiture of the Member's Bond, from the Association by the Board for other causes. Causes for suspension and/or expulsion shall include, but may not be limited to: (i) violation of any Federal, State or Local law or Ordinance, (ii) violation of any of these By-Laws, or (iii) violation of any of the Rules and Regulations of the Association, attached hereto and made a part hereof, or, (iv) unbecoming conduct.

3. The Board may delegate to the Association's Pool Manager, or other employee, authority to suspend any Member for a period of not more than seven (7) consecutive days. A written report of such suspension shall be presented to the Board within twenty-four (24) hours of such suspension.

4. After having the opportunity for a hearing at a Board meeting duly called for this purpose, a Member may be suspended for a period not exceeding three (3) months by at least a two-thirds (2/3) vote of the Board members present at said meeting, or by at least a three-fourths (3/4) vote of the entire membership of the Board.

5. Any Member who has been suspended or expelled shall no longer be extended the privileges of the Association: expulsion shall require the forfeiture of the Member's Bond and the Bond for such Member will become null and void will no further value.

ARTICLE IV / BOARD OF DIRECTORS

A. Number

1. The Association shall be managed by a Board of Directors (hereinafter the "Board") which shall be comprised of nine (9) Active Members (each individually referred to as a "Director" and collectively as the "Directors"). The Association shall not pay compensation to Directors for services rendered to the Association in their capacity as directors, except that directors may be reimbursed for reasonable expenses incurred in the performance of their duties to the Association and subject to Article IV Section (C)(3) of these by-laws. As used in these by-laws, the term "**Entire Board**" shall mean the total number of directors entitled to vote which the Association would have if there were no vacancies on the Board. Within the specified limits, the numbers of directors can be increased or decreased from time to time, by resolution of the Board, but such action by the Board shall require a vote of a majority of the Entire Board and no decrease shall shorten the term of any director then in office.

B. Election and Term

1. The Directors shall be elected at the Annual Meeting, as hereinafter defined. Nominations shall be made from the floor at the Annual Meeting, or by letter written to the Board, signed by at least ten (10) Active Members and presented to the Board prior to the start of the Annual Meeting.

2. A Director must be an Active Member in good standing.

3. At each Annual Meeting, three (3) Directors shall be elected for a term of three (3) consecutive years, or until their successors have been chosen.

4. A Director who ceases to be an Active Member, as hereinafter defined, shall automatically relinquish his/her position on the Board of Directors.

5. A Director may resign at any time for any reason by giving the Board written notice. Vacancies shall be filled by a majority vote of the Board as soon as practicable. Such person chosen to fill said vacancy shall serve for the remainder of the un-expired term.

6. The Board may declare a position vacant if a Director has more than three (3) unexcused absences from Board meetings.

7. Each Director shall be at least 18 years of age.

C. Duties of the Board

1. Consistent with these By-Laws, the duties of the Board shall be to:

- a. conduct and transact all Association business;
- b. make and amend the Rules and Regulations for the use of the Association's property, both real and personal, including but not limited to, preparing Waiver of Liability and Indemnification Agreements for Members or Guests of the Association to sign, subject to Board approval;
- c. appoint and remove officers, agents and employees, fix their duties and compensation;
- d. fix and impose penalties for violations of the By-Laws and the Rules and Regulations of the Association;
- e. elect officers of the Board;
- f. constitute, appoint and define the powers and duties of Committees;
- g. promptly fill any vacancy in the Board until the next Annual Membership Meeting;
- h. designate the bank, or banks in which the Association's funds shall be deposited, and determine the manner in which these funds shall be disbursed. An officer of the Board shall sign all instruments for the payment of funds drawn in the name of the Association, and they shall be the President, Treasurer, Secretary or such other officers as may be designated by the Board;
- i. from time to time, if requested by any Director and approved by a majority of the Board, have the financial records of the Association reviewed by a CPA service selected by the Board. The CPA's report shall be available for review by the Membership, as hereinafter defined, at all times. Once per year, the Treasurer shall provide copies of the books and records of the Association to three (3) Active Members, which may include Directors, for inspection. Such Members/Directors shall review the books and records and provide any feedback or comments to the Board prior to the next Board meeting;
- j. meet twice per year and at such other times as may be necessary. Special meetings of the Board can be called by the President and shall be called by the Secretary upon request of two (2) members of the Board. Notice of the regular monthly and special Board meetings shall be received by the Board members before the date of said meeting. A majority of the Board shall constitute a quorum;
- k. establish annual dues, fees and assessments;
- l. fix the terms and conditions for guests;
- m. levy such general and special assessments from time to time as shall be required for Association purposes, provided, however, that assessments for capital improvements shall be approved by a majority vote of Members, as hereinafter defined, at a Membership Meeting, or by proxy vote;
- n. borrow or pledge credit of the Association, upon approval by a majority of the Board;
- o. provide proper interpretation of these By-Laws.

2. The Board may waive the annual dues of each Director, in the sole direction of and upon written approval of a majority of Board members.

D. Officers of the Board

1. The officers of the Association shall be a President, a Secretary and a Treasurer. These officers shall be elected annually by the Board from among its members and shall hold office until the end of the Board's first meeting of the calendar year, or until a successor has been chosen.

a. The **President** shall preside at all meetings of the Association and of the Board. He/she shall appoint, subject to confirmation by the Board, all committees, designating the Chairman thereof. He/she shall be ex-officio, a member of all committees. He or she shall have the general powers and duties of supervision and management of the Association which usually pertain to his or her office, and shall

keep the Board fully informed of the activities of the Association. The President shall perform all such other duties as are properly required of him or her by the Board. He or she has the power to sign and execute alone in the name of the Association all contracts authorized either generally or specifically by the Board, unless the Board shall specifically require an additional signature.

b. A designated Board member, in the absence or disability of the President, shall act for the President. He/she shall, under the direction of the President, attend to the business and financial operations of the Association. He/she shall be ex-officio, a member of all other committees.

c. The **Secretary** shall make notifications of meetings of the Association; keep the minutes of meetings of the Association and the Board, and attend to the correspondence and other duties pertaining to the office.

d. The **Treasurer** shall keep Membership and Bond status (which shall include maintaining the Waiting List), shall maintain the financial records of the Association, shall receive and deposit its revenues in such a depository account as the Board may authorize, and shall pay all Association bills and payrolls, subject to the approval of the Board. He/she shall perform such other duties pertaining to the office as shall from time to time be authorized by the Board. He/she may be bonded in such amount as may be deemed appropriate by the Board. The Treasurer shall have the care and custody of all the funds and securities of the Association and shall keep full and accurate accounts of all monies received and paid by him or her on account of the Association. The Treasurer shall exhibit at all reasonable times the Association's books of account and records to any of the Directors of the Association upon request at the office of the Association. He or she shall render a detailed statement to the Board of the condition of the finances of the Corporation at the annual meeting of the Board and shall perform such other duties as usually pertain to his or her office or as are properly required of him or her by the Board.

e. The Board may from time to time appoint such employees and other agents as it shall deem necessary, each of whom shall have such authority and perform such duties as the Board may from time to time determine. To the fullest extent allowed by law, the Board may delegate to any employee or agent any powers possessed by the Board and may prescribe their respective title, terms of office, authorities, and duties.

E. Liability of Directors; Indemnification

1. **Liability of Directors.** Except as otherwise required under Pennsylvania law, the debts, obligations, and liabilities of the Association, whether arising in contract, tort, or otherwise, shall be solely the debts, obligations, and liabilities of the Association, and the members of the Board of Directors shall not be obligated personally for any such debt, obligation, or liability of the Association solely by reason of being a Director, acting upon the authorities granted in these Bylaws or participating in the management of the Association.

2. **Indemnification.** To the fullest extent permissible under Pennsylvania law, the Association shall indemnify, defend and hold harmless any person ("the Indemnitee") who was or is a party, or is threatened to be made a party, to any threatened, pending or completed action, suit or proceeding whether civil, criminal, administrative or investigative, by reason of the fact that the Indemnitee is or was a Director, officer, or agent of the Association, or by reason of the fact that the Indemnitee is or was serving on a committee or Board operating under the representation of the Association, shall be indemnified by the Association against expenses (including attorney's fees) or alleged acts or omissions (whether or not constituting negligence or gross negligence) performed or omitted by the Indemnitee on behalf of the Association, judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding if the Indemnitee acted in good faith and in a manner the Indemnitee reasonably believed to be in, or not opposed to, the best interests of the Association and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful; provided, however, that any indemnity under this Section (E)(2) shall be provided out of and to the extent of Association assets only, and neither the Indemnitee nor any other person shall have any personal liability on account thereof. The Association shall enforce these defense and indemnity obligations in this Section E and subsections (1) and (2) of these Bylaws to the fullest extent permissible by Pennsylvania law, including but not limited to, in accordance with 15 Pa. Cons. Stat. Ann. § 5741 and 15 Pa Cons. Stat. Ann. 5713.

F. Removal of Board Members

1. Any member of the Board may be removed from office by a majority vote (more than 50%) of the Membership with or without cause, present in person at a Membership meeting, called for in accordance with these By-Laws.

G. Insurance

1. The Association shall have the power to purchase and maintain insurance to indemnify the Association for any obligation which it incurs as a result of its indemnification of directors and officers pursuant to Section 8.01 above, or to indemnify such persons in instances in which they may be indemnified pursuant to Section 8.01 above.

H. Electronic Signatures

1. Wherever a written instrument is required to be executed hereunder, an electronic signature, to the extent permitted by applicable law, shall be deemed to be a written signature.

ARTICLE V / DUES, FEES AND LIENS

A. Annual Dues, Fees and Assessments

1. Annual dues shall be payable for the year/season and shall be sufficient to provide for the necessary operation expenses of the Association, and the proper maintenance and improvement of the Property.
2. The annual dues shall be set annually by the Board.
3. Annual dues shall be payable by a date to be fixed each year by the Treasurer.
4. Any and all other fees and assessments shall be set annually by the Board.
5. No dues, fees or assessments, or any part thereof, shall be refunded in the event that the Association is required to suspend its operations for any period of time.

B Liens and Dissolution of Association

1. Every Bond is expressly subject to the provisions of this Article.
2. In the event of the dissolution of the Association, Bonds shall be a lien upon the proceeds of the sale of the property, real and personal, of the Association after the payment of all of its debts and obligations. Any surplus remaining shall be distributed pro rata among the then current Membership, subject to set-off of all debts, dues and obligations owed by the Member.
3. All fees and other charges referred to herein are exclusive of taxes imposed by Federal, State, and other governmental bodies and agencies.

C Prudent reserve

1. There shall be no accumulation of funds beyond current necessities with retention of only a prudent reserve for contingencies. The Board shall be responsible for determining the level of the prudent reserve on an annual basis and enacting plans to utilize any excess funds for the betterment and improvement of the Association.

ARTICLE VI / MEMBERSHIP MEETINGS AND VOTING

A. Annual Meetings

An annual Membership meeting, hereinafter the "Annual Meeting", of the Association shall be held at a place and time determined by the Board for the purpose of electing Directors, nominating Committee members, presenting Committee report, and transacting other business indicated in the notice or duly brought before the Annual Meeting.

B. Special Meetings

A Special Meeting of the Association may be called by the Board upon notice given as hereinafter provided. A Special Meeting shall be called by the Secretary of the Board upon the written request of ten (10) Members, which shall state the purpose of the Special Meeting. The Special Meeting must be held within thirty (30) days after the receipt of said request. The business for which the Special Meeting is called shall be transacted, plus other business duly brought before the Special Meeting.

C. Notice of Meetings

1. Notice of Annual Meetings shall be posted at the Pool in a conspicuous place near the registration desk, at least five (5) days prior thereto during the swim season, emailed or sent by first-class mail to each Member.
2. Notice of Special Meetings shall be emailed or sent by first-class mail to each Member.
3. Wherever the By-Laws or Rules and Regulations require notice to be given to the Membership, the mailing, via first-class mail, postage paid, of such notice to the Member's last known address, as per the Association's records of such, or the posting of such notice at the Pool in a conspicuous place near the registration desk shall constitute the notice being deemed sufficiently given.

D. Mail-In Ballot

1. In lieu of transacting Association business at an Annual Meeting, a Special Meeting, or otherwise, the Board, at its reasonable discretion, may call for a vote by first-class mail, hereinafter a "Mail-In Ballot", on a matter presented before the Board.
2. Whenever a vote by Mail-In Ballot shall be called for, the mailing, via first-class mail, postage paid, of such Mail-In Ballot to each Member's last known address, as per the Association's records of such, shall constitute the Mail-In Ballot being deemed sufficiently given.

E. Quorum

Adult members from ten percent (10%) of the Active Members (i) present in person, (ii) represented by a bona fide proxy vote, which shall be in a form provided by the Board Secretary, or (iii) responding to a Mail-In Ballot, shall constitute a quorum at all Association meetings, Annual, Special or otherwise.

F. Voting

1. Active Members may vote on matters presented before the Association.
2. Inactive Members may not vote on matters presented before the Association.
3. Only one (1) adult member of each Family Unit shall be entitled to vote at an Association meeting.

4. Representation of a Member by a signed written proxy, which shall be in a form provided by the Board Secretary, submitted to a Board member prior to the start of an Association meeting, shall be permitted.

5. If a Member is not present at an Association meeting, does not respond by Written proxy, as hereinabove set forth, or does not respond to a Mail-In Ballot, the Board shall be deemed to have that Member's proxy, and accordingly, may cast a vote on any motion, in that Member's place.

6. Meeting by Remote Communication. Any one or more members of the Board or any committee thereof may participate in a meeting of the Board or such committee by means of a conference telephone, video conference, or similar communications equipment. Participation by such means shall constitute presence in person at a meeting provided that all persons participating in the meeting can hear each other at the same time and each director can participate in all matters before the board, including, without limitation, the ability to propose, object to, and vote upon a specific action to be taken by the board or committee.

ARTICLE VII / POOL MANAGER

1. The Board shall be responsible for hiring and setting the contract terms for the manager of the pool (the "Pool Manager") on an annual basis prior to the start of the swim season. The Pool Manager is not a member of the Board.

2. The Pool Manager shall be responsible for the day-to-day operations of the pool, oversight of lifeguards, maintenance of the property, and all such related duties. The Pool Manager shall be permitted, at the direction of the Board, to purchase and pay expenses of the pool up to thresholds determined by the Board.

ARTICLE VIII / AMENDING THE BY-LAWS

These By-Laws may be amended by a majority vote of the Active Members either present in person at an Association meeting, represented by proxy vote, or by Mail-In Ballot, provided such Meeting or Mail-In Ballot is provided for in accordance with these By-Laws; a two-thirds vote of the Entire Board shall be required for any amendment to add or remove a provision of these by-laws requiring a greater proportion of directors to constitute quorum or a greater proportion of votes necessary for the transaction of business. Such action is authorized only at a duly called and held meeting of the Board for which written notice of such meeting, setting forth the proposed alteration, is given in accordance with the notice provisions for special meetings set forth herein. If these by-laws are altered, amended, or repealed by the Board, there shall be set forth in the notice of the next meeting of members for the election of directors the by-laws so adopted, amended, or repealed, together with a concise statement of the changes made.

ARTICLE IX / PARLIAMENTARY AUTHORITY and SPECIAL RULES OF ORDER

A. Parliamentary Authority

1. Subject to the President's authority to conduct meetings, the rules contained in the current edition of Robert's Rules of Order shall govern this Association in all cases to which they are applicable and in which they are not inconsistent with these bylaws or any special rules that are specifically adopted.

B. Special Rules of Order

1. Any purchase, improvement, expense, or expenditure of any kind of the Association that exceeds \$500 shall require a majority vote of the Board. Such expenditures shall only be presented to the Board for vote by the President and must be presented utilizing a required form determined by the Board. No other Director, Member, or employee of the Association (including the Pool Manager) may directly solicit the Board for a vote for approval of expenditures.

ARTICLE X / COMMITTEES

A. Standing Committees

1. There are no standing committees. The Board in total shall serve as the standing committee for matters related to finance, membership, facilities/grounds, rules/legal issues, communications, publicity, and programs/social events,

B. Special Committees

1. The Board shall designate such special committees as deemed necessary for the welfare and operation of the Association.

Article XI / Non-Discrimination

1. In all of its dealings, neither the Association nor its duly authorized agents shall discriminate against any individual or group for reasons of race, color, creed, sex, age, culture, national origin, marital status, sexual preference, mental or physical handicap, or any category protected by state or federal law.