

Adopted effective July 31, 1983
Revised effective March 14, 2009

ADMINISTRATIVE CODE

(Made and adopted pursuant to Article IV, Section 1(f) of the By Laws)

1. Definitions

1.01 To the extent applicable, and to the extent not otherwise specifically defined in this Code, the definitions of terms contained in the by laws of the Club shall apply to this Code.

1.01.1 "Director" - a person elected or appointed to the Board pursuant to Article III of the by laws.

2. Directors

2.01 Duties

2.01.1 The directors shall be responsible for managing the Club, utilizing resources such as employees, agents and independent and general contractors, in accordance with the laws of the state of its incorporation and for performing those duties specified by Article IV, of the by laws.

2.01.2 While supplying information to prospective members of the Club and keeping certain records with respect to them is the function of the Bond and Membership Committee, it shall be deemed the principal duty of each director to employ his best efforts to attract new members to, and keep members in, the Club and to project a positive image of the Club at all times.

2.01.3 The directors who chair a standing committee shall periodically meet with committee members regarding matters of importance and shall prepare and present a written committee report for the annual General Membership meeting.

2.01.4 The term "active role" as used in Article IV, Section 6(b) of the by laws relating to a director's role on any committee to which he shall be appointed shall mean attending and participating in meetings, and participating in, and consistently and diligently carrying out, assignments made by the chairperson of the committee.

2.01.5 Attendance at all meetings of the Board shall be mandatory and may only be excused by the President. No director shall be allowed more than three unexcused absences from any Board meeting during the fiscal year. An absence shall be excused by the President only for health reasons or death in the immediate family as defined in Article II, Section 1(l) of the by laws, or being required at work, all other absences shall be deemed unexcused.

2.02 Conduct

2.02.1 Each director shall conduct himself with appropriate decorum pervaded by a spirit of respect for himself and his fellow directors. An egregious breach of that decorum by any director may be cause for remedial action by the Board consistent with such breach.

2.02.2 Each director shall always display a courteous attitude when dealing with any member of the Club, and he shall exhibit a spirit of concern and cooperation to aid any member. An egregious breach of such attitude or spirit shall be cause for remedial action by the Board consistent with such breach.

2.02.3 At meetings of the Board, each director shall conduct himself with appropriate decorum pervaded by a spirit of respect for himself, his fellow directors, members and guests in attendance, and most especially, the chair, recognizing that informed decisions can be reached only by the full and fair exchange of ideas in that climate of tolerance and understanding which is unique to our national heritage. Any egregious breach of that decorum by any director may be cause for remedial action by the Board consistent with such breach.

2.03 Privileges

2.03.1 Each director shall be entitled to those privileges specified in Article IV, Section 10 of the by laws, subject, however, to the provisions of this Section 2.03, and this Section 2.03 shall be deemed a construction by the Board of Article IV, Section 10 of the by laws.

2.03.2 A director shall be liable for all current charges to the Club if they voluntarily vacate their position at any time during their term. A director shall not be liable for any current charges of the Club if the director vacates such position due to death in the immediate family, personal health disability or a job related transfer out of the area.

2.03.3 A director who shall be removed from office during the fiscal year shall be liable for any charges of the Club for the year in which he shall be removed notwithstanding the provisions of Section 2.03.2.

3. Officers

3.01 In General

3.01.1 The officers of the Club shall be those specified in Article IV, Section 2 of the by laws.

3.01.2 In the absence of the president, meetings of the Board shall be chaired, in order of descendency, by the vice president of administration, vice president of operations, vice president of finance, secretary or treasurer.

3.01.3 The officers of the Club shall have the authority and duties granted by this Code, and shall have such additional specific authority as may from time to time be delegated to them by the Board. Any specific delegation of authority to any officer by resolution of the Board shall be appended to this Code. Any authority of an officer not described by, or appended to, this Code shall be reserved to the Board.

3.02 Authority and Duties

3.02.1 The president shall act as chairman of the Executive Committee, coordinate the ordinary course of business of the Club between Board meetings, and shall make decisions on matters brought before him for resolution by officers. The president shall appoint the chairpersons and members of all standing and ad hoc committees; assigns post office box responsibility; web master responsibility and vending machine responsibility; in coordination with the vice president of administration and finance respectively acts as liaison for the Board with its solicitor and auditor; coordinates responsibilities among the officers; is an ex-officio member of all committees; and prepares for distribution to the general membership periodic updates on the state of the Club.

3.02.2 The vice president of administration shall be an ex-officio member of all committees, and, reporting directly to the president, shall act as chairman of the Administrative Committee and shall be responsible for the By Laws Committee, Human Resources Committee and Nominations Committee.

3.02.3 The vice president of operations shall be an ex-officio member of all committees, reporting directly to the president, shall act as chairman of the operations' committee; shall present a general operations' report to the Board monthly; shall maintain petty cash as allocated by the vice president of finance from time to time for purchases of items and services necessary for operations and maintenance; shall give direction, counsel, and guidance to the Manager and shall be responsible for the Planning, Snack Bar, Swim Team and Activities Committees.

3.02.4 The vice president of finance shall be an ex-officio member of all committees and shall be the chief financial officer of the Club reporting directly to the president; shall maintain the official financial records of the Club; shall act as chairman of the finance committee; shall, with the assistance of the auditor, file Federal Income Tax 990 within the designated period provided by the I.R.S.; shall collect all monies due and issue receipts therefore as necessary; shall pay all bills after authorization by the respective officer or committee chairperson; shall act as the custodian of the Club checking and savings accounts and safe deposit box, shall review the checking account, savings account and safety deposit box signature cards at the start of each fiscal year and secure new signatures as necessary; shall assure that Club funds are earning the most prudent and highest interest, shall assume a leadership role in all financial dealings of the Club, including contract negotiations; shall obtain financial statements pursuant to Article IV, Section 4 of the by laws; shall present a written financial status to the Board monthly and shall be responsible for the Bond and Membership and Ways and Means Committees.

3.02.5 The secretary, reporting directly to the president, shall record the proceedings of Board meetings, document them and shall provide a copies to each Board member not later than ten (10) days prior to the next regular Board meeting; shall keep the files in the business office of the Club current and in order; shall prepare, sign and deliver resolutions of the board for specific purposes; shall be the custodian of the seal of the Club and affix same to proper papers; shall perform the functions specified by Article IV, Section 5(c), Article VII, Sections 1 and 2, and Article XIII, Sections 2 and 3 of the by laws.

3.02.6 The treasurer, under the direction of the vice president of finance shall secure the services of a payroll vendor or maintain the payroll records of the Club; compute payroll on a regular basis; prepare paychecks; file appropriate state and federal tax returns monthly, quarterly and yearly, as outlined below:

- calculate and issue monthly Federal Income Tax deposits and file a quarterly reconciliation
- calculate and issue monthly State Income Tax payments and file a quarterly reconciliation
- calculate and issue quarterly State Unemployment Tax payments and reports
- calculate and issue Federal Unemployment Tax payments and reports annually
- calculate and issue Local Occupational Privilege Tax payment and reports within designated timeframe
- calculate and issue PA Department of Revenue Sales Tax payments and reports monthly as appropriate

and shall assist the vice president of finance with financial matters as directed.

3.02.7 Neither the president nor any vice president shall exercise exclusive control over, or make a unilateral decision for or affecting, any committee or subcommittee, it being the intent of the Board that the chairperson of each committee or subcommittee shall be primarily responsible for the functioning of such committee or subcommittee.

4. Executive Committee

4.01 Consistent with the duty of the Board to transact the business of the Club, there shall be formed an executive committee comprised of the president, vice president of administration, the vice president of finance, the vice president of operations, the secretary and the treasurer.

4.02 Between regular meetings of the Board, the executive committee shall be empowered to take action on emergency situations involving any business or operation of the Club which cannot await the next regular meeting of the Board, and it shall have the authority to expend up to \$5,000 of Club funds for any such emergency situation without ratification by the Board. The executive committee shall be vested with the authority in emergency situations involving any business or operation of the Club which cannot await the next regular meeting of the Board to commit more than \$5,000 of Club funds subject to ratification by the Board at its next meeting, and when so dealing, the committee shall specifically advise the party that such commitment is subject to Board ratification and that the Club will not be legally bound until such ratification is given.

5. Standing Committees

5.01 Finance Committee

5.01.1 The finance committee, reporting to the vice-president of finance, shall, prior to the regular January meeting of the Board, finalize a general budget for the next operating year for recommendation to the Board. It shall make recommendations to the Board on all contracts

involving the Club. It shall set any miscellaneous fees not set by the Board. It shall make recommendations to the Board regarding all other financial matters of the Club.

5.02 Operations' Committee

5.02.1 The operations' committee, reporting to the vice president of operations, shall prepare a preliminary operations' budget for the next operating year in sufficient time for the finance committee to finalize the general budget pursuant to Section 5.01. Upon approval of the budget, it is the responsibility of the committee to work within those budget guidelines. It shall have the authority to exceed budget guidelines for any such emergency situation with ratification by the Executive Committee. The committee chair shall purchase materials, equipment, supplies, and services needed to operate a clean and safe plant and pool. It shall supervise the agents and contractors performing such operation, maintenance, finalizing contracts and documents of the Club. Either at the direction of the president with the consent of the vice president of operations, or on its own motion, it shall make recommendations to the Board on matters of importance to the operation and maintenance of the Club property. It shall perform or supervise, or assist in performing or supervising work related to the Club property.

5.03 Activities' Committee

5.03.1 The activities' committee shall report to the vice president of operation and it shall prepare a preliminary budget and a list of proposed activities for the next operating year for submission in sufficient time for the finance committee to finalize the general budget pursuant to Section 5.01. Upon approval of the budget, it is the responsibility of the committee to work within those budget guidelines. It shall have the authority to exceed budget guidelines for any such emergency situation with ratification by the Executive Committee. At the direction of the president with the consent of the vice president of operations, or on its own motion, it shall make recommendations to the Board on matters of importance to the social progress and well being of the Club. It shall prepare and publish a calendar of planned activities for the upcoming season at the April Board meeting. It shall submit a monthly report to the Board of all activities. It shall perform or supervise, or assist in performing or supervising, all activities.

5.03.2 For the purposes of Section 5.03, "activities" shall mean parties; dances; special events, contests, and games of every nature and description, whether held at the Club or elsewhere, and whether for recreational purposes or otherwise; and all sales, marketing, advertising, procurement, and food services ancillary to any of the foregoing.

5.03.3 It shall be responsible for all games/entertainment vending machines.

5.04 Bond and Membership Committee

5.04.1 The bond and membership committee, reporting to the vice president of finance shall prepare a preliminary budget for the next operating year for submission in sufficient time for the finance committee to finalize the general budget pursuant to Section 5.01. Upon approval of the budget, it is the responsibility of the committee to work within those budget guidelines. It shall have the authority to exceed budget guidelines for any such emergency situation with ratification

by the Executive Committee. Also, in accordance with Article XII, Section 1 of the by-laws shall have functional responsibility for attracting and enlisting new bond and associate memberships, and for consistently developing and implementing creative means of advertising and marketing for memberships. It shall keep records current concerning the names and addresses of all active members and those on the withdrawal list, including additions to active memberships. It shall provide officers of the Club with requested information on a periodic or ad hoc basis, including, but not limited to, such information pursuant to Article X and Article XI of the by laws. It shall submit a report monthly to the Board with appropriate data related to cancelled membership and bond and associate sales and deferred payments and efforts related to sales. It shall respond to inquiries by active, withdrawn, and prospective members, and notify active or withdrawn members pursuant to Article X and Article XI of the by laws. It shall prepare and distribute swim fee bills and membership cards. It shall maintain a listing of available bond numbers and prepare and distribute bond certificates and keep accurate and current records of same.

5.05 By Law Committee

5.05.1 The by law committee reporting to the vice president of administration, shall, by itself and after soliciting the directors annually, draft proposed amendments and additions to the by laws for consideration by the Board in sufficient time for publishing pursuant to Article XIII of the by laws. It shall review proposed changes to the by laws submitted prior to the general membership meeting by members for relevancy and accuracy. It shall explain proposed changes at the general membership meeting. With the consent, or at the direction of the Board of Directors, it shall consult with the solicitor of the Club with respect to any interpretation of existing by laws or legal advice concerning any proposed amendments or additions. All proposed language changes must be approved by the solicitor in accordance with Section 8 of this code.

5.05.2 The by laws committee shall, by itself, and after soliciting the directors annually, draft proposed amendments and additions to the administrative code in accordance with Section 8 of this code for consideration by the Board if such changes are warranted in the opinion of the committee or requested by a member of the Board.

5.05.3 The by laws committee shall, by itself, and after soliciting the directors annually, draft proposed amendments and additions to the rules and regulations in accordance with Section 8 of this code for consideration by the Board if such changes are warranted in the opinion of the committee or requested by a member of the Board.

5.06 Planning Committee

5.06.1 The planning committee, reporting to the vice president of operations, shall formulate and reformulate plans for the development and the efficient utilization of the Club property. Where appropriate, such plans shall include an approximation of costs and relevant justification, information and issues.

5.07 Nominations Committee

5.07.1 The nominations committee, reporting to the vice president of administration, shall have responsibility for the recruitment of prospective candidates for election or appointment to positions on the Board of Directors consistent with the following by law articles: Article III, Sections 5 and 7, Article V, Section 2 and Article VIII, Section 1 and 2.

5.07.2 It shall be the responsibility of the nominations committee, to insure that, all candidates recruited for election to the Board meet the requirements specified in the By Laws, shall fill out a resume and adhere to all campaign policies. In addition a summary of all resumes are submitted to the president and secretary for inclusion in the notice of the annual meeting of the bondholders.

5.07.3 Resumes for appointments to the Board to fill a vacancy shall be handled directly by the chairman of the nominations committee.

5.07.4 It shall be the responsibility of the nominations committee to insure that the elections at the annual meeting of the bondholders, be conducted in accordance with the by laws as outlined in Article VII and Article VIII.

5.08 Administrative Committee

5.08.1 The administrative committee, reporting to the vice president of administration, shall prepare a preliminary administrative budget for the next operating year in sufficient time for the finance committee to finalize the general budget pursuant to Section 5.01. Upon approval of the budget, it is the responsibility of the committee to work within those budget guidelines. It shall have the authority to exceed budget guidelines for any such emergency situation with ratification by the Executive Committee. Either at the direction of the president, with the consent of the vice president of administration or on its own motion it shall make recommendations to the Board on matters of importance to the administration of the Club.

5.08.2 The administrative committee shall be responsible for all matters of an administrative nature generally encountered in business corporations, such as insurance, non-operational procurement, communication services, finalizing contracts and documents of the Club, by laws, nominations and employment recruitment. In coordination with the president, acts as liaison to the Board and its solicitor.

5.09 Swim Team Committee

5.09.1 The swim team committee reporting to the vice president of operations shall prepare a preliminary budget, a list of proposed events and swim team registration fees for the next operating year for submission in sufficient time for the finance committee to finalize the general budget pursuant to Section 5.01. Upon approval of the budget, it is the responsibility of the committee to work within those budget guidelines. It shall have the authority to exceed budget guidelines for any such emergency situation with ratification by the Executive Committee. At the direction of the president, with the consent of the vice president of operations or on its own motion, it shall make recommendations to the Board on matters of importance to the progress of the swim team. The swim team chair shall represent the Club at League meetings and events. It

shall submit a monthly report to the Board of all events. It shall perform or supervise, or assist in performing or supervising all events and all sales, marketing, advertisement, procurement and food services ancillary to any of the foregoing.

5.09.2 It shall be responsible for all soda vending machines.

5.10 Snack Bar Committee

5.10.1 The snack bar committee reporting to the vice president of operations, shall prepare a preliminary budget and scheduling to operate a snack bar in sufficient time for the finance committee to finalize the general budget pursuant to Section 5.01. Upon approval of the budget, it is the responsibility of the committee to work within those budget guidelines. It shall have the authority to exceed budget guidelines for any such emergency situation with ratification by the Executive Committee. The committee shall purchase materials, equipment, supplies, and services needed to operate a clean and safe snack bar. Either at the direction of the president with the consent of the vice president of operations, or on its own motion, it shall make recommendation to the board on matters of importance on the operation and maintenance to the snack bar. It shall submit a monthly report to the Board of all snack bar activities. Provides advice shall give direction, counsel, and guidance to the Manager.

5.10.2 It shall be responsible for all snack vending machines.

5.11 Human Resources Committee

5.11.1 The Human Resources Committee, consisting of the Vice President of Operations, the Snack Bar Chair, Swim Team chair and directors appointed by the President, reporting to the vice president of administration, shall recruit and retain qualified staff for operations, snack bar and swim team, shall adhere to all Federal, State and Local Employment laws, shall develop and maintain employment contracts, and an employment handbook outlining the Club's standard operational procedures, shall maintain employment records for current and past staff members which includes but is not limited to executed contracts, working papers, certifications, etc. and shall periodically provide feedback on performance to staff members. At the direction of the president, with the consent of the vice president of operations, snack bar chair or swim chair or on its own motion, it shall make recommendations to the Board on matters of importance regarding the staff.

5.12 Ways & Means Committee

5.12.1 The ways & means committee, reporting to the vice president of finance, shall consistently develop and implement creative means of fund raising to support Club committees, projects and planned/future improvements. Where appropriate, such plans shall include an approximation of income and expenses, relevant justification, information and issues.

6. Hearing Before the Board

6.01 Removal of a Director

6.01.1 In the event a Director fails to fulfill his role on the Board as defined in Section 2.01 and or 2.02 of the Administrative Code, the Board shall undertake removal proceedings as follows:

6.01.2 During an urgent meeting of the Board a Director shall identify the happening or the legitimate cause(s) for a director's removal;

6.01.3 At said meeting the Board shall pursue the need for an investigation of the happening or cause with a 2/3 vote.

6.01.4 A timely investigation will be executed by an ad hoc committee appointed by the chair of the special meeting.

6.01.5 The committee chair will present their findings to the Board

6.01.6 The Board shall consider all evidence presented and a motion to remove or close will be proposed. A vote of 2/3 of the directors will determine the outcome.

6.01.7 The chair of the ad hoc shall contact the solicitor to advise of the Board's decision, provide supporting evidence and direct the solicitor to notify said director(s) of the Board's intent.

6.01.8 At the meeting of the Board to remove a director pursuant to Article IV, Section 6(a) of the by laws, the director sought to be removed shall be entitled, at his own cost and expense, to be represented by an attorney admitted to the practice of law in Pennsylvania. If such director is so represented, his attorney may make a brief opening statement, shall conduct a direct examination of such director; may submit any writings to the Board to sustain such director's defense; may present and directly examine any witness in support of such director's defense, provided that no other director shall be obligated to serve as a witness if he elects not to do so; and may make a brief summation. The solicitor of the Club shall be entitled to cross-examine the director sought to be removed and any witness testifying on his behalf. Following the summation by his council, both the director sought to be removed and his council shall retire from the meeting room while the Board deliberates on the testimony and evidence. During deliberation the continuation of said Director's membership will be evaluated. At the conclusion of such deliberations, the directors, including the one sought to be removed, shall vote whether or not to remove/revoke.

6.01.9 If the director sought to be removed does not elect to be represented pursuant to Section 6.01.3, then he may present his own defense orally for an amount of time in the reasonable judgment of the chair; may introduce writings and present and directly examine witnesses on his behalf, provided that no other director shall be obligated to serve as a witness if he elects not to do so; and he may make a brief summation. The solicitor of the Club shall be entitled to examine the director sought to be removed and cross-examine any witness testifying on his behalf. Following the summation, the director sought to be removed shall retire from the meeting room while the Board deliberates on the testimony and the evidence, and at the

conclusion of such deliberation the directors, including the one sought to be removed, shall vote whether or not to remove.

6.01.10 At a meeting pursuant to Sections 6.01.3 and 6.01.4, the secretary shall make a recording of the proceeding and shall cause a verbatim transcript to be prepared from such recording for distribution to all interested parties within a reasonable time after such meeting as directed by the chairman and or solicitor. In deference to the privacy of the director(s) in question, all proceedings will be closed to the general membership. In addition the confidentiality of the proceedings will be maintained.

6.02 Suspension or Revocation of Membership

6.02.1 In the event a member fails to adhere to the ByLaws and or Rules and Regulations of the Club the Board shall:

6.02.2 During an urgent meeting of the Board a Director shall identify the happening or the legitimate cause(s) for a director's removal;

6.02.3 At said meeting the Board shall pursue the need for an investigation of the happening or cause with a 2/3 vote.

6.02.4 A timely investigation will be executed by an ad hoc committee appointed by the chair of the special meeting.

6.02.5 The committee chair will present their findings to the Board

6.02.6 The Board shall consider all evidence presented and a motion to remove or close will be proposed. A vote of 2/3 of the directors will determine the outcome.

6.02.7 The chair of the ad hoc shall contact the solicitor to advise of the Board's decision, provide supporting evidence and direct the solicitor to notify said director(s) of the Board's intent.

6.02.8 At least ten (10) days prior to a meeting of the Board to conduct a hearing to suspend or revoke membership pursuant to Article XII of the by laws, the secretary shall notify the member in writing of the specific allegations and the date, time and place where such meeting and hearing shall be conducted.

6.02.9 As used in Section 4 of Article XII of the by laws, "the rules of the Club" shall mean the rules and regulations last promulgated by the Club prior to the giving of the notice required by Section 6.02.1.

6.02.10 The same procedural requirements and options for the removal of a director as specified in Section 6.01.8, 6.01.9 and 6.01.10 shall be applicable to the hearing for suspension or revocation of membership, except that after a brief summation by the member or his attorney, both the member and his attorney shall retire from the meeting room and he or they shall be

orally advised of the decision of the Board followed by subsequent written notification. In the event the Board votes to revoke a member's bond, the refundable portion of said Bond shall be applied toward the fees incurred by the Club to secure a solicitor for the proceedings.

7. Contract Bidding Guidelines

7.01 Whenever deemed advisable by the Board and where the total cost to the Club is likely to exceed \$5,000, an invitation for sealed bids to render a service or provide material or equipment to the Club shall be prepared by the vice president of operations or administration and solicitor consistent with guidelines hereinafter set forth. (10/89)

7.02 Prior to writing such an invitation, the vice president of operations or administration shall consult with the respective officers and committee chairpersons of the Club responsible for all aspects of the service, material or equipment sought and shall obtain approval of the final form of the invitation. (10/89)

7.03 Such an invitation shall include a complete description of the service, material or equipment and all conditions imposed by the Club with respect to such service, material or equipment.

7.04 All such invitations shall include a statement that the Club may reject any and all bids for any reason and that the Club shall not be obligated to accept the lowest bidder.

7.05 All bids shall be considered by the Board taking into account the amount of the bid; any conditions attached by the bidder or imposed by the Club; the financial stability of the bidder; the reputation of the bidder in his or its field for quality, reliability and timeliness; the breadth and depth of experience of the bidder; and the overall ability of the bidder to accommodate the specific needs and purposes of the Club.

8. Amendments

8.01 The ByLaws, Administrative Code and Rules and Regulations may only be amended as follows:

8.01.1 The proposed change should be submitted to the committee in writing. The committee will review the change and present to the Board of Directors for approval. Once the Board of Directors approves the change, the Chairperson will forward the change to the solicitor for a determination of general legality and wording approval.

8.01.2 After clearance by the solicitor, the proposed amendment will be voted upon by the Board and/or the membership dependent on the change. Once approved the amendment will be implemented.

9. Appendix

9.01 Forming a part of this administrative code is appendix "a", which contains names of the forms currently utilized by the Club and which may be changed from time to time at the discretion of the Board. Copies of these forms may be obtained from the Secretary. (10/89)

9.01.1 Annual swim fee bill.

9.01.2 Membership cards.

9.01.3 Five day guest passes.

9.01.4 Director complimentary pass for prospective members.

9.01.5 Bond.

9.01.6 Information letter and application for prospective members.

9.01.7 Daily gate guest sheet.

9.01.8 Letterhead of the Club.

9.01.9 Organization Chart