

BYLAWS OF THE AQUAKIDS, INC.
July 2010

ARTICLE I

NAME

SECTION 1. The name of the organization shall be the "AQUAKIDS, Inc.", hereinafter referred to as the "Club".

SECTION 2. The office address of the Club shall be:
P.O. Box 10155
Conway, Arkansas 72034

Other addresses may be used temporarily at the Board's discretion for committee communications or Board-approved projects. However, any address used for AQUAKIDS business must be approved by the Board and registered in the Minutes.

SECTION 3. The fiscal year of the Club shall commence on the first day of September each year and terminate on the 31st day of August of the following year. Upon completion of the fiscal year, an independent audit of the financial records may be completed at the discretion of the Board.

ARTICLE II

MEMBERSHIP

SECTION 1. There shall be two classes of membership in the Club: (1) Regular members and (2) Competitor members. Regular members shall be defined as the parents or legal guardians of Competitor members. Competitor members shall be those swimmers who are members of the Club teams from time to time.

SECTION 2. The membership shall be open to any resident of the region, area, or state of Arkansas.

SECTION 3. The membership shall also be contingent upon payment of such periodic registration fees and membership dues as the Board of Directors may from time to time determine.

ARTICLE III

PURPOSE AND POWERS

SECTION 1. The Corporation shall have such purposes as are now or may hereafter be set forth in its Articles of Incorporation.

SECTION 2. The purpose of the Club shall include the following:

- A. To provide an opportunity for all children eligible for membership to engage in a wholesome, lifesaving, lifetime sport, and recreational activity;
- B. To promote physical fitness and good patterns of physical development and to encourage proper conditioning and health habits;
- C. To provide opportunities for social, emotional, and educational development and to encourage peer and family participation; and
- D. To promote the involvement in age-group programs and provide an opportunity for members to compete in organized swimming competitions.

SECTION 3. The Corporation shall have such powers as are now or may hereafter be granted by the Non-Profit Corporation Act of the State of Arkansas, except such powers as may be

- otherwise modified hereby or by the Articles of Incorporation of this Corporation.
- SECTION 4. The powers of the Club shall include the following:
- A. The participation in and conduction of such meets and competitions as the coaching staff and the Board of Directors shall determine from time to time to be in the best interests of the Club;
 - B. The publication and distribution of programs, newsletters and other publications designed to promote the activities and affairs of the Club;
 - C. The solicitation and sale of advertising space in such publications and obtaining of sponsorships for the club, its competitions and its publications;
 - D. The contribution of money or other things of value for scholarship programs or other causes furthering the affairs and interests of the Club--this may include dedicated annual savings not to exceed 10% of each year's cash-flow. Such savings must be ear-marked for specific programs and approved by the Board.
 - E. The retaining of such person, firms, or corporations as may be necessary in order to provide special services to the Club;
 - F. The purchase, sale, and conveyance of real or personal property and the entry into any contracts, leases, or other agreements necessary to properly conduct and administer the affairs of the Club;
 - G. The operation of food concessions and the sale of swimming equipment and paraphernalia to it's members and other persons.

ARTICLE IV

RIGHTS AND LIABILITIES OF MEMBERS

- SECTION 1. Membership rights and liabilities will apply to all members equally regardless of race, gender, duration of membership, or number and level of affiliated Competitor members.
- SECTION 2. No director, officer, member, or authorized agent, or representative of the Club shall be liable or responsible for any debts or liabilities of the Club, or liable to the Club except to the extent of their unpaid portion of membership dues and entry fees.
- SECTION 3. Members who are delinquent in any required dues or fees over a period of more than 45 days will receive written notification of such delinquency and granted 30 days to rectify the situation. If the account is not brought up to date by the said 30 days, the member shall be notified of his or her suspension from the club via letter from the Board and will not be allowed to participate in club events from that date until payment in full is made.
- SECTION 4. Regular members shall have one (1) vote on all matters brought before a vote of the membership; provided, however, if both parents or legal guardians of a competitor member are Regular members, then such parents or guardians shall only have one(1) vote between them. Competitor members shall have no voting rights.
- SECTION 5. Any member in good standing with the club will be eligible to serve on club committees at the invitation of the Board and entitled to run for Board positions whenever such elections are held.

ARTICLE V

MEETINGS OF MEMBERS

- SECTION 1. The Club shall hold two Meetings of the Membership annually for the purpose of reviewing the activities and financial affairs of the Club, nominating candidates for the Board of Directors, and conducting such other business as may properly come before the meeting.

The first meeting will be held in May for the purpose of nominating candidates for open Board positions (3 each year). This meeting will also serve as a recruitment meeting for the various committees created by the board of directors. Nominees for Board positions will be solidified 10 days after this meeting and their names will be published on the club web-site for members' consideration until the election in June (see below).

A second meeting will be held in October for the purpose of reviewing the club's annual budget and discussing future goals. New Board members will be introduced at this time and begin their tenures of office. Members of Committees (Timing, Budget, Hospitality, etc) for the following year will also be identified.

SECTION 2 The Club may also hold other special Meetings of the Membership as may be necessary from time to time to properly conduct the affairs of the Club. Such special meeting may be called by the President of the Board of Directors, by majority vote of the Board of Directors, or upon the written request of a least twenty percent (20%) of the Regular members. Such written requests should indicate the purpose for the proposed meeting. The Board will have three weeks to schedule, notify the membership at large, and hold the required meeting.

SECTION 3. All Meetings of Members shall be held at a convenient hour and place designated by the Board of Directors. Written notice of the meeting shall be posted on the club web-site no less than ten (10) days before said meeting.

SECTION 4. At any Meeting of Membership, attendance of at least thirty (30%) of the total Regular membership shall constitute a quorum. Only Regular members present at the meeting shall have the right to vote, as there shall be no voting by proxy. Failure to have a quorum in attendance will effectively eliminate the chance for proposals to be voted into effect. Unless otherwise established by the Articles of Incorporation or the Bylaws, the decision of a majority of the members voting shall be the decision of the club and take precedence over previous decisions of the Board on any specific issues addressed at the Meeting of Members.

ARTICLE VI

BOARD OF DIRECTORS

SECTION 1. All of the business and affairs of the Corporation shall be managed and controlled by the Board of Directors, but in no event shall the Board of Directors be authorized to conduct the affairs of the Corporation in any manner or for any purpose contrary to the provisions of Section 501(c)(3) of the Internal Revenue's code as now in force or afterwards amended.

SECTION 2. A board of nine (9) Directors shall be elected by and from the Regular members of the Club. The term of each Director from the Regular members shall be three (3) years, or until his successor is elected and qualified, with three (3) Directors being elected in each year. Any vacancy in the Board of Directors caused by death, resignation, or disqualification of a Director shall be filled by a majority vote of the remaining Directors until the next annual meeting. Each family shall be limited to one adult member on the board at a time.

SECTION 3 Candidates for Director positions will be posted on the Web-site after nominations have taken place during the May Meeting of the Members. Elections will be held by e-mail ballot on or before July 21. The Secretary shall tabulate the votes and report the results to the Board of Directors. The Board shall ratify the results and the President shall contact the incoming Directors. Elected directors will attend the September Board meeting to

become familiar with their duties. At this board meeting, out-going officers will be replaced and new officers will be elected. Formal handing over of duties to in-coming directors will take place at the October Meeting of Members along with the announcement of new officers.

SECTION 4 Members of the Board of Directors may, from time to time, appoint one or more members as ex officio members of the Board.

Two (2) standing ex officio Board positions will be held by the AQUAKIDS head coach and any designated liaison representing any facility currently affiliated with the AQUAKIDS.

With the exception of the head coach, ex officio members of the Board of Directors shall be entitled to all of the rights and privileges of the directors, but shall not vote or be counted in determining the existence of a quorum. The head coach shall be entitled to all of the rights and privileges of the directors; however, he/she will not have voting privileges with any decisions or actions pertaining to the head coaching position.

SECTION 5. Directors as such shall not receive any stated salaries for their services. Nothing herein contained shall be construed to preclude any director from serving the Corporation in any other capacity from receiving compensation therefore. (Refer to Article VI, Section 7)

SECTION 6. The duties and powers of the Board of Directors shall be such as usually devolve upon the Directors of any club or association and may include the selection of the place, fixing the date, and making all arrangements necessary for holding meetings of the Club and the publication of whatever data the Directors deem essential to the benefit of the Club. The Directors shall have the power to adopt rules and regulations, and to alter and amend the same from time to time, for the conduct of the business and activities of the Club. The board of Directors shall have the authority to generally conduct all of the lawful affairs of the Club, including but not limited to, entering into, extending, or terminating any contracts, leases, or other agreements necessary to carry out the purposes of the Club. However,, the Board of Directors may not exercise any powers relating to either of the following:

- A. Termination or discharge of coaches or other persons providing special services except for the following two (2) reasons: 1) there is a "with cause" situation that is either unlawful, or causes embarrassment or harm to the club; or 2) following a written/documented performance review and plan, and a 90 day cure period, there is not sufficient improvement as provided within the performance review plan.
- B. Entering into a contract or agreement for the purchase or sale of real estate.
- C. Improperly altering or voiding any section of the club bylaws.

Such matters may only be accomplished by vote of the membership. The Directors shall otherwise exercise all of the powers of the Club as permitted by law, subject to the provisions of the Articles of Incorporation and these Bylaws.

SECTION 7. **Officers:** The officers of the Corporation shall be a President, a Vice-President, a Secretary and a Treasurer. The Board of Directors may elect to appoint other officers, including one or more assistant secretaries, and one or more assistance treasurers, as it shall be deemed desirable, such officers to have authority to perform the duties prescribed from time to time by the Board of Directors. Any two or more offices may be held by the same person except the office of the President and Secretary. A majority vote of the Board shall be necessary for the election of officers. Each officer shall hold office for a term of one (1) year and until the successor has been elected unless he should resign or be removed. Compensation in the form of reduced swim fees may be provided to officers upon agreement of the Board of Directors. Any officer elected by the Board of Directors may be removed by the Board of Directors, whenever in its judgment, the best interest of the Corporation would be served thereby. Any officer may resign at any time by giving

written notice to the president or the secretary of the Corporation, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

- SECTION 8. **President:** The President shall serve as Chairman of the Board, be the principle executive officer of the Corporation, and shall in general supervise and control the business and affairs of the Corporation. The President shall preside at all meetings of the members and have voting privileges. The President shall be the chief executive officer of the Corporation and, subject to the direction of the Board, shall lead all of the affairs of the Corporation. The President shall serve as chief spokesman and interpreter of the AQUAKIDS mission and solicitor of funds for its work.
- SECTION 9 **Vice-President:** shall perform all duties incumbent upon the President during the absence or disability of the President and perform such other duties as may be prescribed by the Board of Directors.
- SECTION 10 **Treasurer:** The Treasurer shall a) have charge and custody of and be responsible for all funds and securities of the Corporation; b) receive and give receipts for monies in the name of the Corporation in such banks, trust companies, or other depositories as shall be selected by the Board of Directors; c) keep full and accurate accounts of the finances of the Corporation in books especially provided for that purpose; d) cause such returns, reports and or schedules as may be required by the Internal Revenue Service and the state taxing authorities to be prepare and filed in a timely manner; e) cause a true balance sheet (statement of the assets, liabilities, and fund balance) of the Corporation as of the close of each fiscal year and true statements of activity (support and revenue, expenses, and changes in fund balance), functional expenses and cash flows for such fiscal year, all in reasonable detail, to be prepared and submitted to the Board of Directors; f) and in general perform all the duties incident to the office of the Treasurer and such other duties as from time to time may be designated by the President or by the Board of Directors.
- SECTION 11 **Secretary:** The Secretary shall a) serve as Secretary of the Board of Directors and keep the minutes of the meeting of the members of the Board of Directors in one or more books provided for that purpose; b) see that the seal for the Corporation is fixed to all documents, the execution of which on behalf of the Corporation under its seal is duly authorized in accordance with the provisions of these Bylaws; c) keep a register of the post office address of each member which shall be furnished to the Secretary by each member, d) have the custody and care of the corporate records of the Club, and e) in general perform all duties incident to the office of Secretary and such other duties from time to time may be assigned by the President or by the Board of Directors.
- SECTION 15. In case of the absence of any officer of the Club, or for any other reason that the Board of Directors may deem sufficient, the Board of Directors may delegate the powers or duties of such officer to any other Director, for the time being, provided a majority of the Board of Directors concurs therein.
- SECTION 16. The presence of at least five (5) members of the Board of Directors shall be necessary in order to constitute a quorum for the purpose of conducting business at any meeting of the Board of Directors. Except as may otherwise be provided in the Articles of Incorporation or these By-laws, the decision of a majority of the Directors present at any meeting shall be the decision of the Club.
- SECTION 17. Special meetings of the Board of Directors shall be held on the call of the President or a majority of the Directors. All members of the Board shall be advised, either orally or in writing, as to the time and place of any such meeting. Notice shall be given at least three (3) days prior to the date of the meeting. Attendance at any meeting shall constitute a waiver of notice thereof.

SECTION 18 The Club shall indemnify any person made a party to any action, suit, or proceeding by reason of the fact that such person, or his successor or assign, is or was a Director, officer, or employee of the Club against the reasonable expenses, including attorney fees, actually and reasonably incurred by such person in connection with the defense of such action, suit or proceeding. The Club may also reimburse to any such Director, officer, or employee the reasonable costs of settlement of any action, suit or proceeding if it shall be found by a majority of the Regular members that it was to be the interests of the Club that such settlement be make. Such rights of indemnification and reimbursement shall not be deemed exclusive of any other rights to which such Director, officer, or employee may be entitled apart from the provision of these By-laws.

<p>ARTICLE VIII COMMITTEES OF THE BOARD AND THE INDEMNIFICATION OF DIRECTORS AND OFFICERS</p>

SECTION 1. **Board Committees in General:** The Board of Directors may create one or more committees of the Board in addition to the Executive Committee established by these bylaws. Committees of the board shall be directed by individuals currently serving as duly elected and qualified directors of the Corporation. Each committee of the board shall have one or more directors, who shall be appointed by and serve at the pleasure of the board. The creation of a committee of the board and appointment of a director must be approved by a majority of all the directors in office when the action is taken. Delineation of committees into subcommittees may occur if a majority of the board is in agreement. Each subcommittee will serve a specific function within its committee and will be under the leadership of a chairman who will be chosen by, and work under the direction of the corresponding committee director. Prior to appointment, subcommittee chairmen will be presented to the Board of Directors by the corresponding committee director for review. The provisions of Article III of these bylaws, which governs the meetings of the Board of Directors, shall apply to committees of the board and their members as well, except that no committee of the board shall be required to have an annual meeting or schedule regular meetings. To the extent specified or authorized by the Board of Directors or in these bylaws, each committee of the board may exercise the authority of the board. A committee of the board may not however: a) authorize distributions; b) approve or recommend dissolution, merger or the sale, pledge or transfer of all or substantially all of the Corporation's assets; c) elect, appoint or remove directors or fill vacancies on the board or on any committee of the board or, d) adopt, amend or repeal the articles of incorporation or any bylaws.

SECTION 2 **The Executive Committee:** The Executive Committee, which is a committee of the board, shall consist of the four principle officers of the Corporation and up to three (3) additional directors elected by the Board of Directors, to serve in such capacity until the next annual meeting of the Board of Directors provide that the election of additional directors must be approved by a majority of all the directors in office when such action is taken. The President shall serve as the Chairman of the Executive Committee and shall preside at all of its meetings. The Executive Committee may exercise the authority of the Board of Directors at such times as the board is not in session if there is an immediate need. **In addition, the Executive Committee shall perform the function of finance and budget.** In performing this function, the Committee shall: (i) oversee the implementation and administration of policies and procedures for handling and accounting for the finances of the Corporation; (ii) prepare an annual revenue and expense budget for submission to the full Board of Directors; (iii) work closely with the

Sponsor Relations Committee and the Fundraising Committee to coordinate development of the resources needed to meet the revenue goals of the budget; (iv) monitor the implementation of the budget, and (v) when necessary, make recommendations to the Board of Directors regarding adjustments to the budget.

- SECTION 3 **Operating Committees:** The Chairman of each operating committee, in consultation with the corresponding director shall appoint the members of the committee. New members of the operating committees. The detailed functions of all operating committees and their corresponding Chairmen are outlined in the Roles & Responsibilities Manual. Operating committee Chairmen shall be expected to attend the regular meetings of the Board of Directors for the purpose of reporting on the work of their committees, receiving direction and guidance from the board, and seeking approval of action proposed by their committees which require board approval. The operating committees are described below.
- SECTION 4. **Budget Committee:** Meets annually for the purpose of assessing & revising the operational budget of AQUAKIDS, Inc. The committee shall present its proposed operational budget to the Board of Directors for final approval before the Annual Meeting of Members. The approved Operational Budget will be presented to members of the Corporation at the Annual Meeting of Members. The Operational Budget can be changed at times deemed necessary with the approval of 3/5 of the Board of Directors. Any changes made to the Operational Budget will be made viewable to the members of the Corporation.
- SECTION 5 **Swim Meet Committee:** Coordinates, directs and ensures home swim meets run smoothly. Responsibilities include, but are not limited too, concessions, event timers, deck entries, apparel sales, computer timing and recording, hospitality, registration & entries of athletes, awards & ribbons, ads & heat sheet production, and set up & take down before and after swim meets.
- SECTION 6 **Sponsor Relations Committee:** Recruits, secures and retains corporate and/or individual sponsorship for AQUAKIDS, Inc. Executes plans for development of needed funds through corporate and individual giving.
- SECTION 7 **Marketing/Publications Committee:** Coordinates all media contact, develops promotional materials, prepares newsletters, records Corporation's history, carries out a recognition program, and maintains AQUAKIDS, Inc. website.
- SECTION 8 **Fundraising Committee:** Develops and executes plans to earn needed funds to support or supplement the Operational Budget of AQUAKIDS, Inc.
- SECTION 9 **Nominations Committee:** Committee appointed by the president to collect candidates for Board membership and present a slate for balloting within a 10-day period after the open invitation for candidates at the Annual Meeting of Members in May. The Committee shall also recommend persons to fill vacancies of unexpired terms on the Board of Director.

ARTICLE IX

CONTRACTS, CHECKS, AND CONTRIBUTIONS

- SECTION 1. The President may sign, with the secretary or any other proper officer of the Corporation authorized by the Board of Directors, any deeds, mortgages, bonds, contracts, leases, or other instruments which have been authorized to be executed.
- SECTION 2. The Board of Directors may authorize any officer or agent of the Corporation, in addition

to the officers so authorized by law, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances.

- SECTION 3. No loan shall be contracted on behalf of the Corporation and no indebtedness shall be issued in its name unless authorized by resolution of the Board of Directors. Such authority may be general or confined to specific instances.
- SECTION 4. All checks, drafts or other orders for the payment of money, notes, other evidences of indebtedness issued in the name of the Corporation, shall be signed by the treasurer or the president of the Corporation.
- SECTION 5. All funds of the Corporation shall be deposited from time to time to the credit of the Corporation such banks, trust companies or other depositories as the Board of Directors may select.
- SECTION 6. The Board of Directors may accept on behalf of the Corporation any contribution, gift, or bequest devised for the general purposes or for any specific purpose of the Corporation.

ARTICLE X

NON-PROFIT ORGANIZATION

- SECTION 1. The Club shall, at all times, be operated on a non-profit basis for the mutual benefit of its members. No dividends or other interests in the assets of the Club shall be paid by the Club to its members. No part of the earnings of the Club shall inure to the benefit of, or be distributed to, its members, officers, Directors, or any other private persons or corporations, except that the Club shall be authorized and empowered to pay reasonable compensation for services rendered and expenses incurred and to make payments and distributions and in full furtherance of the purposes set forth herein.
- SECTION 2. No substantial part of the activities of this Club shall be the carrying on of propaganda or otherwise attempting to influence legislation, and the Club shall not participate in any political campaign behalf of any candidate for public office. Notwithstanding another provision of the Articles of Incorporation of these By-laws, the Club shall refrain from engaging in any other activities not permitted of any tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code.

ARTICLE XI

MISCELLANEOUS

- SECTION 1. The Corporation shall keep correct and complete books and records of account and shall also keep records of minutes of the proceedings of the Board of Directors, and meetings of the members. Copies of the minutes shall be regularly distributed to each member of the Board of Directors.
- SECTION 2. The Board of Directors may provide a corporate seal, which shall be in the form of a circle and shall have inscribed thereon the name of the Corporation and the words "Non-Profit Corporation", the year of incorporation and the state of incorporation.
- SECTION 3. Whenever any notices required to be given under the provision of the Non-Profit Corporation Act in the State of Arkansas or under the provisions of the Articles of Incorporation of the Corporation or these By-laws, a waiver thereof in writing signed by the persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

SECTION 4. No loans shall be made by the Corporation, its officers, or Directors. The Directors of the Corporation who vote for or assent to the making of a loan to an officer or Director of the Corporation, and any officer or officers participating in the making of such loan, shall be jointly and severally liable to the Corporation for the amount of such loan until the repayment thereof.

ARTICLE XII

TERMINATION AND DISSOLUTION

SECTION 1. The Club may be terminated and dissolved upon the affirmative vote of at least two-thirds (2/3) of all board members entitled to vote. In the event of such termination and dissolution, the Board of Directors shall, after paying or making provision for the payment of all liabilities of the Club, dispose of all of the assets of the Corporation to an organization exempt from taxation under Section 501(c)(3) of the Internal Revenue Code or corresponding provision of any future United States Internal Revenue Law, as the board of Directors may determine.

ARTICLE XIII

AMENDMENT OF BY-LAWS

SECTION 1. The power to make, alter, amend, or repeal these By-laws is vested in the Board of Directors. However, revised by-laws will be published for membership review over a period of 10 days—after which time the document must undergo a pass/fail vote of the membership before becoming binding. This vote is only in regards to the document as a whole. Failure of the document results in a return to the previous by-laws until a new document is submitted and subsequently passed. For this vote, a quorum of 30% of the Regular membership is required with a simple majority required to pass. If a quorum is not established, then the Board's initial decision stands.

Adopted this 14th day of January 1988, by the Board of Directors.
Revised September 1990, by the Board of Directors.
Revised this 4th day of October 1995, by the Board of Directors.
Revised August, 1992 by the Board of Directors.
Revised August 1, 1998 by the Club membership.
Revised August 2006, by the Board of Directors
Revised March 2008, by the Board of Directors
Revised July 2010, by the Board of Directors

The AQUAKIDS, Inc.

By: _____
President

Attest: _____
Secretary