

**BYLAWS OF UB AMHERST SWIMMING, INC.  
DBA BUFFALO AREA AQUATIC CLUB**

**ARTICLE I – NAME**

SECTION 1. The name of the organization shall be UB Amherst Swimming, Inc. dba Buffalo Area Aquatic Club, hereinafter referred to as the “Club”.

SECTION 2. The Club is a Charitable Corporation as defined in Section 201 of the New York Not-For-Profit Corporation Law (the “NPCL”), which is organized and shall be operated in accordance with the meaning and provisions of Section 501(c)(3) of the Internal Revenue Code and shall have members as set forth in Article II below.

**ARTICLE II – MEMBERSHIP**

SECTION 1. There shall be three classes of membership in the Club: (1) Regular Members; (2) Age Group Swimmers; and (3) Collegiate Swimmers. Regular Members shall be defined as the parents or legal guardians of Age Group Swimmers. Age Group Swimmers and Collegiate Swimmers may be sometimes collectively referred to herein as “Competitor Members”.

SECTION 2. Membership in Good Standing shall be contingent upon: (A) Fulfillment of all volunteer commitments; (B) Timely payment of all dues and fees; (C) Compliance with all Club codes, rules, policies and procedures; and (D) Positive contribution to the welfare, best interests and public image of the Club.

**ARTICLE III – TERMINATION OF MEMBERSHIP**

Any Member who fails to comply with the obligations set forth in Article II, Section 2 shall be subject to termination of their membership. Any Member subject to membership termination shall be notified in writing by the Board of Directors and given the opportunity to request a hearing before the Board of Directors within ten (10) days of receipt of said written notice. The decision of the Board of Directors at said hearing shall be final.

**ARTICLE IV – PURPOSES AND POWERS**

SECTION 1. The purposes of the Club shall include the following:

- A. To provide an atmosphere that inspires swimmers to achieve their maximum potential through a strong work ethic, discipline, self-motivation and self-esteem;

- B. To develop team unity where everyone encourages and takes pride in each other at all levels of competition;
- C. To provide excellence in professional coaching and programs to enable swimmers to compete at their highest levels to the best of their abilities;
- D. To instill a lifelong love of swimming through enjoyment and accomplishment at all levels of swimming;
- E. To encourage family participation and contribution to the continual growth of the Club.
- F. To fulfill the vision and mission statements of the Club; and
- G. To schedule, organize and hold swim meets.

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

Subject to any limitations provided in this Chapter or any other statute of the state of New York or its certificate of incorporation, the Club shall have the following powers in furtherance of its corporate purposes:

- A. To have perpetual duration.
- B. To sue and be sued in all courts and to participate in actions and proceedings, whether judicial, administrative, arbitative or otherwise, in like cases as natural persons.
- C. To have a corporate seal, and to alter such seal at its pleasure, and to use it by causing it or a facsimile to be affixed or impressed or reproduced in any other manner.
- D. To purchase, receive, take by grant, gift, devise, and bequest or otherwise, lease, or otherwise acquire, own, hold, improve, employ, use and otherwise deal in and with, real or personal property, or any interest therein, wherever situated.
- E. To sell, convey, lease, exchange, transfer or otherwise dispose of, or mortgage or pledge, or create a security interest in, all or any of its property, or any interest therein, wherever situated.
- F. To purchase, take, receive, subscribe for, or otherwise acquire, own, hold, vote, employ, sell, lend, lease, exchange, transfer, or otherwise dispose of, mortgage, pledge, use and otherwise deal in and with, bonds and other obligations, shares, or other securities or interests issued by others, whether engaged in similar or different business, governmental, or other activities.
- G. To make capital contributions or subventions to other not-for-profit corporations.
- H. To accept subventions from other persons or any unit of government.
- I. To make contracts, give guarantees and incur liabilities, borrow money at such rates of interest as the Club may determine, issue its notes, bonds and other obligations, and secure any of its obligations by mortgage or pledge of all or any of its property or any interest therein, wherever situated.
- J. To lend money, invest and reinvest its funds, and take and hold real and personal property as security for the payment of funds so loaned or invested.
- K. To conduct the activities of the Club and have offices and exercise the powers granted by this chapter in any jurisdiction within or without the United States.
- L. To elect or appoint officers, employees and other agents of the Club, define their duties, fix their reasonable compensation and the reasonable compensation of directors, and to

indemnify corporate personnel. Such compensation shall be commensurate with services performed.

- M. To adopt, amend or repeal by-laws, including emergency by-laws made pursuant to subdivision seventeen of section twelve of the state defense emergency act, relating to the activities of the Club, the conduct of its affairs, its rights or powers or the rights or powers of its members, directors or officers.
- N. To make donations, irrespective of corporate benefit, for the public welfare or for community fund, hospital, charitable, educational, scientific, civic or similar purposes, and in time of war or other national emergency in aid thereof.
- O. To be a member, associate or manager of other non-profit activities or to the extent permitted in any other jurisdiction to be an incorporator of other Clubs, and to be a partner in a redevelopment company formed under the private housing finance law.
- P. To have and exercise all powers necessary to effect any or all of the purposes for which the Club is formed. Participating in and conducting meets and competitions as the Board of Directors and Head Coach shall determine from time to time to be in the best interests of the Club;
- Q. The publication and distribution of programs, newsletters and other publications designed to promote the activities and affairs of the Club;
- R. The solicitation and sale of advertising space in such publications and obtaining of sponsorships for competitors and publications;
- S. The contribution of money or other things of value for scholarships, programs, or other causes in furtherance of the affairs and interests of the Club;
- T. The retaining of such person, firms or corporations as may be necessary in order to provide special services to the Club;
- U. 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;
- V. The operation of food concession and the sale of swimming equipment and paraphernalia to its members and other persons; and
- W. The authorization to engage in such other lawful activity as may be necessary to properly carry out the purposes of the Club and conducts its affairs.

## **ARTICLE V – RIGHTS AND LIABILITIES OF MEMBERS**

SECTION 1. 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 2. Regular Member families shall have one (1) vote on all matters brought before a vote of the membership. For the avoidance of doubt, for purposes of voting each Regular Member family shall have one vote without regard to the number of Competitor members or parents/legal guardians in that family.

## **ARTICLE VI – MEETING OF MEMBERS**

SECTION 1. The Club shall hold a meeting of the membership annually within thirty (30) days after the close of the fiscal year for the purpose of reviewing the activities and financial affairs of the Club, and conducting such other business as may properly come before the meeting. The Club may also hold such other special meetings of the membership as may be necessary from time to time to properly conduct the affairs of the Club. Such special meetings may be called by the President of the Club, or by majority vote of the Board of Directors, or upon the written request of at least twenty percent (20%) of the Regular Members.

SECTION 2. All meetings of members shall be held at a convenient hour and place designated by the Board of Directors. Written notice of the meeting and meeting agenda shall be mailed or emailed to all members not less than five (5) days before said meeting.

SECTION 3. Twenty percent (20%) of the Regular Members shall constitute a quorum. The vote may be conducted at the meeting or by proxy via electronic means. Unless otherwise established by the Certificate of Incorporation or these Bylaws, the decision of a majority of the Club members in Good Standing, present and voting, shall be the decision of the Club. As used herein, a majority of the Club membership shall be fifty percent (50%) plus one of the Regular Members in Good Standing.

## **ARTICLE VII – BOARD OF DIRECTORS**

### **SECTION 1. MANAGEMENT OF CORPORATE AFFAIRS**

Except as otherwise provided by law, the certificate of incorporation of the Club or these Bylaws, the activities, property and affairs of the Club will be managed by the Board of Directors of the Club (the “Board”).

### **SECTION 2. QUALIFICATION OF DIRECTORS**

Each Director shall be at least eighteen (18) years of age. Candidates for the Board must be a Regular Member in Good Standing. Each family shall be limited to one Regular Member on the Board at any time.

### **SECTION 3. NUMBER OF DIRECTORS**

The number of Directors constituting the entire Board shall be nine (9). The number of Directors may be increased or decreased by an action of a majority of the Directors entitled to vote, except that no decrease in the size of the Board shall shorten the term of an incumbent Director. The Board shall be comprised of four (4) officers as set forth in Article IX and five (5) other Directors.

#### SECTION 4. ELECTION AND TERM OF DIRECTORS

All Board members shall be elected by the Regular members of the Club in accordance with Article IX hereof. The term of each Director shall be two (2) years, or until his/her successor is elected and qualified. The term of a Director shall commence at the next regular meeting of the Board of Directors following his or her election and shall expire two (2) years thereafter. Any other Regular Member who seeks election to the Board of Directors shall mail or email written notice (which shall include a statement of qualifications and interest) to the Board President at least five (5) days prior to the Board election.

#### SECTION 5. DUTIES AND POWERS OF THE BOARD

The duties and powers of the Board shall be such as usually devolved upon the directors of any club or association and may include the determination of the size of the Club, the selection of the place, fixing of 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 any contracts, leases or other agreements necessary to carry out the purposes of the Club. However, the Board of Directors may not exercise any power relating to the following: (A) Entering into a contract or agreement for the purchase of real estate. Such matters may only be accomplished by vote of the membership. The Board of Directors has the final approval on the hiring and firing of the Head Coach and the approval of all coaches' contracts. The Head Coach has the final approval on the hiring and firing of any Assistant Head Coach and the supporting coaching staff, subject to prior written three day notification to the President of the Board of Directors.

The amount of dues shall be set by the Board. The Board may authorize additional assessments to raise the necessary operating income to meet the annual operating expenses.

#### SECTION 6. NEWLY CREATED DIRECTORSHIPS AND VACANCIES

Newly created directorships resulting from an increase in the number of Directors and vacancies occurring in the Board for any reason may be filled, by vote of a majority Directors then in office, until the next election of Directors by the membership and until his or her successor is elected and qualified.

#### SECTION 7. REMOVAL OF DIRECTORS

Any Director may be removed for cause by the affirmative vote of a majority of the Board. A quorum for this purpose shall be defined as a majority of the entire Board. Unexcused absences from three (3) regular meetings of the Board in any twelve (12) month period shall constitute one of the causes for removal.

#### SECTION 8. RESIGNATION OF DIRECTORS

Any Director may resign at any time. Such resignation shall be in writing, and shall take effect at the time specified herein, and if no time is specified, at the time of its receipt by an Officer of the Board. The acceptance of a resignation shall discharge any accrued obligation or duty of a Director.

#### SECTION 9. COMPENSATION

No Director will be compensated for serving as a Director, except that the Club may reimburse Directors for the expenses necessarily incurred in effecting one of more of the corporate purposes of the Club, provided that such expenses are approved by at least two (2) Officers of the Board.

#### SECTION 10. COMMITTEES

The Board of Directors shall have the authority, by resolution adopted by a Majority of the Board, to establish committees as may be necessary to further and promote the interests and activities of the Club or as required by law. Such committees may be comprised of both Directors and other Regular Members and shall have all of the authority of the Board, except insofar as its exercise of authority may be inconsistent with any provision of law, the Club's certificate of incorporation or these By-laws. Each committee shall consist of three or more persons, each of whom may be, but need not be, a Director. At least one Director shall serve on each committee of the Club. Each committee formed under this Article VII, Section 7 shall keep regular minutes of their proceedings and shall make such minutes available to the Board.

#### SECTION 11. INDEPENDENT DIRECTORS

An "Independent Director" is defined as a Director who:

- a. Is not, and has not been within the last three (3) years, an employee of the Club and does not have a relative who is, or has been within the last three (3) years, a key employee of the Club.
- b. Has not received, and does not have a relative who has received, in any of the last three (3) fiscal years, more than \$10,000 in direct compensation from the Club (other than reimbursement for expenses reasonably incurred as a Director or reasonable compensation for service as a Director).

- c. Is not a current employee of or does not have a substantial financial interest in, and does not have a relative who is a current officer of or has a substantial financial interest in, any entity that has made payments to, or received payments from, the Club for property or services in an amount which, in any of the last three (3) fiscal years, exceeds the lesser of \$25,000 or 2% of such entity's consolidated gross revenues.
- d. The audit committee, if any, or the independent directors on the Board of a committee of the Board comprised solely of independent directors, shall oversee the Club's conflict of interest, whistleblower and audit matters.

## **ARTICLE VIII-MEETINGS OF DIRECTORS**

### **SECTION 1. REGULAR MEETINGS**

Regular Meetings of the Board, for the transaction of business, will be held at such time and place as shall be determined from time to time by the Board.

### **SECTION 2. SPECIAL MEETINGS**

Special meetings of the Board may be called at any time by the President, or in his or her absence or disability, by the Officers in the following order: Vice-President, Treasurer, Secretary; and shall be called by any such Officer on the written request if at least one-fifth of the entire Board. Such request will state the purpose or purposes for which the meeting is to be called. Each Special Meeting of the Board will be held at a time and place determined by the person calling the meeting and specified in the notice of the meeting.

### **SECTION 3. ANNUAL MEETING**

The Annual Meeting of the Board will be the Regular Meeting held in June each year or such other Regular Meeting as designated by the Board.

### **SECTION 4. NOTICE OF MEETINGS**

Notice of each of the Regular or Special Meetings of the Board stating the time and place of the meeting will be given by the President, Vice President or Secretary to the Regular Members of the Club in Good Standing, at least five (5) days before the Meeting by emailing the notice to the Club. A Members' attendance at a Meeting without protesting, before or at the commencement of the Meeting, the lack of notice to him or her constitutes waiver of notice.

### **SECTION 5. QUORUM**

The presence of at least one-half (1/2) of the total 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. Except as may be otherwise

provided in the Certificate of Incorporation or these Bylaws, the decision of a majority of the Directors present at any meeting shall be the decision of the Club.

#### SECTION 6. MINIMUM MEETING REQUIREMENT

The Board of Directors will hold a minimum of ten (10) monthly meetings during each fiscal year.

#### SECTION 7. EXECUTIVE SESSION

The Board of Directors may call an executive closed door session at any Regular Meeting. Only members of the Board of Directors shall be present at such executive closed door sessions unless the majority of the Board of Directors requests the presence of members or other persons.

#### SECTION 8. PROCEDURE

The order of business and all other matters of procedure at every meeting of the Directors may be determined by the person presiding at the Meeting.

#### SECTION 9. ACTION BY THE BOARD

Except as otherwise provided by law, the Certificate of Incorporation or these Bylaws, the vote of a Majority of the Directors present will decide any question that may come before the Meeting. A Majority of Directors present will decide any question that may come before the Meeting.

#### SECTION 10. ACTION WITHOUT A MEETING

Any action required or permitted to be taken by the Board or any committee thereof may be taken without a meeting if all members of the Board or Committee consent to the adoption of the resolution authorizing such action. Such consent may be written or electronic. If written, the consent must be executed by the Director by signing such consent or causing his or her signature to be affixed to such consent by any reasonable means including, an electronic signature. If electronic, the transmission of the consent must be sent by electronic mail and set forth, or be submitted with, information from which it can be reasonably determined that the transmission was authorized by the Director. The resolution and written consent will be filed with the minutes of the proceedings of the Board or committee.

#### SECTION 11. PRESENCE AT A MEETING BY TELEPHONE

Any one or more members of the Board or any committee thereof who is not physically present at a Meeting may participate by means of a conference telephone or similar communications equipment or by electronic video screen



communication. Participation by such means shall constitute presence in person at a meeting as long as all persons participating in the call can hear each other at the same time and each Director can participate in all matters before the Board or committee, including, without limitation, the ability to propose, object to, and vote upon a specific action taken by the Board or committee.

#### SECTION 12. MATTERS TO BE BROUGHT BEFORE THE BOARD

Regular Members who have a matter to bring before the Board must submit the matter in writing to the Board no later than ten (10) business days prior to the meeting at which the matter is to be presented and discussed.

#### SECTION 13. CONFIDENTIALITY

It is the policy of the Club that all Directors treat as confidential the proceedings of all Board and committee meetings, and all information concerning the business activities of the Club, except as otherwise authorized by the Board or until there has been a general public disclosure, or unless the information is a matter of public record or common knowledge.

SECTION 14. No member of the Board shall be interested, directly or indirectly, in any contract relating to the operations of the Club, nor in any contract for furnishing supplies thereto, unless authorized by the concurring vote of a majority of the entire Board, not including the vote of the Interested Director.

### **ARTICLE IX – OFFICERS**

#### SECTION 1. NUMBER

The officers of the Club shall consist of a President, Vice President, Secretary and Treasurer. Each officer shall also be a director of the Club. No person shall hold more than one office at one time.

#### SECTION 2. ELECTION AND TERM OF OFFICE

The term of Officers of the Club shall be two (2) years. Officers of the Club will be voted on by the Board at the next Board meeting following the annual election of Directors.

#### SECTION 3. REMOVAL

Any Officer may be removed or have his or her authority suspended by the Board at any time, with or without cause.

#### SECTION 4. RESIGNATION

Any Officer may resign at any time by giving their resignation in writing to the Board, the President or the Secretary. A resignation will be effective upon receipt unless it specifies an effective date, in which case the resignation is effective at the time specified. Unless the resignation specifies otherwise, Board acceptance of the resignation is not necessary to make it effective.

#### SECTION 5. PRESIDENT

The President shall preside at all meetings of the membership and of the Board, and shall, in general, supervise and manage all of the business and affairs of the Club, subject to the control of the Board. The President shall have the power to sign and execute all contracts and instruments of conveyance in the name of the Club and to sign checks, drafts, notes and orders for the payment of money, with the prior approval of the Board. The President shall also perform all duties usually incident to the office of President.

#### SECTION 6. VICE PRESIDENT

The Vice President shall perform all duties incumbent upon the President during the absence or disability of the President and perform other duties as may be prescribed by the Board.

#### SECTION 7. SECRETARY

The Secretary shall have the custody and care of the corporate records of the Club, shall attend all meetings of the members and the Board of Directors, shall keep a true and complete record of the proceedings of all such meetings, shall file and take charge of all papers and documents belonging to the Club, shall keep a list of members entitled to vote at the Club's principal office and make them available for inspection by Club members and shall perform duties as may be prescribed by the Board of Directors. The Secretary will ensure that the minutes of the Board are properly kept. The Secretary shall give, or cause to be given, notice of all meetings and all other notices as required by law, or by these Bylaws, and in the case of the Secretary's absence or refusal to do so, any such notice may be given by any person thereunto directed by the President or by the Directors upon whose request the meeting is called. The Secretary shall have charge of the corporate books and records. The Secretary shall perform all duties as usually pertain to the office of Secretary or as are properly required by the Board.

#### SECTION 8. TREASURER

The Treasurer shall keep correct and complete records showing accurately at all times the financial condition of the Club, shall be the legal custodian of all monies and other valuables which may from time to time come into the possession of the Club, shall maintain a bank account in the name of the Club, shall furnish at

meetings of the Board of Directors and membership, or, whenever requested by the Board of Directors, a statement of the financial condition of the Club and shall perform such other duties as the Board of Directors may prescribe. The Treasurer shall present the annual audited report to the Board setting forth in full the financial resources of the Club.

#### SECTION 9. VACANCIES

In the 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 and duties of such officer to any other Director, for the time being, provided a majority of the Board of Directors concurs therein.

### **ARTICLE X – INDEMNIFICATION OF DIRECTORS AND OFFICERS.**

#### SECTION 1. RIGHT OF INDEMNITY

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 reasonable expenses, including attorneys' fees, 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 in the best interests of the Club that such settlement be made. 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 Bylaws.

#### SECTION 2. DETERMINATION OF THE RIGHT TO INDEMNIFICATION

Upon the request of any person who may be entitled to indemnification under this Article, the Board shall act promptly to determine whether he Director or Officer has met the standard of conduct required for indemnification and, if such standard of conduct has been met, to authorize indemnification under this section. Such determination may be made at the discretion of the Board by a majority vote of a quorum consisting of Directors who were not parties to such action, suit or proceeding. For purposes of this Article, determination of any civil or criminal action or proceeding by judgment, settlement, conviction or upon plea of nolo contendere, or its equivalent, shall not itself create a presumption that any Director or officer did not act in good faith for a purposes which he/she reasonable believed to be in, or in the case of service for any corporation, partnership, joint venture, trust, employee benefit plan or other enterprise which such person served in any capacity at the request of the Club, not opposed to, the best interests of the Club or that he/she had reasonable cause to believe that his or her conduct was unlawful.

SECTION 3. Expenses (including reasonable attorneys' fees) incurred in defending a civil or criminal action, suit or proceeding shall be paid by the Club in advance of the final disposition of such action, suit or proceeding upon receipt of an express undertaking in writing by or on behalf of the Director or Officer to repay such amount if it shall ultimately be determined that he or she is not entitled to indemnification or, where indemnification is granted, to the extent the expenses so advanced by the Club exceed the indemnification to which he or she is entitled; provided, however, that no such indemnification shall be made if a determination is made in the manner provided in Section 2 of this Article that indemnification is not proper in the circumstances because he or she has not met the applicable standard of conduct.

SECTION 4. The Club shall indemnify to the fullest extent authorized or permitted by law, any Director or Officer made the subject of an internal investigation by the Club against reasonable costs and expenses, including reasonable attorneys' fees actually and necessarily incurred as a result of such investigation, unless it is determined that such person did not act in good faith, for a purpose which he or she reasonably believed to be in, or in the case of service for any other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise which such person served in any capacity at the request of the corporation, not opposed to, the best interest of the Club. Any such determination as to good faith and purpose which would prevent indemnification under this Section must be made by the Board acting by a quorum consisting of Directors who are not the subject of the same internal investigation. Any determination made by the Board that indemnification under this Section is not permitted by law must be made on the basis of the opinion in writing of independent legal counsel. In addition, any indemnification under this Section shall be conditioned upon receipt of a written agreement in form satisfactory to the Club and its legal counsel obligating the indemnified person to repay upon demand all or so much of any amount paid pursuant to this Section as may be determined not to have been paid in accordance with applicable law.

SECTION 5. The indemnification provided by this Article IX shall continue as to a person who has ceased to be a Director or Officer of the Club and shall inure to the benefit of the heirs, executors, and administrators of such a person. The right of indemnification herein provided shall not be deemed exclusive of any other rights which any such Director, Officer or other person may have now or hereafter be otherwise entitled and specifically, without limiting the generality of the foregoing, shall not be deemed exclusive of any rights, pursuant to statute or otherwise, of any such Director, Officer or other person in any such action or proceeding to have awarded or allowed in his or her favor, against the Club or otherwise, his or her costs and expenses incurred therein or in connection therewith or any part thereof.

SECTION 6. If this Article IX or any part thereof is held unenforceable in any respect by a court of competent jurisdiction, it will be deemed modified to the minimum extent necessary to make it enforceable, and the remainder of this Article IX will remain fully enforceable. Any payments made pursuant to this Article IX will be made only out of funds legally available for such payments.

## **ARTICLE XI – CORPORATE FINANCE**

SECTION 1. Corporate Funds. The Club’s funds will be deposited in its name with banks and other depositories designated by the Board. All checks, notes, drafts and other negotiable instruments of the Club will be signed only by those Officers, agents or employees of the Club authorized by the Board to sign. No Officers, agents or employees of the Club, alone or with others, have the power to make any checks, notes, drafts or other negotiable instruments in the name of the Club or to bind the Club thereby, except as provided in this Section.

SECTION 2. Fiscal Year. The fiscal year of the Club shall commence on the 1<sup>st</sup> day of September each year and terminate on the 31<sup>st</sup> day of August of the following year.

SECTION 3. Annual Report. At the annual meeting of the Board, the President and Treasurer will present to the Board, a report, verified the President and the Treasurer, showing in appropriate detail, the following:

A. The assets and liabilities of the Club as of the end of a twelve (12) month fiscal period of the Club terminating not more than six (6) months prior to said meeting;

B. The principal changes in the assets and liabilities during said fiscal period;

C. The revenue or receipts of the Club, both unrestricted and restricted to particular purposes, during said fiscal period; and

D. The expenses and disbursements of the Club, for both general and restricted purposes, during said fiscal period.

SECTION 4. Audit. The accounts of the Club for each fiscal year shall be audited by certified public accountants and a copy of the audited financial report shall be made available to each Director prior to the date of the annual meeting of the Club.

SECTION 5. Loans to Directors and Officers. No loans shall be made by the Club to its Directors, Officers or employees.

SECTION 6. Gifts. The Board or any authorized Officer, employee or agent of the Club may accept on behalf of the Club, any contribution, gift, bequest or devise for any general or special purpose or purposes of the Club.

SECTION 7. Income from Corporate Activities. All income from activities of the Club will be applied to the maintenance, expansion or operation of the lawful activities of the Club.

SECTION 8. Voting of Securities Held by the Club. Stocks or other securities owned by the Club may be voted, and any voting rights that the Club may have as a partner in a partnership or joint venture may be exercised, in person or proxy as the Board or Executive Committee shall specify.

## **ARTICLE XII– 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 in full in 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 on behalf of any candidate for public office. Notwithstanding any other provision of the Certificate of Incorporation or these Bylaws, the Club shall refrain from engaging in any other activities not permitted of any tax-exempt organization under Section 501 of the Internal Revenue Code.

## **ARTICLE XIII - CONFLICT OF INTEREST POLICY**

SECTION 1. PURPOSE. The purpose of the conflict of interest policy is to protect the Club's interest when it is contemplating entering into a Related Party Transaction, or other transaction or arrangement that might benefit the private interest of an Officer, Director, or Key Employee or might result in a possible excess benefit transaction. This policy supplements but does not replace any other applicable state and federal laws governing conflicts of interest applicable to the Club.

SECTION 2. Definitions

“Interested Person” An interested person is any Related Party or any Director, Officer, Key Employee or member of a committee with Board delegated powers, who has a direct or indirect

Financial Interest, or who has any other interest or relationship that could reasonably be viewed as having the potential to affect his or her decision making judgment.

“Financial Interest” A person has a financial interest if the person has directly or indirectly, through business, investment, or family: an ownership or investment interest in any entity with which the Club has a transaction or arrangement; a compensation arrangement with the Club or with any entity or individual with which the Club has a transaction or arrangement; of a potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Club is negotiating a transaction or arrangement.

“Compensation” includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

“Conflict of Interest” shall exist when an Interested Person has a Financial Interest in a proposed transaction, or with respect to all Proposed Related Party Transactions.

“Deciding Body” means the Audit Committee, if any, and otherwise the independent directors of the Board or another committee of the Board comprised solely of independent directors.

“Relative” of an individual means his or her spouse, ancestors, brothers and sisters (whether whole or half- blood), children, grandchildren, and great-grandchildren; or domestic partner as defined in Section 2994-a of the New York Public Health Law, or any successor statute.

“Related Party” means any Director, Officer or Key Employee of the Club or any affiliate of the Club; any Relative of any Director, Officer or Key Employee of the Club or any affiliate of the Club; or any entity in which an individual described in clauses (i) and (ii) has a thirty-five percent or greater ownership or beneficial interest or, in the case of a partnership or professional corporation, a direct or indirect ownership interest in excess of five (5) percent.

“Related Party Transaction” means any transaction, agreement or any other arrangement in which a Related Party has a Financial Interest and in which the Club or any affiliate of the Club is a participant.

“Key Employee” means any person who is in a position to exercise substantial influence over the affairs of the Club, as referenced in the excess benefit transaction provisions of the Internal Revenue Code and related regulations.

### SECTION 3. Procedures

**Duty to Disclose.** In connection with any actual or possible Conflict of Interest, an interested Person must disclose the existence of the financial or other interest and be given the opportunity to disclose all material facts to the Deciding Body.

**Determining Whether a Conflict of Interest Exists.** After disclosure of the interest and all material facts, and after any discussion with the Interested Person, he or she will leave the

Deciding Body's meeting while the determination of a Conflict of Interest is discussed and voted upon. The remaining Deciding Body members will decide if a Conflict of Interest exists.

Procedures for Addressing the Conflict of Interest. The chair of the Deciding Body meeting will, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement. After exercising due diligence, the Deciding Body will determine whether the Club can obtain, with reasonable efforts, a more advantageous transaction or arrangement from a person or entity that would not give rise to a Conflict of Interest. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a Conflict of Interest, the Deciding Body will determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the Club's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination it will make its decision as to whether to enter into the transaction or arrangement.

Additional Procedures for Addressing a Conflict of Interest that is a Related Party Transaction. The Club shall not enter into a Related Party Transaction unless the transaction is determined by the Deciding Body to be fair, reasonable and in the Club's best interest at the time of such determination. Any Director, Officer or Key Employee who has an interest in a Related Party Transaction shall disclose in good faith to the Deciding Body the material facts concerning such interest. In addition, with respect to any Related Party Transaction in which a Related Party has a substantial financial interest, the Deciding Body shall:  
prior to entering into the transaction, consider alternative transactions to the extent available;  
approve the transaction by not less than a majority vote of the directors or committee members present at the meeting; and contemporaneously document in writing the basis for the Deciding Body's approval, including its consideration of any alternative transactions.

No Improper Attempts to Influence Vote. The Interested Person with the Conflict of Interest is prohibited from making any attempt to influence improperly the deliberation or voting on the matter giving rise to the Conflict of Interest.

Violations of the Conflicts of Interest Policy. If the Deciding Body has reasonable cause to believe that an individual has failed to disclose actual or possible Conflicts of Interest, it will inform the individual of the basis for such belief and afford the individual an opportunity to explain the alleged failure to disclose. If, after hearing the individual's response and after making further investigation as warranted by the circumstances, the Deciding Body determines the individual has failed to disclose an actual or possible Conflict of Interest, it will take appropriate disciplinary and corrective action.

#### Section 4 - Records of Proceedings

The minutes of the Deciding Body's meeting will contain the names of persons who disclosed or otherwise were found to have a Financial Interest in connection with an actual or possible Conflict of Interest, the nature of the Financial Interest, any action taken to determine whether a Conflict of Interest was present, the Deciding Body's decision as to whether a Conflict of Interest in fact existed, the names of persons who were present for discussions, the content of the



discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

#### SECTION 5. Compensation

Any person (or family member of such person) who receives compensation or other payment, directly or indirectly, from the Club is precluded from voting on matters pertaining to his/her compensation or other payment. Directors who receive compensation, directly or indirectly, from the Club may provide information to the Deciding Body regarding compensation.

#### SECTION 6. Initial and Annual Statements

Each director shall initially (prior to his or her initial election) and annually thereafter complete, sign and submit to the Secretary of the Club, a written statement identifying, to the best of his or her knowledge, any entity of which such Director is an Officer, Director, trustee, member, owner (either as a sole proprietor or a partner), or employee and with which the Club has a relationship, and any transaction in which the Club is a participant and in which the director might have a Conflict of Interest. The Secretary of the Club shall provide a copy of all completed statements to the Chair of the Deciding Body.

#### SECTION 7. Periodic Reviews

To ensure the Club operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, the Board will conduct periodic reviews, including, at a minimum, whether compensation arrangements and benefits are reasonable, based upon competent survey information, and the result of arm's length bargaining, and whether any partnerships, joint ventures, and arrangements with management organizations conform to the Club's written policies, are properly recorded, reflect reasonable investment payments for goods and services, further charitable purposes and do not result in inurement, impermissible private benefit or in an excess benefit transaction. The Club may, but need not, use outside advisors to assist it in its periodic reviews. If outside advisors are used, their use will not relieve the Board of its responsibility for ensuring periodic reviews are conducted.

### **ARTICLE XIV – 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 Regular 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 liabilities of the Club, make a determination for the further disposition of any additional assets or net worth of the Club.

### **ARTICLE XV – AMENDMENT OF BYLAWS**

SECTION 1. The power to make, alter, amend or repeal these Bylaws is vested in the Regular Members. The affirmative vote of a majority of the Regular Members shall be

necessary to effect alteration, amendment or repeal of these Bylaws. Any proposal to make, alter, amend or replace these Bylaws shall be mailed or emailed to all Regular Members not less than five (5) days before any meeting at which a vote on the Bylaws shall take place.

Adopted the 24<sup>th</sup> day of April, 1999 by the Board of Directors and Amended the 5<sup>th</sup> day of May, 2002; the 1<sup>st</sup> day of June, 2008; the 24<sup>th</sup> day of September, 2010; the 5<sup>th</sup> day of May, 2013; the 24<sup>th</sup> day of April, 2016; and the \_\_\_\_ day of April by an affirmative vote of the majority of the Regular Members in accordance with Article XV, Section 1.