

CRESTVIEW RECREATION ASSOCIATION, INC.

BY-LAWS

ARTICLE I - BOARD OF DIRECTORS

A. The business and affairs of the Association shall be managed by a Board of Directors, who shall serve without compensation and who shall be active members of the Association.

B. The number of directors shall be 10. At each annual meeting, three directors shall be elected for a term of three years, except every third year at which time four will be elected for a term of three years.

C. Any member of the Board of Directors who shall cease to hold an active membership in the Association shall automatically cease to be a member of the Board. Vacancies on the Board, including vacancies resulting from an increase in the number of directors, may be filled by a majority vote of the remaining directors and any such person so elected shall serve until the next annual meeting.

D. The Board of Directors shall meet within one month following the annual meeting at which time the newly elected members to the Board shall assume membership thereon. Thereafter, the Board of Directors shall meet at such times and intervals as they may deem necessary. These meetings may be called by the President or by any two directors. At any meeting of the Board, a majority of the directors shall constitute a quorum.

E. The Board of Directors shall designate the Bank or Banks in which the funds of the Association shall be deposited and determine the manner in which checks, drafts and other instruments for the payment of funds of the Association shall be executed. The signatures of the Treasurer and one other officer shall be on all checks, drafts, or other such instruments.

F. Consistent with these By-Laws, the Board of Directors shall, inter alia, approve all applications for membership; appoint any clerks, agents, servants, or employees as if may deem necessary and fix the powers, duties and compensation of all such persons; and fix, impose and remit penalties for violations of the By-Laws and Rules of the Association.

G. As to the swimming pool rules of the Association, there shall be two classes, namely Class A Rules and Class B Rules. Class A Rules pertain particularly to the use of the facilities of the Association and these rules may be amended by the Board of Directors as it deems necessary. Class B Rules are directed to matters which are of immediate concern to the residents of Graylyn Crest who live adjacent to the land owned by the Recreation Association and these rules may only be amended by a vote of two-thirds of the entire voting membership of the Association. A copy of these rules is attached to these By-Laws.

H. The Board of Directors shall cause the books of the Association to be audited annually by auditors who shall not be directors of the Association. The report of the auditors shall be available to the members at all times.

ARTICLE II - OFFICERS

A. The officers of the Association shall be a president, a vice president, a secretary, a treasurer, and if deemed necessary by the Board of Directors, an assistant secretary and an assistant treasurer. The president, vice president, secretary, and treasurer shall be elected annually by the Board of Directors from

among its members. The assistant secretary and the assistant treasurer shall be appointed by the Board of Directors and hold office at its pleasure.

B. The president shall preside at all meetings of the Association and of the Board of Directors, and he shall be the administrative officer of the Association. He shall appoint, subject to confirmation by the Board, the chairmen of all committees. He shall be, ex-officio, a member of all committees.

C. The vice president, in the absence of or at the request of the president, shall perform the functions of the president. He shall be, ex-officio, a member of all committees.

D. The secretary shall send out the notices of the meetings of the Association and of the Board of Directors; keep the minutes of these meetings, and attend to the correspondence pertaining to his office. He shall perform such other duties pertaining to his office as may be asked of him by the Board of Directors.

E. The treasurer shall attend to keeping the accounts of the Association, collecting its revenues, and paying its bills as approved by the Board of Directors, or other agency authorized by the Board to incur them. He shall deposit funds of the Association received by him in the name of the Association, in such depository as may be authorized by the Board. He shall perform such other duties pertaining to his office as may be asked of him by the Board.

ARTICLE III - MEMBERSHIP

A. There shall be three classes of members of the Association; namely, active members, associate members, and special members.

B. An active member shall be defined as a holder of a Certificate of Membership and in good standing. The wife (or husband) of a holder of a Certificate of Membership shall also be considered as an active members.

C. An associate member shall be defined as a member of the same household unit as an active member and who has been enrolled by said active member in the membership roll.

D. Special membership may be available for a limited time to house guests of active members by arrangement with the Membership Committee.

E. A person eligible for a Certificate of Membership must be recommended by the Membership Committee.

F. The number of Certificates of Membership in the Association shall be limited to 250 but at the discretion of the Board of Directors this number may be reduced as vacancies occur.

G. Applications for Certificates of Membership in excess of the number established by the Board of Directors shall be entered upon a waiting list and applicants admitted to the Association in chronological order as vacancies occur. A vacancy shall not be deemed to occur in the event of transfer of a Certificate of Membership back to the Association when the holder thereof is selling his property, provided that the purchaser of said property files an application for said Certificate with the Board of Directors within thirty days from the date of said transfer and said applicant is recommended by the Membership Committee.

H. Members are expected at all times to conduct themselves in manner befitting ladies and gentlemen, and to adhere to the By- Laws and Rules of the Association. Any member may, for violation of

this paragraph be suspended or expelled from the Association by a two-thirds vote of the Board of Directors.

ARTICLE IV - DUES & FEES

A. Certificates of Membership shall be purchased by active members in amounts determined by the Board of Directors.

B. Certificates of Membership may be transferred to the Association for disposition by the Board of Directors. In this event, the time and manner in which the transfer of a Certificate of Membership shall be paid shall be determined by the Board of Directors provided, however, that such Certificate of Membership shall be redeemed in the chronological order in which membership terminated and no sooner than payment is received from an incoming member. Subject to paragraph F of this Article, the transferor shall receive for his Certificate an amount equal to that paid by the incoming member less \$10.00 provided, however, in no event shall the transferor receive more than the current valuation of the Certificate as established by the Board of Directors. In the event that the incoming member is the purchaser of the former member's property, in accordance with Article III-G hereof, the Certificate of Membership shall be redeemed immediately upon receipt of payment from the incoming member, with the amount of redemption being subject to the provisions of this paragraph. "Certificates of Membership may also be transferred by the holder to whom he may please provided he receives prior approval by the Board of Directors and no waiting list exists as is mentioned in Article III-G". Except as provided in this paragraph, no other transfers of Certificates of Membership may be made.

C. In the event of the dissolution of the Association in any manner or for any cause, and no other event, upon the effective date of dissolution of the Association, Certificates of Membership shall be a lien upon the proceeds of the sale of the property of the Association after the payment of all of its just debts and obligations to the extent of the value of Certificates fixed by these By-Laws, subject to set-off of all debts, dues and obligations owed by the holder to the Association. After payment of all Certificates of Membership outstanding the upon effective date of dissolution of the Association, the surplus remaining shall be paid and distributed pro-rata among the then membership of the Association.

D. The Board of Directors shall establish dues. The Association shall not be required to refund dues or any part thereof in the event that pool operations are suspended for any period. In the event that any member of the Association withdraws, there shall be no refund of the current year's dues.

E. Any member failing to pay dues or indebtedness within a reasonable time established by the Board of Directors shall be notified that, if such indebtedness shall not be paid within fifteen days thereafter, the delinquent may be suspended by the Board of Directors. Any person thus suspended shall immediately be notified in writing by the Secretary of his suspension, and if his indebtedness shall not be paid within fifteen days after the sending of such notice, he shall cease to be a member of the Association. The Directors, in their discretion, may reinstate any person upon request and repayment of all indebtedness to the Association, provided that person meets all other requirements for membership.

F. Upon cessation of membership for any cause, all indebtedness owing the Association by the member shall be a lien upon and charged against his Certificate of Membership. In the event of the Association's being unable to obtain possession of the Certificate of Membership, it will be cancelled on the books of the Association, and a new Certificate of Membership issued in place thereof to a newly recommended member. In case of the enforcement of a lien as above provided, neither the signature of the holder nor the delivery of the Certificate of Membership shall be requisite to perfect the acquisition by the Association, and the Secretary of the Association is hereby authorized, as the Attorney of the holder of such

Certificate of Membership, to make acquisition. Every Certificate of Membership issued is expressly subject to the provision of this paragraph.

G. Active members shall be responsible for the payment of all charges or liabilities arising from use of Association property that may be imposed upon or incurred by associate members whom they have enrolled in the membership roll or other members of their families to whom the privileges of the Association shall have been extended, and for all charges and liabilities likewise imposed upon or incurred by guests introduced by them.

H. All fees and other charges mentioned herein are exclusive of all taxes imposed by the Federal, State, and other Governmental bodies and agencies.

ARTICLE V - MEETINGS

A. An annual meeting of the Association shall be held before December 1 in each year at such time and place as the Board of Directors shall designate. Notice of the annual meeting shall be given by mail to the members at least ten days prior thereto. This annual meeting shall be for the purpose of electing Directors and for the transaction of such business as may be brought before the meeting.

B. Special meetings of the Association may be called by the Board of Directors. In addition, ten percent of the active members who are holders of Certificates of Membership may make written request to the Board of Directors for a special meeting, in which event a special meeting shall be called. Notice of these special meetings shall be given to the membership of the Association at least seven days prior thereto and this notice shall state the purpose for which the special meeting is being called.

C. Only active members shall be entitled to vote at meetings of the Association provided, however, that there shall be a limit of one vote per Certificate of Membership. Any member may be represented by proxy.

D. Five members of the Board of Directors plus twenty other active members present in person shall constitute a quorum at all meetings of the Association. When a quorum is present at any meeting, a plurality of votes cast, either in person or by proxy, shall decide any question brought before such meeting provided, however, the question is not one upon which, by express provision in the statutes or the Certificate of Incorporation or in these By-Laws, a different vote is required.

E. Whenever in these By-Laws notice to members is required, the mailing of such notices to the member at such address as appears on the membership roll of the Association shall constitute notice.

F. Whenever any notice is required to be given under the provisions of the statutes or of the Certificate of Incorporation, or of these By-Laws, a waiver thereof in writing signed by the person or persons entitled to said notice, whether before or after the time stated therein, shall be deemed equivalent thereto. Attendance of a person, either in person or by proxy, at any meeting shall constitute a waiver of notice of such meeting except where the person attends a meeting for the express purpose for objecting to the transaction of any business because the meeting was not lawfully called or convened.

ARTICLE VI - COMMITTEES

A. The Board of Directors may from time to time designate one or more committees in order to assist them in the management of the business and affairs of the Association. The standing committees shall be Membership, Nominating, Engineering, and Finance.

B. The Membership Committee shall, in accordance with Article III-E, investigate and recommend for approval of the Board of Directors applicants for membership.

C. The Nominating Committee shall be composed of a least three members, only one of which shall be a member of the Board of Directors. This committee shall nominate at least one candidate for each vacancy on the Board of Directors to be filled at the annual meeting.

D. The Finance Committee shall review the financial policy of the Association and make appropriate recommendations to the Board of Directors. A written financial report shall be submitted to the members at least ten days prior to the annual meeting.

ARTICLE VII - MISCELLANEOUS

A. Any question as to the meaning or interpretation of any of these By-Laws shall be determined by the Board of Directors.

B. These By-Laws, with the exception of Article I-G insofar as it pertains to Class B rules, may be amended, altered or repealed and new By-Laws may be enacted by a two-thirds vote of the active members present in person or represented by proxy at any meeting of the Association provided, however, that the notice of any such meeting sets forth any such proposed action.

Revised: November 1968

Rules of the Pool

Revised - 1993

Definitions

Recreation Area - The land owned by the Association.

Pool Enclosure - The fenced-in area.

Pool - the main body of water.

Baby Pool - the body of water enclosed by the low fence.

Staff - manager and lifeguards.

Responsible Person - a person 12 years of age or older and deemed responsible by the Staff.

Class "A" Rules

Registration - All members must register themselves and their guests in a designated log provided at the gate upon entering the Pool Enclosure.

Pool Hours - Will be published in the annual spring letter that goes out to all members. The Pool will be closed for swim meets and other special events. Times for these events will be posted at least one week in advance on the bulletin board. The Recreation Area or specific portions thereof can be closed by the Board of Directors or the Staff, in the interest of health, safety and general welfare of the members and guests.

Staff - The Staff will be in charge at all times and shall have authority to enforce all rules, including dismissal from the Pool Enclosure or limiting of activities of anyone exhibiting unbecoming conduct or disturbing the safety and enjoyment of others. The Staff is responsible for the safety, health, discipline and maintenance of the Recreation Area and are not to be diverted from their duties for any other purpose.

Health - Each person must take a soap shower immediately before entering the Pool and upon re-entering after using suntan lotion or cream. Any person having a communicable disease, skin eruption, fungus infection, eye, ear, nose or throat infection must not enter the pool. Person having abrasions or sores which have not healed or who are wearing any type of bandage will not be permitted in the Pool. All personal injuries sustained in the Recreation Area, however slight, must be reported immediately to the Staff. Expectorating or clearing one's nose in the Pool is prohibited. No pets will be permitted in the Recreation Area at any time.

A list of applicable rules and regulations of the State of Delaware Department of Health is available upon request and will be in effect to the same extent as if included herein.

Safety - No one is permitted in the Pool or Baby Pool unless a Staff member is on duty. Children between the ages of 7 and 12 years who are unable to swim two lengths of the Pool shall remain in the care of a Responsible Person at all times when in the Pool Enclosure. The Staff may require anyone in the Pool Enclosure to demonstrate such ability.

Children under the age of 7 years must be in the care of a Responsible Person at all times within the Recreation Area.

Children under the age of 2 years are permitted in the Pool under the following conditions only:

The child's parent/guardian/Responsible Person must be in the Pool and maintain physical contact with the child at all times. Do not depend on floatation devices.

The child must be wearing tight-fitting plastic pants. The wearing of disposable diapers is not allowed.

The Baby Pool is restricted to children 6 years old or younger. Children in the Baby Pool are solely the responsibility of their parents/guardians and are not under the supervision of the Staff.

Running in the Pool Enclosure is absolutely forbidden. Pushing, ducking, throwing objects, or other types of horseplay are not allowed.

Diving in those sections of the Pool under 4' deep is prohibited. Only one person is permitted on the diving board at one time. No diving is permitted from the side of the board. No hanging on the diving board. Divers must swim out and away from the board as quickly as possible after each dive. The Staff may prohibit diving when in their opinion conditions so warrant.

Use of any swimming equipment must be first approved by the Staff. Any flotation device or equipment which requires inflation such as rafts or mats are not permitted in the Pool.

The life guard chairs are to be used only by the Staff and climbing, swinging, or jumping from the chairs is forbidden.

No glassware or glass containers are permitted in the Pool Enclosure. Food is only permitted in those areas designated as eating areas by the Staff or in transit thereto.

Other Rules

Gambling by anyone under the age of 18 is forbidden.

No loitering will be permitted in the bath houses.

No one is allowed in the check-in office, pump room or the snack bar without permission of the Staff.

Bicycles must be parked in the area designated for that purpose.
All unclaimed lost articles will be disposed of after two weeks.
The stairs and ladders in the Pool must be kept clear at all times.
No hanging on the ropes in the Pool.
No climbing on the fence.
No skateboards or water guns.

Rule Violation Procedure

When rules are violated, the Staff will take the following actions:

- First Offense: warn member that he/she is breaking a rule. The Staff will explain the rule.
- Second Offense: Request member to sit in a designated area for 5-20 minutes or perform certain housekeeping chores.
- Third Offense: Request member to leave the Recreation Area for the day; if a minor is involved, a parent/guardian will be notified.

The Staff has the discretion, depending on the seriousness and frequency of the rule violation, to go directly from First Offense to Third Offense.

Guests - Members are permitted to have guests at any time. These guests must be accompanied and registered by the Staff in the guest log and must leave the Pool Enclosure when the member leaves. No local resident may be escorted as a guest more than five occasions per season exclusive of special functions. House guests (those who reside at least 25 miles from the Recreation Area) are permitted at all times when the Pool Enclosure is officially open and do not necessarily need to be accompanied by a member. These guests must present the proper pass and register at the gate.

The following types of guest cards are available:

Regular - A 10-punch card will sell for \$30.00; one punch per visit. Without a punch card, the fee will be \$3.00 per person on weekdays, and \$4.00 per person on weekends and holidays (person-2 years of age or older). Any portion of the guest punch card not used may be saved and used during the next season. Guest cards are not transferable or redeemable and must be signed by the member purchasing the card. This type of card can be obtained from the Staff.

House Guest Card - The cost will be \$7.00 per week, \$20.00 per month, or \$35.00 per season per person (2 years of age or older). These cards are good only for the period issued (dates shown on card) and admit only the house guest for whom purchased. These cards must be obtained from the Treasurer or President.

All guest fees must be paid by check. No cash can be accepted by the Staff under any circumstances.

Non-swimming adult guests of members and potential members desiring to inspect the Recreation Area may be admitted to the Pool Enclosure at the discretion of the Staff. No guest fee will be charged.

Class "B" Rules

Alcoholic beverages are not permitted in the Recreation Area of the Pool Enclosure at any time, except at scheduled adult only parties with the consent of the Board of Directors.

All vehicles are to be parked in spaces provided within the Recreation Area. Under no circumstances shall vehicles be parked on the streets of Graylyn Crest.

The Pool is not to be used for private parties.