

**Bylaws of OBX Aquatics, Inc.
(A Non-profit Corporation)**

Index

ARTICLE 1 - Offices

- Section 1. Principal Office
- Section 2. Registered Office
- Section 3. Other Offices

ARTICLE II - Membership and Dues

- Section 1. Membership
- Section 2. Transfer of Membership
- Section 3. Membership Benefits
- Section 4. Suspension or Termination of Membership Rights
- Section 5. Closing Books and Fixing Record Dates

ARTICLE III – Meetings of Members

- Section 1. Place of Meeting
- Section 2. Annual Meetings
- Section 3. Special Meetings
- Section 4. Notice of Meetings
- Section 5. Voting Lists
- Section 6. Quorum
- Section 7. Proxies
- Section 8. Voting
- Section 9. Informal Action

ARTICLE IV – Directors

- Section 1. General Powers
- Section 2. Number, Term and Qualifications
- Section 3. Appointment and Election of Directors
- Section 4. Vacancies
- Section 5. Compensation
- Section 6. Committees of the Board
- Section 7. Other Committees

ARTICLE V – Meetings of Directors

- Section 1. Regular Meetings
- Section 2. Special Meetings
- Section 3. Notice of Meetings
- Section 4. Waiver of Notice
- Section 5. Quorum
- Section 6. Voting
- Section 7. Presumption of Assent
- Section 8. Informal Action of Directors

ARTICLE VI – Officers

- Section 1. Number
- Section 2. Election and Term
- Section 3. Removal
- Section 4. Compensation
- Section 5. President
- Section 6. Vice-President
- Section 7. Secretary
- Section 8. Assistant Secretaries
- Section 9. Treasurer
- Section 10. Assistant Treasurers

ARTICLE VII – Contracts, Loans, Checks and Deposits

- Section 1. Contracts
- Section 2. Loans
- Section 3. Checks and Drafts
- Section 4. Deposits

ARTICLE VIII – General Provisions

- Section 1. Seal
- Section 2. Waiver of Notice
- Section 3. Amendments
- Section 4. Fiscal Year
- Section 5. Indemnification
- Section 6. Distribution Upon Dissolution

Bylaws of OBX Aquatics, Inc. (A Non-profit Corporation)

ARTICLE I – Offices

Section 1. Principal Office: The principal office of the corporation shall be located in Dare County, North Carolina.

Section 2. Registered Office: The registered office of the corporation required by law to be maintained in the State of North Carolina may be, but need not be, identical with the principal office.

Section 3. Other Offices: The corporation may have offices at such other places, either within or without the State of North Carolina, as the Board of Directors, from time to time, may determine, or as the affairs of the corporation may require.

ARTICLE II – Membership and Dues

Section 1. Membership: Membership is open to all individuals, hereinafter referred to as "Swimmers," who must be 4 to 18 years of age and may be members of the United States Swimming (USA-S) and who pay such amounts as may be required by the Board of Directors, the Outer Banks YMCA and USA-S. The designation of various classes of members, if any, and applicable payments required among such classes of members (including annual dues and fees) shall be determined from time to time by the Board of Directors. Parents and guardians of Swimmers and the coaches currently employed by the corporation shall be considered members of the corporation without additional payment therefore. Reduced membership fees and/or annual dues from Swimmers from the same immediate family shall be in the discretion of the Board of Directors. Hereinafter in these Bylaws, Swimmers, parents and guardians of Swimmers and coaches who are members of the corporation shall collectively be referred to as "Members." However, only Members who are 18 years of age or older shall be entitled to vote on matters to be submitted to a vote of members pursuant to the North Carolina Nonprofit Corporation Act (hereinafter referred to as "Voting Members").

Section 2. Transfer of Membership: Memberships are not transferable and no Member shall have any property right in the corporation or in any property owned by the corporation.

Section 3. Membership Benefits: The corporation may issue certificates, cards or other indicia of membership that the Board of Directors may determine to be appropriate and the Members shall be entitled to such other benefits as may be from time to time determined by the Board of Directors.

Section 4. Suspension or Termination of Membership Rights: The membership and/or swimming rights of a Member may be suspended or terminated by a majority vote of the Board of Directors for causes deemed appropriate by such Board, including without limitation, the failure to pay any applicable membership dues and fees.

Section 5. Closing Books and Fixing Record Dates: For the purpose of determining Members entitled to notice of or to vote at any meeting of Members or any adjournment thereof, or in order to make a determination of Members for any proper purpose, the Board of Directors may provide that the membership books shall be closed for a stated period not to exceed sixty (60) days. If the membership books shall be closed for the purpose of determining Members entitled to notice of or to vote at any meeting of Members such book shall be closed for at least ten (10) days immediately preceding such meeting.

In lieu of closing the membership books, the Board of Directors may fix in advance a date as the record date for any such determination of Members, such record date in any case to be not more than sixty (60) days and, in case of a meeting of Members, not less than ten (10) days immediately preceding the date on which a particular action requiring such determination of Members is to be taken.

If the membership books are not closed and no record date is fixed for the determination of Members entitled to notice of or to vote at a meeting of Members, the date on which notice of the meeting is mailed shall be the record date for such determination of Members.

ARTICLE III – Meeting of Members

Section 1. Place of Meetings: All meetings of Members shall be held at the Outer Banks YMCA or such other place, either within or without the State of North Carolina, shall be designated in the notice of the meeting or agreed upon by a majority of the Voting Members entitled to vote thereat.

Section 2. Annual Meetings: The Annual Meeting of Members shall be held in September of each year at the time and place designated in the notice of such annual meeting.

Section 3. Special Meetings: Special meetings of the members may be called at any time by the President or Board of Directors of the corporation, or pursuant to the written request of not less than five percent (5%) of all Voting Members entitled to vote at a meeting.

Section 4. Notice of Meetings: Written or printed notice stating the time, place, day and hour of the meeting shall be delivered not less than ten (10) nor more than fifty (50) days before the date thereof, either personally, electronically, or by United States Postal Service, by or at the direction of the President, Secretary or other person calling the meeting to each Member of record of the corporation.

In the case of an annual meeting, the notice of meeting need not specifically state the business to be transacted unless it is a matter upon which the vote of Members is expressly required by the provisions of the North Carolina Nonprofit Corporation Act. In the case of a special meeting, the notice of meeting shall specifically state the purpose or purposes for which the meeting is called.

Section 5. Voting Lists: A voting list shall not be required to be prepared if the record of Members actually presented at the meeting shows in alphabetical order or by alphabetical index the name of each Voting Member with his or her address.

Section 6. Quorum: Ten percent (10%) of the Voting Members entitled to vote, represented in person or by proxy, shall constitute a quorum at the opening of a meeting of Members. In the absence of a quorum at the opening of any meeting of Members, such meeting may be adjourned from time to time by the vote of a majority of Voting Members voting on the motion to adjourn; and, at any adjourned

meeting at which a quorum is present, any business may be transacted which might have been transacted at the original meeting.

The voting Members at a meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal of enough Voting Members to leave less than a quorum in attendance.

Section 7. Proxies: Voting Members may vote either in person or by one or more agents authorized by a written proxy executed by the Voting member. A proxy shall not be valid after the expiration of eleven (11) months from the date of its execution unless the person executing it specifies therein the length of time for which it is to continue in force, or limits its use to a particular meeting.

Section 8. Voting: Each Voting Member is entitled to one (1) vote on each matter submitted to a vote of Members. Members in the corporation who are under eighteen (18) years of age shall not have voting rights.

Except in the election of directors as is hereinafter provided, the vote of a majority of the votes entitled to be cast by the Voting Members present or presented by proxy on any matter at a meeting of Voting Members at which a quorum is present shall be the act of the Members on that matter, unless the vote of a greater number is required by law or the bylaws of the corporation. Voting on all matters except the election of directors shall be by voice vote or show of hands unless, prior to the voting on any matter, a demand for a ballot vote on such matter is made by any Voting Member present.

Section 9. Informal Action: Any action which may be taken at a meeting of the members may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the Voting Members who would be entitled to vote upon such action at a meeting, and filed with the secretary of the corporation to be kept in the corporate minute book.

ARTICLE IV – Directors

Section 1. General Powers: The business and affairs of the corporation shall be managed by the Board of Directors or by such executive committees as the Board may establish pursuant to these bylaws.

Section 2. Number, Term and Qualifications: The number of directors of the corporation shall be not less than five (5) and not greater than twenty (20). Each director shall hold office until his or her death, resignation, retirement, removal, disqualification, or his or her successor is elected and qualified. Directors need not be residents of the State of North Carolina or members of the corporation.

Section 3. Appointment and Election of Directors: The directors shall be elected, and the number of directors for the upcoming year shall be determined, at the annual meeting of Members by the Voting Members; and those personas who receive the highest number of votes shall be deemed to have been elected. If any Voting Member so demands, election of directors shall be by secret ballot. Directors will include the OBX Aquatics head coach, however, the coach shall recuse themselves from conversations and discussions related to personnel matters.

Section 4. Vacancies: A vacancy occurring in the Board of Directors may be filled by a majority of the remaining directors, though less than a quorum, or by the sole remaining director; a vacancy created by an increase in the authorized number of directors shall be filled only by an election at an annual meeting or at a special meeting of Voting Members called for that purpose. Voting members may elect a director at any time to fill any vacancy not filled by the directors.

Section 5. Compensation: The Board of Directors shall not be compensated for their services as such but the Board of Directors may authorize the reimbursement for any out-of-pocket expenses incurred by directors in attending regular and special meetings of the Board of Directors and otherwise in handling the affairs of the corporation.

Section 6. Committees of the Board: The Board of Directors, by resolution adopted by a majority of the number of directors in office, may designate one or more committees on the following terms and conditions: (A) Each such committee of the board must have one (1) or more members who are members of the Board of Directors; and (B) Each such committee shall have and exercise the authority of the Board of Directors in the management of the corporation to the extent provided in the resolution designating to such committee and subject to such limitations as may be provided by law. Each committee member serves at the pleasure of the Board of Directors. The provisions of these Bylaws governing meeting, action without meeting, notice and waiver of notice, and quorum and voting requirements of

the Board of Directors apply to any committees of the Board of Directors established pursuant to this Section. The designation of any committee of the Board of Directors and the delegation thereto of the Board's authority shall not operate to relieve the Board of Directors, or any member thereof, of any responsibility imposed upon him or her by law.

Section 7. Other Committees: Other committees not having and exercising the authority of the Board of Directors in the management of the corporation may be designated by resolution adopted by a majority of the directors present at a meeting at which a quorum is present. Such committee shall have such duties and responsibilities as may be set forth in the resolution designating the committee.

ARTICLE V – Meetings of Directors

Section 1. Regular Meetings: A regular meeting of the Board of Directors shall be held immediately after, and at the same place as, the annual meeting of members. In addition, the Board of Directors shall have regular monthly meetings on the first Wednesday of every month at the Outer Banks YMCA or at such other location as deemed appropriate.

Section 2. Special Meetings: Special meetings of the Board of Directors may be called by or at the request of the President or any two (2) directors. Such meetings may be held either within or without the State of North Carolina.

Section 3. Notice of Meetings: Regular meetings of the Board of Directors may be held without notice.

The person or persons calling a special meeting of the Board of Directors shall, at least two (2) days before the meeting, give notice thereof by any usual means of communication. Such notice need not specify the purpose for which the meeting is called.

Section 4: Waiver of Notice: Any director may waive notice of any meeting. The attendance by a director at a meeting shall constitute a waiver of notice of such meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

Section 5: Quorum: A majority or more of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board of Directors.

Section 6: Voting: Except as otherwise designated, each director shall be entitled to one (1) vote on all matters that come up before the corporation. Except as otherwise provided in these Bylaws or by law, the act of the majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

Section 7: Presumption of Assent: A director of the corporation who is present at a meeting of the Board of Directors at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless his or her contrary vote is recorded or his or her dissent is otherwise entered in the minutes of the meeting or unless he or she shall file his or her written dissent to such action with the person acting as the Secretary of the meeting before the adjournment thereof or shall forward such dissent by registered mail to the Secretary of the corporation immediately after the adjournment of the meeting. Such right to dissent shall not apply to a director who voted in favor of such action.

Section 8. Informal Action by Directors: Action taken by a majority of the directors without a meeting is nevertheless Board action if written consent to the action in question is signed by all the directors and filed with the minutes of the proceedings of the Board, whether done before or after the action so taken.

ARTICLE VI – Officers

Section 1. Number: The officers of the corporation shall consist of a President, a Vice-President, a Secretary, a Treasurer, and such assistant secretaries, treasurers and other officers as the Board of Directors may from time to time elect, except as may be provide otherwise in these Bylaws. Any two (2) or more offices may be held by the same person, except that no officer may act in more than (1) capacity where action of two (2) or more officers is required.

Section 2. Election and Term: The officers of the corporation shall be elected by the Board of Directors. Such election shall be held at any regular or special meeting of the Board. Each officer shall hold office until his or her death, resignation, retirement, removal, disqualification, or his or her successor is elected and qualifies.

Section 3. Removal: Any officer or agent elected or appointed by the Board of Directors may be removed by the Board whenever the Board determines that the best interests of the corporation would be served thereby; provided, however, that such removal shall be without prejudice to the contract rights, if any, of the person removed. Election or appointment of an officer or agent shall not in and of itself create contract rights.

Section 4. Compensation: The compensation, if any, of all officers of the corporation shall be fixed by the Board of Directors in accordance with the Charter.

Section 5. President: The President shall be the principal executive officer of the corporation and, subject to the control of the Board of Directors, shall supervise and control the management of the corporation in accordance with these bylaws. The President shall, when present, preside at all meetings of members. The President shall sign, with any other proper officer, any deeds, leases, mortgages, bonds, contracts, or other instruments which may be lawfully executed on behalf of the corporation, except where required or permitted by law to be otherwise signed except where the signing and execution thereof shall be delegated by the Board of Directors to some other officer or agent and, in general, he or she shall perform all duties incident to the office of President and such other duties as may be prescribed by the Board of Directors from time to time.

Section 6. Vice-President: The Vice-President unless otherwise determined by the Board of Directors, shall, in the absence of disability of the president, perform the duties and exercise the powers of that office. In addition, the Vice-President shall perform such other duties and have such other powers as the Board of Directors shall prescribe.

Section 7. Secretary: The Secretary shall keep accurate records of the acts and proceedings of all meetings of members and directors. The Secretary shall give all notices required by law and by these bylaws. The Secretary shall have general charge of the corporate books and records and of the corporate seal, and he or she shall affix the corporate seal to any lawfully executed instrument requiring it. The secretary shall have general charge of the membership books of the corporation and shall keep, at the registered or principal office of the corporation, a record of members showing the name and address of each member. The Secretary shall sign such instruments as may require his or her signature, and in general, shall perform all duties incident to the office of Secretary and such other duties as may be

assigned him or her from time to time by the President or by the Board of Directors.

Section 8: Assistant Secretaries: In the absence of the Secretary or in the event of this or her death, inability or refusal to act, the Assistant Secretaries, in order of their length of service as Assistant Secretaries and unless otherwise determined by the Board of Directors, shall perform the duties of the Secretary, and when so acting shall have all the powers of and be subject to all the restrictions upon the Secretary. Assistant Secretaries shall perform such other duties as may be assigned to them by the Secretary, the President, or the Board of Directors.

Section 9: Treasurer: The Treasurer shall have custody of all funds and securities belonging to the corporation and shall receive, deposit or disburse the same under the direction of the Board of Directors. The Treasurer shall keep full and accurate accounts of the finances of the corporation in books especially provided for that purpose. The Treasurer shall present a financial statement at every meeting of the Executive Committee or Members. The Treasurer, in general, shall perform all duties incident to his or her office and such other duties as may be assigned to him or her from time to time by the President or by the Board of Directors.

Section 10. Assistant Treasurer: In the absence of the Treasurer or in the event of his or her death, inability or refusal to act, the Assistant Treasurer in the order of their service as Assistant Treasurer, and unless otherwise determined by the Board of Directors, shall perform the duties of the Treasurer, and when so acting shall have all the powers of and be subject to all the restrictions upon the Treasurer. Assistant Treasurer shall perform such other duties as may be assigned to them by the Treasurer, the President, or the Board of Directors.

ARTICLE VII – Contracts, Loans, Deposits and Requisition Forms

Section 1. Contracts: Consistent with the purpose of the corporation as contained in the Articles of Incorporation, the Board of Directors may authorize any officer or officers, agent or agents, to enter into any contract or lease, or execute and deliver any instrument on behalf of the corporation, and such authority may be general or confined to specific instances.

Section 2. Loans: No loans shall be contracted on behalf of the corporation and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the Board of Directors; provided, however, that the Board of Directors shall not be empowered to lend money or corporate property to any director, officer or employee of the corporation or to any member.

Section 3. Checks and Drafts: All checks, drafts or other orders for payment of money issued in the name of the corporation shall be signed by such officer or officers, agent or agents of the corporation and in such manner as shall from time to time be determined by resolution of the Board of Directors.

Section 4. Deposits: All funds of the corporation not otherwise employed shall be deposited from time to time to the credit of the corporation in such depositories, as the Board of Directors shall direct.

ARTICLE VIII – General Provisions

Section 1. Seal: The corporate seal of the corporation shall consist of two (2) concentric circles between which is the name of the corporation and in the center of which is inscribed "SEAL"; and such seal, in the form approved by the Board of Directors, shall be adopted by said Board as the corporate seal of the corporation.

Section 2. Waiver of Notice: Whenever any notice is required to be given to any member or Director under the provisions of the North Carolina Nonprofit Corporation Act, or under the provisions of the Articles of Incorporation or bylaws of the corporation, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be equivalent to the giving of such notice.

Section 3. Amendments: These bylaws may be amended or repealed and new bylaws may be adopted by the affirmative vote of a majority of the directors then holding office at any regular or special meeting of the Board of Directors.

Section 4. Fiscal Year: The fiscal year of the corporation shall begin on October 1 and end on the following September 30.

Section 5. Indemnification: Any person who at any time serves or has served as a director or officer of the corporation, or any person

who may have served at the corporation's request as a director or officer of another corporation, partnership, joint venture, trust or other enterprise, shall have the right to be indemnified by the corporation to the fullest extent permitted by law against: (A) reasonable litigation expenses, including attorneys' fees, actually and necessarily incurred by him or her in connection with any action, suit or proceeding in which he or she is made or threatened to be made a party by reason of being or having been such director officer, whether such action, suit or proceeding is civil, criminal, administrative or investigative and whether or not brought by or on behalf of the corporation; and (B) reasonable payments made by him or her in satisfaction of any judgment, money decree, fine, penalty, or settlement for which he or she may become liable in any such action, suit or proceeding. Notwithstanding the foregoing, no person shall be indemnified by the corporation with regard to such matters as to which such person shall be adjudged in such action, suit or proceeding to have acted in bad faith or to have been liable or guilty by reason of willful misconduct in the performance of duty. Expenses that are subject to the right of indemnity set forth above that are incurred by a director or officer in defending any action, suit or proceeding may be paid by the corporation in advance of the final disposition of such a action, suit or proceeding as may be authorized by the Board of Directors in the specific case upon receipt of an undertaking by or on behalf of such director or officer to repay such amount advanced with regard to such matters as to which he or she is adjudged in such action, suit or proceeding to have acted in bad faith or to have been liable or guilty by reason of willful misconduct in the performance of duty.

The Board of Directors of the corporation shall take all such action as may be necessary and appropriate to authorize the corporation to pay the indemnification required by this bylaw, including without limitation, to the extent needed, making a good faith evaluation of the manner in which the claimant for indemnity acted and of the reasonable amount of indemnity due him or her and giving notice to, and obtaining approval by, the members of the corporation.

Any person who at any time after the adoption of this bylaw serves or has served in any of the aforesaid capacities for or on behalf of the corporation shall be deemed to be doing or to have done so in reliance upon, and as consideration for, the right of indemnification provided herein. Such right shall inure to the benefit of the legal representatives of any such person and shall not be exclusive of any other rights to which such person may be entitled apart from the provision of this bylaw.

Section 6. Distribution Upon Dissolution: Upon the dissolution of the corporation, the Board of Directors shall, after paying or making provision for the payment of all of the liabilities of the corporation, dispose of all of the assets of the corporation exclusively for the purposes of the corporation in such manner, or to such organization or organizations organized and operated exclusively for religious, charitable, educational, scientific or literary purposes as shall at the time qualify as an exempt organization or organizations under Section 501 (c)(3) of the Code as the Board of Directors shall determine, or to federal, state, or local governments to be used exclusively for public purposes. Any such assets not so disposed of shall be disposed of by the Superior Court of the County in which the principal office of the corporation is then located, exclusively for such purposes or to such organizations, as such court shall determine, which are organized and operated exclusively for such purposes, or to such governments for such purposes.