

GREAT OAKS COUNTRY CLUB, INC.
BY-LAWS

(Amended and Restated effective January 1, 2015)

ARTICLE I

Governing Document

Section 1.

These By-Laws shall constitute the governing document of Great Oaks Country Club, Inc. a nonprofit corporation, hereinafter referred to as the CLUB. These By-Laws are effective May 13, 1989, and as may be amended, from time to time thereafter.

ARTICLE II

Governing Authority

Section 1. **Board of Directors**

The CLUB shall be governed by a Board of Directors consisting of twelve (12) Class "A" Members in good standing. They are empowered to conduct the affairs and manage the operations of the CLUB, and to elect persons to new membership and to suspend or expel members, all in accordance with these By-Laws.

Section 2. **Quorum of the Board**

Seven members present shall constitute a quorum of the Board unless otherwise specified in these By-Laws. Members may be present in person or by conference telephone or other similar communications equipment by means of which all persons participating in the meeting can hear each other. Written proxies, good for any single meeting, are permitted, but a Board member may only authorize another Board Member to act under the proxy.

Section 3. **Meeting of Board**

Meetings of the Board shall be held on the dates as determined by the Board of Directors.

Section 4. **Vacancies in Board**

Vacancies in the Board may be filled by majority vote of the remaining Board members. Such replacement member shall serve out the term of the replaced Board member.

Section 5. **Interpretation of By-Laws**

The decision of the Board of Directors on any question involving the interpretation of these By-Laws shall be final.

Section 6. **Changes of By-Laws**

Amendments, changes or repeals may be made to these By-Laws by the Board, and shall remain in force until the next annual membership meeting after adoption, after which such amendments, changes or repeals may continue in force only by the approval of the Class “A” Membership. However, the Board may not amend the By-Laws to change the term of office of its membership or officers. Amendments, changes or repeals may also be made to these By-Laws by the Class “A” Membership at an annual or special meeting. Notice of such proposed changes shall be provided in accordance with Article VIII.

Section 7. Absences of Board Members

Any member of the Board who absents himself from two consecutive meetings without reasonable excuse as determined by the Board may be removed from office and his place declared vacant by the Board.

Section 8. Action required or permitted to be taken pursuant to authorization voted at a meeting of the Board, or a Committee thereof, may be taken without a meeting if, before or after the action, a majority of the Members of the Board or of the Committee consent thereto in writing. The written consents shall be filed with the minutes of the proceedings of the Board or Committee for all purposes.

**ARTICLE III
Committees**

Section 1.

The President, subject to the approval of the Directors, may, from time to time, (i) appoint committees, with such power and composition as the President shall determine (ii) determine the term of the committee chairmen and members, and (iii) replace committee chairmen or members at any time without cause. The President, and General Manager shall be a member of all committees. Department heads shall be members of committees relevant to their departments.

Section 2.

All actions of the Committees shall be subject to the direction and approval of the Board of Directors.

Section 3. Permanent Long Range and Strategic Planning Committee

There shall be, at all times, a Permanent Long Range and Strategic Planning Committee which shall consist of five (5) members appointed by the President and approved by the Board of Directors. The original terms of the first Committee shall range from one (1) to five (5) years. Each year thereafter, one new Member shall be appointed by the President and approved by the Board of Directors for a term of five years. Any vacancy on the Committee shall be filled in the same manner. The Permanent Long Range and Strategic Planning Committee shall have the responsibility of preparing a long range plan addressing strategies for maintaining and strengthening the Club’s finances, membership, facilities and marketing, including major capital improvements to the CLUB property. Such Plan shall guide the Board in its decision-making, and may be modified by the Committee as circumstances warrant.

Section 4. Permanent Finance Committee

There shall be at all times a Permanent Finance Committee which shall consist of the CLUB Treasurer and four (4) members appointed by the President and approved by the Board of Directors. No member of the Board other than the Treasurer shall be appointed as a member of the Finance Committee, and if any member of the Committee subsequently becomes a member of the Board, he shall immediately resign from the Finance Committee. The original terms of the first appointed Committee shall range from one (1) to four (4) years. Each year thereafter, one new member shall be appointed by the President and approved by the Board of Directors for a term of four (4) years. Any vacancy on this Committee shall be filled in the same manner. The Permanent Finance Committee shall be charged with the responsibility of planning, arranging and recommending the financial policies and affairs of this CLUB. The acts, procedures and recommendations of this Committee pertaining to the aforementioned must be approved by the Board of Directors before becoming effective.

Section 5. Nominating Committee

(a) On or before September 1 of each year, a committee of five members shall be appointed by the President and approved by the Board of Directors to serve as a Nominating Committee. The Nominating Committee shall select eight nominees for the Board of Directors and report their selections to the Secretary of the CLUB by October 1st of each year.

(b) Any thirty-five Class "A" and/or Senior members may nominate a single member for election to the Board of Directors. Any such nomination must include original signatures of all petitioners, and must be in the hands of the Secretary of the CLUB by October 15th.

Section 6. Membership Committee

There shall at all times be a Membership Committee which shall consist of up to six members appointed by the President and approved by the Board, together with a Chairman, who shall be a member of the Board. The Membership Committee shall be responsible for maintaining, promoting and expanding the membership of the CLUB.

Section 7. Executive Committee

The Executive Committee shall consist of the President, Vice-President, Secretary and Treasurer of the Board. The Executive Committee may elect to meet prior to any Board meeting to discuss items and issues that may come before the Board. Any current member of the Board may attend any meeting of the Executive Committee.

ARTICLE IV

Election of Directors and Officers

Section 1.

The Board of Directors shall have twelve (12) Class "A" Members, each elected to a three year term.

The membership of the Board will be staggered with four Directors elected each year. The terms of the Board members shall be measured on a calendar year basis.

Section 2. Election of Directors

By October 31st each year, ballots containing the names of the eight candidates selected by the Nominating Committee for election to the Board of Directors and any candidates nominated by the Class "A" and/or Senior members shall be mailed to each voting Member in good standing. Four candidates may be voted for on each ballot. Ballots must be postmarked no later than November 15th to be considered valid for counting. Ballots will then be counted by the Nominating Committee. Those candidates receiving the most votes will be elected to fill the vacancies on the Board of Directors. In case of tie votes, the tie will be broken by a vote of the 5 members of the Nominating Committee. The membership will then be notified of the results of the election.

Section 3. Election of Officers

Following the election of directors but prior to the December informational meeting of the Members, the newly elected directors and those directors whose term continues the following year shall select from their own members a President, Vice President, Secretary and Treasurer to hold office until their successors are duly elected. However, no member of the Board of Directors shall serve more than one year as President during any three year term on the Board. A member may, however, serve as President for one year of each term of which he may serve on the Board. The first regular meeting of the newly constituted Board of Directors shall be held in January of each year.

Section 4.

The President shall preside at all meetings of the CLUB and shall be Chief Executive Officer of the CLUB. He shall perform all other duties as properly may be assigned by the Board.

Section 5.

The Vice-President, in the absence of the President, shall perform all duties of the President.

Section 6.

The Secretary shall keep the minutes of all meetings of the CLUB, give notice of meetings to all members involved, keep a record of all members and have charge of the issuance or transfer of memberships of the CLUB.

Section 7.

The Treasurer shall have custody of all monies and securities of the CLUB and shall be responsible for the maintenance of the books and records respecting all financial transactions of the CLUB.

Section 8.

The Secretary and Treasurer shall give such good and sufficient bonds as the Board of Directors shall require.

ARTICLE V

Memberships

Section 1. Class of Membership

Memberships in the CLUB shall consist of five general classifications: (1) Class “A”, (2) Class “C” Corporate membership, (3) Associate, (4) Senior, and (5) Non-Resident. All members shall be selected in a manner and pay such initiation and admission fees and periodic dues and assessments as may be required in these By-Laws or established by appropriate resolutions of the Board of Directors.

Section 2. Class “A” Memberships

Class “A” Members shall be limited in number to 350, or any other lesser number determined by the Board of Directors, in its sole discretion, to be in the best interest of the CLUB. In addition to acquiring one (1) share of the common stock of CLUB, Class “A” Members may acquire and own Class “A” preference stock and Class “A” premier stock, subject to the terms and conditions of these By-Laws.

(a) A Class “A” Member must be at least 21 years of age and must acquire one (1) share of common stock in the CLUB for a price and upon terms of payment as are determined by the Board of Directors from time to time. The rights and duties of the holder of such common stock are set forth in the Articles of Incorporation of the CLUB and shall be stated on the Certificate representing said share of Stock. Class “A” Member and the unmarried immediate members of their families under 26 years of age shall be entitled to all the privileges of the CLUB.

(b) Applications for Class “A” Memberships in the CLUB are approved only when they have been favorably passed upon by the Board of Directors. Any applicant who has a known indebtedness to this or any other club will be denied membership in this CLUB.

(c) All current Class “A” Members shall be listed in the order admitted to the CLUB, with additions and deletions being thereafter made as they occur.

(d) Subject to the terms set forth herein, and upon Board authorization, Class “A” Members may be eligible to acquire shares of the CLUB’s Class “A” premier stock. Class “A” Members may acquire shares of the CLUB’s Class “A” Premier Stock for a purchase price of \$10,000 per share; provided, however, no Class “A” Member shall be permitted to own more than ten (10) shares of such Class “A” Premier Stock at any one time. The method of determining the periodic dues of the holders of the Club’s Class “A” Premier Stock shall be as set by the CLUB’s Board of Directors as of the date the Class “A” Member acquires shares of the Class “A” Premier Stock, and the method of determining such dues shall be fixed for so long as the Class “A” Member holds shares of the CLUB’s Class “A” Premier Stock. The number of Class “A” Members who may own the Class “A” Premier Stock at any one time shall periodically be set by the CLUB’s Board of Directors. By purchasing shares of the CLUB’s Premier Stock, a Class “A” Member agrees to hold each such share for no less than three (3) years; thereafter, a Class “A” Member seeking to have his shares of the CLUB’s Class “A” Premier Stock redeemed shall provide the CLUB with no less than three (3) months prior

written notice of the Member's intention to have such shares redeemed for a redemption price equal to the purchase price paid by the Member for the shares of such Class "A" Premier Stock. Upon the expiration of such notice period, the shares of the CLUB's Class "A" premier stock held by the Member shall be redeemed by the CLUB, provided the Member holding the Class "A" premier stock has first satisfied and paid all obligations owed to the CLUB, including, without limitation, all obligations incurred by such Member for fees, assessments, dues, services, products, or purchases, and thereafter such redeeming Member's dues shall be prospectively recomputed accordingly. In consideration for a Class "A" Member's purchase of shares of the CLUB's Class "A" Premier Stock, the Class "A" Members holding shares of the Class "A" Premier Stock shall be entitled to one additional vote for each share of Class "A" Premier Stock owned by them on all matters brought before the membership for vote.

(e) When a Class "A" Member or Senior Member desires to resign, he shall offer his certificate representing his share of common stock (and share of preference stock if he owns any) for sale to the CLUB, endorsed in blank and accompanied by his written resignation, delivered by certified or registered mail, or in person with written receipt obtained, which resignation shall be accepted by the Board of Directors only upon satisfaction of the following conditions: The outgoing Class "A" Member or Senior Member must pay dues and golf privilege fees for a maximum of two (2) months after tendering his resignation if the CLUB does not have 350 Class "A" Members at that time. Provided the outgoing Class "A" Member or Senior Member has first satisfied and paid all obligations then owed to the CLUB, the outgoing Class "A" Member and Senior Member then will be paid for his common stock and preference stock only as follows: (i) if there are 350 Class "A" Members at the time of the Member's resignation, payment shall be made upon the formal acceptance by the Board of Directors of a new Class "A" Member; (ii) if there are less than 350 Class "A" Members at the time of his resignation, payment shall be made at the discretion of the Board of Directors.

(f) All unpaid obligations of a Class "A" Member or a Senior Member to the CLUB shall be due and payable immediately upon the Class "A" Member or Senior Member's delivery of his written resignation form the CLUB, and no obligations of an outgoing Class "A" Member or Senior Member to the CLUB, including, without limitation, obligations incurred for fees, assessments, dues, services, products, or purchases, shall be satisfied from the purchase proceeds otherwise payable to such Class "A" Member or Senior Member for his shares of common stock or preference stock; rather, all such obligations shall be separately satisfied and paid in full by such Class "A" Member or Senior Member. In any event, however, all unpaid obligations of a Class "A" Member or Senior Member shall be a lien on his stock until such obligations are fully paid or otherwise canceled.

(g) A statement of any additional designations and any additional powers, preferences and rights, and any additional qualifications, limitations or restrictions of the CLUB's common stock, the preference stock, and the Class "A" premier stock is set forth in the CLUB's articles of incorporation, as amended from time to time. Only the common stock shall possess voting rights, aggregatable with simultaneous ownership of Premier Stock.

(h) The Board may create, with voting Member approval, such additional classes of Stock as are deemed

necessary to the financial well-being of the Club.

Section 3. **Class “C” Corporate Memberships**

Class “C” Corporate Memberships shall be comprised of lawfully recognized business entities which are hereinafter duly elected to membership by the Board of Directors and shall have paid the initiation fee fixed by the Board of Directors. Class “C” Corporate Members shall be limited in number to 35, or any other lesser number determined by the Board of Directors, in its sole discretion, to be in the best interest of the CLUB. Class “C” Corporate Memberships are not transferable or assignable. Class “C” Corporate Members are not eligible to acquire the common stock of the CLUB but are eligible to acquire Class “A” premier stock of CLUB all on the same terms as set forth in Section 2 of this Article V.

(a) Corporate Members duly elected to a Class “C” Membership shall designate one person as the “Individual Corporate Member” at the CLUB. The Individual Corporate Member shall be at all times during his or her appointment an employee of the Corporate Member. The appointment of the Individual Corporate Member shall be subject to the prior approval of the Board of Directors after referral of the Individual Corporate Member to the Membership Committee, and shall be subject to such procedures as may from time to time be adopted by the Board of Directors. The designation of an Individual Corporate Member may be terminated by the Corporate Member upon written notice to the Board of Directors and replaced by the Corporate Member, subject to the approval of the Board of Directors. Replacement of the Individual Corporate Member shall be subject to such fees as the Board of Directors shall fix from time to time.

(b) Individual Corporate Members and their immediate family members shall be entitled to all privileges of the CLUB, subject to these By-Laws and such rules, regulations, and restrictions as the Board of Directors may, from time to time, fix or adopt. For purposes of this Section, immediate family members shall consist of a spouse and unmarried children under 26 years of age.

(c) In addition to the Individual Corporate Member, each Corporate Member duly elected to a Class “C” Membership may sponsor and appoint up to three (3) Corporate Affiliates who shall, at all times during their appointment, be an employee of the Corporate Member. The appointment of a Corporate Affiliate shall be subject to the prior approval of the Board of Directors after referral of the Corporate Affiliate to the Membership Committee and shall be subject to such procedures as may from time to time be adopted by the Board of Directors. A Corporate Affiliate may be terminated by the Corporate Member upon written notice to the Board of Directors and replaced by the Corporate Member, subject to the approval of the Board of Directors.

(d) Corporate Affiliates and their immediate family members shall be entitled all privileges of the CLUB, subject to these By-Laws and such rules, regulations, and restrictions as the Board of Directors may, from time to time, fix or adopt.

(e) Each Corporate Member duly elected to a Class “C” Membership may also sponsor Corporate Social

Activity Members who shall, at all times during their appointment, be an employee of the Corporate Member. The sponsorship of a Corporate Social Activity Member shall be subject to the prior approval of the Board of Directors after referral of the Corporate Social Activity Member to the Membership Committee and shall be subject to such procedures as may from time to time be adopted by the Board of Directors. A Corporate Social Activity Member may be terminated by the Corporate Member upon written notice to the Board of Directors and replaced by the Corporate Member, subject to the approval of the Board of Directors. Replacement of a Corporate Social Activity Member shall be subject to such fees as the Board of Directors shall fix from time to time.

(f) Class “C” Corporate Members shall be liable to CLUB for the dues, assessments, and other fees and charges as may be incurred by the Individual Corporate Member or any Corporate Affiliate or Corporate Social Activity Member of the Corporate Member; provided, however CLUB may require that all such payment obligations be personally guaranteed by the Individual Corporate Member and any Corporate Affiliate or Corporate Social Activity Member. Further, the time and manner of payment of such dues, assessments, and other fees and charges shall be determined from time to time by the Board of Directors in its sole discretion.

(g) The Class “C” Corporate Members, the Individual Corporate Members, and any Corporate Affiliates shall hold no membership stock in the CLUB and shall have no voting rights except as set forth in Section 8 of this Article V. The Corporate Social Activity Members shall have the rights and shall be subject to the limitations described in Section 4(b) of this Article. In any event, an Individual Corporate Member, any Corporate Affiliates, and any Corporate Social Activity Member whose employment with a Class “C” Corporate Member is terminated shall be terminated from the CLUB as of the date their employment terminates with the Class “C” Corporate Member; provided, however, such termination shall not affect the Class “C” Corporate Member’s liability for charges incurred through the date of termination.

Section 4. **Associate Membership**

Associate Members shall be classified as Social Activity, Social Dining, Young Executive, Clergy, and Widow(er). They shall hold no membership stock, shall have no right to attend or take part in business meetings, shall have no ownership interest in the CLUB, and shall have no voting rights. Associate memberships shall not be transferable or assignable, are terminated upon death, resignation or expulsion of the member.

(a) **Social Activity Membership** –Social Activity Memberships are non-transferable upon expulsion or resignation and have no voting rights except as provided in Section 8 of this Article V. Privileges: unlimited use of clubhouse, swimming and tennis facilities only for holder and members of their immediate family, in accordance with prevailing CLUB rules. The initiation fee and membership fee and dues, for all present and future Associate members, shall be as set by the Board of Directors. Dues are to be paid as determined by the Board of Directors. The food and beverage minimum will apply. The number of such memberships is to be set by the Board of Directors.

(b) **Social Dining Membership** –Social Dining Memberships are non-transferable upon expulsion or resignation and have no voting rights, except as provided by Section 8 of this Article V. Privileges: unlimited use of the clubhouse for holder and members of their immediate family, in accordance with prevailing CLUB rules. The initiation fee and membership fee and dues, for all present and future Social members shall be as set by the Board of Directors. The food and beverage minimum apply. The number of such memberships is to be set by the Board of Directors.

(c) **Young Executive Membership** – Young Executive memberships are for individuals under the Class A Eligibility Age (as hereafter defined). Upon reaching the Class A Eligibility Age, these Young Executive members are no longer eligible for this classification, and the Young Executive member may then transfer to a Class “A” Membership as provided herein or such membership shall expire. The initiation fee, if any, to be paid by a Young Executive Member electing to transfer to a Class “A” Membership shall be determined by the Board of Directors from time to time. When the applicant for Young Executive membership is married, the age of the oldest spouse will be used in determining eligibility for such membership and for determining the eligibility for continuing such membership in accordance with the specifications as deemed necessary to perform the various functions to insure proper operations and maintenance of the CLUB and CLUB affairs above enumerated. The Young Executive Membership is non-transferable upon expulsion or resignation and has no voting rights. The maximum number of Young Executive memberships will be set by the Board of Directors from time to time. The Class “A” Eligibility Age shall be 40 years of age. Any application for a Young Executive membership received after the maximum number of said memberships has been reached will be placed on a waiting list in the order of receipt and acted upon whenever a vacancy or vacancies occur. Young Executive Members and their immediate family members shall enjoy unlimited use of all facilities in accordance with prevailing club rules. The initiation fee for a Young Executive member shall be set by the Board of Directors from time to time and will be credited against the initiation fee, if any, to be paid for a Class “A” Membership in the event of a transfer of the Young Executive Membership to a Class “A” Membership, as contemplated herein. Initiation fees for Young Executive Members are non-refundable. Dues, as determined by the Board of Directors, must be prepaid one month in advance. The food and beverage minimum, as adopted from time to time by the Board of Directors, shall apply to Young Executive Memberships. Young Executive Members are not eligible to acquire the common stock of the CLUB but are eligible to acquire Class “A” premier stock of CLUB all on the same terms as set forth in Section 2 of this Article V.

(d) **Clergy Memberships** – Clergy Memberships shall be limited to six (6) golfing memberships in number. Clergy Social Memberships can be granted at the discretion of the Board of Directors. Clergy membership is non-transferable upon expulsion or resignation and has no voting rights, except as provided in Section 8 of this Article V. Those making application should do so on a special form drafted for this specific classification, having the endorsement of two members. If such applicant is approved, a one year membership card shall be granted for the current year ending December 31. This membership can be extended for ensuing years at the discretion of the Board of Directors. Privileges: unlimited use of all facilities for holder and members of their immediate family in accordance with prevailing CLUB rules. Clergy Social Memberships afford use of all facilities (except golf course) for holder and members of their

immediate families in accordance with prevailing CLUB rules. Dues, initiation fee and food and beverage minimums shall be as set by the Board of Directors.

(e) **Widow(er) Memberships** – Subject to the approval of the Board of Directors, a Widow(er) shall have the option of either:

1. Having the Class “A” Membership transferred into his/her name without payment of a transfer fee,

2. Resign the Class “A” Membership by notifying the Board of Directors in writing of such election within one year of the date of death of his/her Class “A” Member spouse. A spouse who has properly elected this option shall be paid the equity for the Class “A” Membership within ninety (90) days after the election and delivery to the CLUB of the properly endorsed decedent spouse’s Class “A” Membership certificate(s); or

3. Making application for Widow(er) membership. The Widow(er) shall notify the Board of Directors of such election within one year of the date of death of his/her Class “A” Member spouse.

If after one year of the date of death of the Class “A” Member the surviving spouse has failed or otherwise neglected to elect one of the above three options, such failure to act shall be treated as an election by the surviving spouse to transfer the Class “A” Membership into his or her name.

The surviving spouse of a Class “A” Member shall pay no dues and not be subject to a food and a beverage minimum for a period of one year from the date of the spouse’s death. Thereafter, if the surviving spouse has elected to remain a Class “A” Member, the regular dues and food and beverage minimum shall apply and if the surviving spouse had elected and qualified for Widow(er) Membership, such Widow(er) Member shall pay one-half the regular dues and shall not be subject to food and beverage minimums.

A Widow(er) Membership shall terminate upon the remarriage of the Widow(er) Member.

The maximum number of Widow(er) members will be ten, and any applications received after the maximum number of said memberships has been reached, will be placed on a waiting list in the order of receipt, and acted upon whenever a vacancy or vacancies, occur.

As a condition to transfer to Widow(er) Membership, the member shall surrender his or her certificate for common stock (and preference stock, if any) duly endorsed. Payment for such stock shall be made only upon resignation from or other relinquishment of membership in the CLUB and shall be governed by the provisions set forth in paragraph (d), Section 2 of this Article.

Widow(er) members shall be required to pay 50% of all assessments levied upon Class “A” Members. Widow(er) members shall have only those voting rights described in Section 8 of this Article V except with

regard to the levying by the CLUB of Equity assessments. In such situations, Widow(er) members shall be entitled to vote as Class “A” Members. Widow(er) members and the members of their immediate families shall have unlimited use of all CLUB facilities with said use to be governed by the then prevailing CLUB rules. (Immediate family shall consist of unmarried children under age 26).

Section 5. Senior Membership

Only Class “A” Members are eligible for Senior Membership. Senior members retain the right to vote on all CLUB matters. Senior Memberships are not transferable or assignable. To be eligible for Senior Membership, a Class “A” Member must continuously satisfy all of the following requirements:

- (a) Must have reached age 62;
- (b) Must have been a Class “A” Member in good standing for a minimum of 25 years; and
- (c) Must leave his/her equity in the CLUB as hereinafter defined.

Notwithstanding the foregoing, any Class “A” Members who, as of the date of the adoption of this amended and restated Bylaw provision, have made application for and would qualify for a Senior Membership shall be entitled to admission to the Senior Membership on a priority basis. Thereafter, all Class “A” Members desiring to obtain a Senior Membership, and who are otherwise eligible for Senior Membership shall be placed in a pool. At such times as an opening in the Senior Membership becomes available, that member in the pool with the greatest number of years of Class “A” Membership in the CLUB shall be entitled to admission to the Senior Membership.

Senior Members and members of their immediate families shall be entitled to full use of CLUB facilities, and shall pay one-half of the monthly dues of regular Class “A” Members as determined by the Board of Directors from time to time. Senior Members shall have no obligation to purchase food and beverage minimums established for other Classes of members by the Board of Directors. The number of Senior Class “A” Memberships shall be limited to twenty-five (25). As a condition of admittance to Senior Membership, each Class “A” Member shall waive his/her right to receive any redemption price for his/her common stock (and preferred stock, if any) until the time of termination of his/her Stock Membership in the CLUB. At such termination, the Senior member’s common stock (and preferred stock, if any) shall be redeemed by the CLUB pursuant to the provisions of paragraph (d), Section 2 of this Article. Senior Members are eligible to acquire Class “A” premier stock of CLUB all on the same terms as set forth in Section 2 of this Article V.

Section 6. Non-Resident Membership

Non-Resident membership may be granted only to persons who are transferring to said status from a Class “A” or Senior Membership status. Non-Resident status shall be restricted to those Class “A” or Senior Members who are not residents of an area that extends in a circle with the CLUB as the center, to a radius of one hundred miles (the “Active Membership Territory”). A person shall be deemed to be a resident of the

Active Membership Territory if that person resides therein for more than forty-five (45) days between the period April 1 through October 31 for the year in question. A Non-Resident Member shall be entitled to play no more than eight (8) rounds of golf per year. Whenever it shall appear to the Board of Directors of the CLUB that one granted a Non-Resident membership status no longer meets the qualifications for such membership status, it shall have the power to terminate or reclassify such membership. As a condition to transfer to Non-Resident Membership the member shall surrender his Certificate for common stock (and preference stock, if any) duly endorsed. Payment for such stock shall be made only upon resignation from or other relinquishment of membership in the CLUB and shall be governed by the provisions set forth above in paragraph (d), Section 2 of this Article.

Non-Resident members shall be required to pay 25% of all assessments levied upon Class "A" Members. Non-Resident members shall have only those voting rights described in Section 8 of this Article V except with regard to the levying by the CLUB of Equity assessments. In such situations, Non-Resident Members shall be entitled to vote as Class "A" Members. Non-Resident Members and the members of their immediate families under 18 years of age shall have unlimited use of all CLUB facilities when visiting the area with said use to be governed by the then prevailing CLUB rules. The Non-Resident Membership may be transferred back to a resident Class "A" Membership upon application by the holder and approval by the Board of Directors, at which time one (1) share of common stock (and preference stock, if any) shall be returned to the member.

The dues of such Non-Resident Membership shall be twenty-five percent (25%) of Class "A" Membership pre-paid one month in advance. There will be no food or beverage minimum requirement.

The number of Non-Resident Memberships is limited to twenty-five (25). Non-Resident Memberships are not transferable or assignable.

Section 7. Escrow of Membership

Upon receipt of a written request from a Class "A" Member in good standing, and for good cause, the Board of Directors, in its sole discretion, may grant a Class "A" Member a leave of absence, escrowing the Class "A" Member's membership for the duration of the Member's leave of absence. A leave of absence granted hereunder shall be for no longer than one (1) year except in those instances where the extension of the leave of absence beyond one (1) year is necessitated by the Member's medical condition or for other good cause, as determined in the sole discretion of the Board of Directors. In any event, a Class "A" Member may avail himself of the escrow privileges herein only once in every five (5) year period, as measured from the date of the reinstatement of the Member's Class "A" Membership.

Upon approval from the Board of Directors of a request for a leave of absence, the Class "A" Member shall transfer to the CLUB the Certificate(s) representing the Member's stock of the CLUB, which stock shall be held in escrow in accordance with this Section. A Member whose membership is held in escrow during the term of his leave of absence waives all rights associated with his membership, may not use CLUB facilities, and shall pay no dues, assessments, or other charges arising during the leave of absence to the CLUB. At the

conclusion of term of the Class “A” Member’s leave of absence, the Member must: resign and request redemption of stock of the CLUB (including preferred stock, if any) in accordance with paragraph d) of Section 2 of this Article; request reinstatement from the Member’s leave of absence and the return of the Member’s stock from escrow; or request an extension of the Member’s leave of absence and the continuation of the escrow of the Member’s stock.

If reinstatement is requested by the Class “A” Member, the CLUB will place the Class “A” Member in the first position on the CLUB’s waiting list for the admission of new members provided the Class “A” Member immediately pays the reinstatement charges as follows:

(a) To the extent the Member’s leave of absence was for period of one (1) year or more (as measured through the date of the Member’s request for reinstatement), the Member seeking reinstatement shall pay the CLUB (i) all capital and operating assessments assessed during the Member’s leave of absence; (ii) all recurring charges arising during the Member’s leave of absence (as prorated in accordance with CLUB’s past practices); and (iii) one (1) month of Class “A” Membership dues.

(b) If the leave of absence was for less than one year (as measured through the date of the Member’s request for reinstatement), but occurred during all of the CLUB’s core activity months of May, June, July, and August, then the Member seeking reinstatement shall pay the CLUB (i) all capital and operating assessments assessed during the Member’s leave of absence; (ii) all recurring charges arising during the Member’s leave of absence (as prorated in accordance with CLUB’s past practices); and (iii) one (1) month of Class “A” Membership dues.

(c) Alternatively and notwithstanding the immediately preceding paragraph, to the extent the Member’s leave of absence was for period of less than one (1) year (as measured through the date of the Member’s request for reinstatement) and did not occur during all of the CLUB’s core activity months of May, June, July, and August, then the Member seeking reinstatement shall pay the CLUB (i) all capital and operating assessments assessed during the Member’s leave of absence; (ii) all recurring charges arising during the Member’s leave of absence (as prorated in accordance with CLUB’s past practices); and (iii) all Class “A” Membership dues which arose during the Member’s leave of absence.

Section 8. Voting Rights

Each Class “A” Member, including Senior Members, shall be entitled to one vote on all matters brought before the membership for vote by reason of holding one (1) share of common stock in accordance with Article III of the Articles of Incorporation of the CLUB. Only Class “A” Members owning preference stock shall be entitled to vote on any proposal or resolution to reduce or eliminate the equity attendant to a preference stock certificate.

ARTICLE VI

Dues and Assessments

Section 1.

The Board of Directors shall have the power to levy dues, establish minimums and operating assessments and determine the amounts and methods of payment not otherwise stipulated in these By-Laws.

Section 2.

Capital assessments shall not exceed five hundred (\$500.00) dollars per member in any one fiscal year without approval of a majority of the Class "A" Members present at a meeting duly called.

Section 3.

Any indebtedness to the CLUB shall be payable on or before the 25th day of the month after it is first billed. Unpaid accounts are delinquent if not paid by the 15th day of the month following their due date, and if the account remains delinquent for a period of thirty (30) days after the initial due date, the Member shall then be notified by certified mail, return receipt requested, of his unpaid balance and the credit of the member shall be suspended and he shall not be permitted the privileges of the CLUB in any way. If the indebtedness remains unpaid thirty (30) days after such written notice, the Board may take any action deemed necessary, provided, however, that if the Member arranges with the CLUB to reduce the indebtedness on a deferred basis agreeable to the CLUB, then the Member's privileges shall not be suspended.

ARTICLE VII

Fiscal Year

The fiscal year of the CLUB shall terminate on the 31st day of December each year.

ARTICLE VIII

Annual and Special Meetings

Section 1. **Annual Meeting**

The annual meeting of all Class "A" and other voting members shall be held in May of each year at a time and date as fixed by the Board. Written notice shall be mailed to all Class "A" and Senior Members and the representatives of all other classes of membership by first class mail to each member's or representative's registered address at least fourteen (14) days prior to said meeting.

Section 2. **Special Meetings**

Special meetings may be called by the Board of Directors or by a petition of any 50 Class "A" Members. The Board of Directors shall also call an informational meeting in December of each year. Written notice shall be mailed to all Class "A" Members and the representatives of all other classes of membership by first class mail to each member's or representative's registered address at least fourteen (14) days prior to said meeting. Such notice shall state the time and place of the meeting and the nature of the business to be

transacted at said special meeting. Only the business stated in the notice shall be transacted at the special meeting.

Section 3. Quorum

Fifty (50) Class “A” and Senior Members shall constitute a quorum except in cases specified otherwise in these By-Laws.

Section 4. Proxy

Any member entitled to do so may vote either in person or by written proxy at any annual or special meeting.

ARTICLE IX

Transfer of Membership and Ownership

Section 1.

A Class “A” Membership may be transferred on the books of the CLUB by a member holding such class of membership to his or her spouse; provided, the said member has held the Class “A” Membership for two (2) or more consecutive years and a transfer fee of \$1500 is paid to the CLUB in advance and the transfer is approved by the Board of Directors.

Section 2.

Upon approval of the Board of Directors, a Class “A” Membership may be transferred on the books of the CLUB in the name of a widow or widower upon the death of the Class “A” Member holding the membership certificate without the payment of a transfer fee. The surviving spouse of Class “A” Members will have the food and beverage minimum and monthly dues waived for the next succeeding twelve (12) months.

Section 3.

Upon transfer of a Class “A” Membership as set forth in Section 1 and 2 of this Article, the certificate(s) representing common stock, preference stock, and Class “A” premier stock, if any, of that Member shall be surrendered to the CLUB and new certificate(s) issued in the name of the transferee. Except as permitted in this article, a Class “A” Membership is not transferable or assignable.

Section 4.

No Member may own more than one (1) share of common stock in the CLUB. No Member may own more than ten (10) shares of the CLUB’s Class “A” Premier stock.

ARTICLE X

General

Section 1.

No real property of the CLUB shall be subject to a conveyance, hypothecation, lien or encumbrance, including the granting of an easement, nor may any other asset of the CLUB be encumbered without the approval of the voting Members said approval to be obtained at either an annual meeting of the voting Members or a special meeting of the voting Members with notice in each instance being required in accordance with Article VIII, Section 2 hereof. This shall not be construed to prohibit the Board of Directors from arranging short-term seasonal unsecured or secured financing including leases, if necessary, to enable prompt payment of routine accounts payable incurred by the CLUB.

Section 2.

If the conduct of a Member or one of the Member's family should be found to be disorderly, ungentlemanly or in violation of the rules and prejudicial to the interest of the CLUB or its By-Laws, the Board of Directors may suspend or expel the Member, by affirmative vote of at least seven Directors. Upon expulsion, the expelled Member's equity shall be paid to him as if the Member had voluntarily resigned on the date of expulsion, as provided by Article V. Suspended Members shall be liable for all dues and assessments during the period of their suspension, but have no right to use the CLUB facilities. No Member shall be expelled or suspended without having an opportunity to be heard before the Board in his own defense. Any Member thus expelled shall not be eligible to membership in the CLUB unless this disability is removed by a majority vote at an annual or special Membership meeting.

Section 3.

No social or other groups shall be permitted to use the name Great Oaks Country CLUB without having first secured the permission of the Board of Directors and shall have agreed to come under the supervision of said Board of Directors. No person shall be permitted to take part in, or become a member of such social or other group that is not a member in good standing with Great Oaks Country CLUB.

Section 4.

All records pertaining to the past, current or future operation of Great Oaks Country Club, including books, Committee reports, report of officers, and contracts, and the property of the CLUB, and the person or persons in charge of said instruments shall see that they are kept in the office of the General Manager.

Section 5.

All proposals for expenditures for capital additions, replacement and major repairs shall be submitted for preliminary approval to the Board of Directors. Those exceeding \$50,000.00 shall be accompanied by detailed plans and/or specifications. Upon preliminary approval by the Board, the proposed project shall, when practical, be submitted for competitive bidding. In the event a proposed project exceeds \$100,000.00 in cost, the Board of Directors must in addition, first submit the program to the Class "A" Membership in writing and obtain approval by a majority of said members in attendance at a duly called annual or special meeting, before formally awarding the contract.

Section 6.

No tournament exceeding one day, other than a CLUB tournament, may be approved without the approval of the Class "A" Membership, said approval to be obtained at either an annual meeting of said members or a special meeting of the voting members with notice in each instance being required in accordance with Article VII, Section 2, hereof.

Section 7.

The Board of Directors shall be empowered to make such rules and regulations deemed necessary for the operation and use of the CLUB by various classes of Members and guests of members. Privileges of the CLUB are extended to Members and their immediate families in accordance with the nature of their membership classification.

Section 8.

The term "members of their immediate families" includes only a Member's spouse and the Member's unmarried daughters and sons under 26 years of age, except as otherwise set forth in Article V hereof.

ARTICLE XI

Section 1. Indemnification

No Director of the CLUB shall be personally liable to the CLUB or its members for monetary damages for breach of fiduciary duties as a Director, except for liability to the extent provided by applicable law for:

- a) Any breach of such director's duty of loyalty to the CLUB or its Members; or
- b) Acts or omissions not in good faith or which involve intentional misconduct or knowing violation of law; or
- c) Violations of Section 551(1) of the Michigan Nonprofit Corporation Act; or
- d) Any transaction from which such Director derived any improperly personal benefits.
- e) An act or omission that is grossly negligent.

If the Michigan Nonprofit Corporation Act is amended after the enactment of this By-Law so as to authorize corporate action further eliminating or limiting the personal liability of directors, then the liability of each Director of the CLUB shall be eliminated or limited to the fullest extent permitted by law of the State of Michigan as the same exists from time to time.

No amendment to or repeal of the foregoing paragraph shall apply to or have any effect on the liability or alleged liability of any Director of the CLUB or with respect to any act or omissions of such director occurring prior to such amendment. Any repeal or modification of this By-Law by the Members of the CLUB shall not adversely affect any right or protection of a Director or Officer of the CLUB existing pursuant to the By-Law at the time of such repeal or modification.

The CLUB shall indemnify and hold harmless any person, who was or is a party or is threatened to be made

a party to any threatened, pending or completed action, suit or proceeding whether civil, criminal, administrative or investigative by reason of the fact that such person is or was a Director or Officer of the CLUB, from and against all expenses (including attorney fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with such action, suit or proceeding to full extent provided by the applicable provisions of the Michigan Nonprofit Corporation Act as the same exists or may hereafter be amended. Each person who shall serve in any capacity shall be deemed to be doing so in reliance upon such indemnification. Similar indemnification may be provided by the CLUB to any involved in any such threatened, pending or completed action, suit or proceeding, by reason of the fact that such person is or was an employee or agent of the CLUB. Such indemnification shall not be deemed exclusive of any other rights to which those indemnified may be entitled as a matter of law under any By-Law, agreement, vote of members, or otherwise. This provision shall not be construed as a limitation upon the right of the CLUB to exercise its general power to enter into a contract or undertaking of indemnity with any director, officer, agent or employee.

The CLUB may purchase and maintain insurance, at its expense, to protect itself and any person who is or was a director, officer, employee or agent of the CLUB against any expense, liability or loss incurred by such person in any such capacity, whether or not the CLUB would have had the power to indemnify such person against such expense, liability or loss under applicable law.

Section 2. Expenses

The CLUB shall reimburse its Officers and Directors for expenses incurred in the performance of their corporate duties.

Approved by Board of Directors, February, 2015

Approved by Membership, May 2, 2015