

Walnut Grove Country Club

Bylaws of the Board of Directors and Rules of Membership as of February 15, 2012

Article I. Purpose

These Bylaws shall constitute the policies for operation, management and membership of Walnut Grove Country Club (the "Club" or "Corporation") and the conduct of the affairs of the Corporation by the Board of Directors, consistent with the Corporation's Articles of Incorporation and Code of Regulations.

- a. Additional rules for operation, management and membership of the Club which are not in conflict with the Articles of Incorporation, the Code of Regulations or these Bylaws may be implemented from time to time by resolution of the Board of Directors.

Article II. Organization of Board of Directors

Section 1. Election.

- a. The President shall appoint a nominating committee, whose members shall include no fewer than 3 Shareholders, which shall submit a list of no fewer than 5 candidates for the 3 vacancies to be filled. This list shall be part of the notice of the annual Shareholders Meeting.

Section 2. Meetings. Election of officers shall take place at the first Regular Meeting of the new Board of Directors or at a special meeting with that purpose as an agenda item.

- a. Meetings may be held at locations other than the Club premises by majority consent of the Board.
- b. Notification of the day, time and place of all Regular and Special Meetings shall be mailed to each Director not later than 5 days before the meeting. Electronic media may be used for notification.
- c. A Special Meeting may be held without mailing written notice to each Director, provided that an attempt is made to notify each Director by telephone prior to the Meeting. A majority of a quorum of the Directors at a Meeting convened without mailing 5 days' written notice must agree to declare an emergency at the time of such Special Meeting.
- d. A permanent file of the minutes of all Shareholder and Board of Director Meetings shall be maintained by the Secretary of the Club and be made available at the Club by the Secretary to any Shareholder upon request.

Section 3. Rules of Procedure. The President, or in the President's absence, the presiding officer at any Regular or Special Meeting shall conduct the Meeting under rules of procedure which are fair and reasonable in accordance with Roberts' Rules of Order, the Corporation's Code of Regulations and these Bylaws.

- a. A majority of the Directors at a duly convened Meeting shall constitute a quorum empowered to conduct all the business of the Board. Amendment, repeal or adoption of these Bylaws shall require the affirmative vote of two thirds of all of the Directors of the Corporation. All other Board actions shall require a majority vote of the Directors present at any Board Meeting at which a quorum is present.
- b. A roll call vote may be ordered by the President or any Director and the results thereof shall be recorded in the minutes.
- c. The following shall be the order of business at all Regular Meetings, unless or dispensed with by majority consent of the Directors present:
 - (1) Roll call
 - (2) Review and consideration of the minutes of the previous meeting
 - (3) Reports and statements of officers and committees.
 - (4) Unfinished business
 - (5) New business
 - (6) Adjournment.

Section 4. Voting of Shareholder Proxies. Any Shareholder proxy who appoints the Secretary to represent, or vote on behalf of, a Shareholder shall be voted by the Secretary as directed by the Shareholder, or in the absence of such direction, as directed by the Board of Directors.

Article III Officers.

Section 1. The duties of the officers of the Corporation are set forth in the Code of Regulations. Those duties are incorporated into these Bylaws as if fully rewritten herein. Officers or Directors may be assigned other duties by the Board of Directors which are consistent with the Code of Regulations and these Bylaws.

Article IV. Committees

Section 1. There shall be an Executive Committee composed of the five officers of the Corporation and the immediate Past President. The functions of the Executive Committee shall be:

- a. Review the reports and recommendations of the officers and the committees and make recommendations for action by the Board of Directors on these and other matters which require Board consideration. The Executive Committee shall have the discretion to review such reports and make such recommendations on a selective basis.
- b. Advise and assist the President in general administrative affairs of the Club and the Corporation.

Section 2. The President shall appoint the following standing committees, the number of members and make-up to be determined by the President, but with a Director as chairman of each committee:

Finance Administration;
Long Range Planning;
Legal/Shareholder Administration/Bylaws;
Course and Grounds;
Golf Committee - Tournaments and Pro Shop;
House/Pool/Entertainment;
Membership;
Publications and Publicity.

Section 3. The President shall appoint special committees as deemed necessary.

Section 4. The President shall determine the powers of each committee and shall have the power to replace a committee chairman or member at any time without cause.

Article V. Club Membership.

Section 1. Requirements. Membership in Walnut Grove Country Club shall be granted only upon approval by the Board of Directors.

- a. Walnut Grove Country Club is a private Club established for the purpose of operating a private Club for the sole benefit of its members.
- b. It is a fundamental policy of the Club to not discriminate in any manner against any person on account of race, marital status, sex, religion, creed, color, ancestry, national origin or disability. Application for membership will be submitted to the Membership Chairperson. Applicants for membership will authorize the Club to perform a credit check and a background check. Any application containing false or misleading information will be rejected. Applications without deficiencies will be submitted to the Membership Committee for review. In reviewing applications and interviewing applicants, the Membership Committee's overriding charge shall be to approve and recommend for Board approval, those applicants believed to be assets to the current membership and of such character and financial stability as will enable them to meet their financial obligations to the Club. These financial commitments shall include not only monthly obligations, including dues and Club charges, but also any other obligations including fees or assessments whether as sequential payments or notes. Any criteria of membership applied by the Membership Committee and Board of Directors shall at all times be applied uniformly to each prospect who is applying for the same category of membership in the Club.

Section 2. Categories. The two categories of membership are Regular and Company.

Section 3. Regular Member. A Regular member of Walnut Grove Country Club is defined as a natural individual, not including a business or corporation, accepted by the Board of Directors for the class of membership requested. If the member is married, the member and spouse shall jointly designate in writing to the Board of Directors the spouse who shall be the member. The non-member spouse shall have, during marriage to the member, all the privileges of the member spouse.

Such designation of membership may be changed at any time by joint notice in writing addressed to the Board of Directors.

In the event of the death of a member, a surviving spouse shall automatically continue as a member for 1 year on a gratuitous basis (without being required to pay monthly dues, although Construction Fund fees and house charges must be paid) and thereafter as a dues paying Regular member (without being required to be placed on the waiting list, but subject to the rules regarding changes in membership status, if applicable, in Section 6.a. of this Article V below). The Board of Directors may also grant gratuitous memberships to others who, in the Board's judgment, deserve such status. Except in rare and exceptional circumstances such grants will be made for no longer a period than 1 year.

In the event of a final decree of divorce or legal separation, the spouses may jointly designate which spouse shall continue as the member. In the absence of such designation, the membership shall continue with the designated member. The spouse who does not receive the membership as a result of the proceedings will be granted a membership if requested, with a proper application. Membership must be current. If membership is full, the new member must go on the waiting list.

a. Children Privileges.

1. All children (including step-children) living within the home of a Family golf member shall have all the privileges of the member parent, except guest privileges. To qualify, the child in question must be:
 - (a) Less than 21 years of age, or
 - (b) If 21 years or older, enrolled full time in an accredited college or university.

Privileges granted under this section shall terminate six months after any of the following events.

- (a) The child turns 21
- (b) At age 21 the child is not enrolled in an accredited college or university
- (c) The child marries or otherwise becomes emancipated from the member parent
- (d) The child enters military service and completes one tour of duty that begins before the child turns 21.

2. Legacy Program

A child of a member who has been a part of a Family golf

membership for at least 3 years immediately prior to the 21st birthday is eligible for the Legacy Program. After reaching age 21 and prior to reaching the 36th birthday, an eligible child may apply for membership under the Legacy Program.

- a. Any non-golfing membership initiation fee under the Legacy Program shall be determined at the discretion of the Board.
- b. A membership granted under the Legacy Program remains with the child who is granted membership under the Program and this will be so noted on the records of the Club. Although the marriage of a Legacy Program member may result in changes in name and billing, in the event of the death or divorce of the Legacy Member, the membership shall not be transferred to a former or surviving spouse of a Legacy Program member.

Section 4. Company memberships are issued to companies for the use of a designated officer or employee, subject to all rules of the Club and to additional requirements as follows: Effective February 15, 2012 a Company membership may include at least four members of the same Company as described above and will be subject to all rules and regulations as described for this classification published as the Board's annual review of club Membership Classification and Dues Structure located at the end of this document.

Section 5. Classifications.

- a. Golfing Memberships. For dues purposes golfing membership classifications are:
 1. Family golf
 2. Single golf
 3. Corporate/Company golf
 4. Other classifications as deemed necessary by the Board.

The above classifications shall constitute golfing members, the number of which is subject to review and adjustment by the Board.

Other membership classifications are:

1. Social
2. Social Senior
3. Non-resident
4. Leave of absence
5. Junior golf
6. Dining Membership

b. Non-resident membership status may be granted by the Board of Directors when a member's legal residence is farther distant from the Club than fifty miles. Payment of greens fees and Construction Fund fees is required.

c. Social members shall be issued a golf card allowing golf play on any weekday the course is open for regular play. Play on Weekends and Holidays will be permitted after 3:00PM. Social members are limited to 216 golf holes per year useable in 9 holes minimum increments. The Social member shall pay full greens fees for the Social member, spouse and their guests. On each of the occasions, the Social member or spouse may play alone or together, and the Social member and spouse may each bring 1 guest. Social members and their spouses may also participate in the Member/Member and Member/Guest tournaments and any other function their playing privileges will allow.

d. A member who is age 70 or older and has been a member of the Club in any membership classification for 15 or more years may transfer to Social Senior membership status as set forth in c. immediately above. Social Senior members shall receive a member golf card on the standard terms and conditions for Social members, except that payment of greens fees shall be at 25% of the then current full rate.

Section 6. Fees and Charges. All fees and charges shall be fixed by the Board of Directors annually and shall be published as a review of the Club's Membership Classification and Dues Structure located at the end of this document.

a. The Board may approve a change in classification for Regular members upon written request for good and sufficient reason, provided no such changes shall be in effect for less than one full 12-month period.

- (1) Members transferring from a lower to a higher membership classification shall pay the difference between the then current initiation fees for the two classifications.
- (2) Members transferring from a higher to a lower rate of classification shall get no rebate on initiation fees, but may transfer back to their original classification without payment of any additional initiation fee.

- (3) Members who request a transfer of membership classification shall be placed last on the waiting list for the classification requested. On a onetime only basis, however, a Social or Social Senior member who is a former golfing member may return to golfing member status by being placed at the top of (rather than last on) the waiting list.
- b. Membership dues shall be billed and paid on a monthly basis. Dues may be paid annually, when requested. The billed amount must be paid in full with the January billing. Nonresident members are required to pay fees annually in advance when billed in January of the year.

Members whose classifications require the payment of greens fees for use of the golf course shall pay such fees as set by the Board of Directors in the annual fee schedule.

- c. Prompt payment in full of Club indebtedness (fees, dues, taxes and other charges) is required of all members. The billing date for all members will be the first day of the month.
- (1) Accounts will be billed as soon as practical after the closing date and are due for payment in full 15 days following the billing date.
 - (2) Accounts are delinquent the first day of month following the billing date. At such time, a 10% penalty charge will be added to the account and a registered letter will be sent to the delinquent member stating payment in full must be received within 10 days of receipt of the letter and that all privileges will be suspended immediately. The member's name shall then be posted on the Club bulletin board as being delinquent.
 - (3) If the account has not been paid in full within 45 days of the original billing date, the account will be presented at the next Board meeting and the Board shall revoke the membership and the unpaid balance shall be referred to a collection agency.
 - (4) No suspension of membership will be rescinded until all charges are paid in full. When a membership is revoked, a new membership for the former member will not be considered until all charges have been paid in full, at which time the former member may reapply for membership subject to all requirements for a new membership, including payment in full of a new initiation fee for the classification requested. The application will be placed at the bottom of the waiting list for the appropriate membership classification.
 - (5) Members are required to obligate themselves for food and beverage at established minimums. Members' billing will reflect the established minimums, where actual charges are lower; the account will be billed at the minimum as stated.

- (6) Members who have relinquished their membership for any reason are responsible

for removing and articles from their locker and returning the key to club management. Failure to do so will result in a charge of \$25. Any article removed by club staff shall remain in Board custody until the fee is paid or 30 days which ever come first, at which time the Board will decide on the disposal of all articles.

(7) Individuals needing a replacement or duplicate locker key will be charged ten dollars (\$10) per key.

d. The Board reserves the right to grant to any Shareholder who has owned a share of Walnut Grove stock for a minimum of two years, and is otherwise a member in good standing a leave of absence for good and sufficient reasons, however, that any such leave granted shall be for a 12-month period and provided further, that:

(1) A Shareholder shall pay, during the leave and any subsequent extensions any Construction Fund fees in force during the leave.

(2) A Shareholder shall pay, on resumption of membership status, any increase (and shall not receive any rebate for any decrease) between the initiation fee charge at the time of the leave and the initiation fee at the time of resumption of membership. However, a Shareholder may return to the Club during the first twelve months of a leave of absence by paying all dues and other charges that were in effect during the leave. A shareholder on leave who desires to return to membership status shall be placed last on the waiting list for the requested membership classification. Additional leave(s) of absence may be granted at the discretion of the Board.

Section 7. When a golfing membership becomes available, applications will be processed in the order in which completed applications, including any required fees, were received by the Club, unless otherwise specifically provided in these Bylaws.

Section 8. If an applicant is denied a membership by the Board of Directors or the applicant desires to withdraw before the application is processed, any fees paid with the application will be refunded without accrued interest.

Section 9. A member who wishes to resign his or her membership in Walnut Grove Country Club must file a written request to do so with the Board of Directors. Members shall remain obligated for all charges incurred or assessed through the end of the month in which the Board receives the resignation. The member's right to charge any expenses to his or her account shall cease immediately upon the Board's receipt of the resignation. Resignations approved by the Board of Directors will be effective the last day of the month in which the request has been received by the Board of Directors.

Article VI. General Provisions.

Section 1. The Board of Directors shall designate the rights and privileges accruing to each classification of membership, the privileges which may be extended to non-members for use of the golf course and other Club facilities, fix all fees and designate the maximum number of members permitted in each classification of membership.

Section 2. A Board member, in conjunction with the Greens Superintendent and the Golf Professional may exercise the right to restrict the hours regarding play on the golf course as may from time to time be deemed wise and necessary. Such restrictions shall be posted on the Club bulletin boards and other appropriate places.

Section 3. All rules and regulations of Walnut Grove Country Club apply to all members, members' families and guests, without exception. Any violation of same may require the offending member's appearance before the Board of Directors or the appropriate committee. Penalty can range from suspension of privileges for a period determined by the Board to revocation of membership.

Section 4. Any member's privileges may be suspended or his membership revoked at any time at the discretion of the Board of Directors, provided, however, that such member shall have the right to request, in writing within a thirty (30) day period of such suspension or revocation, a hearing in person before the Board. Pending such hearing, the suspension or revocation shall remain in effect.

Section 5. All members, their families, and their guests will act appropriately at all times. Members are at all times responsible for the actions of their guests and any destructive or inappropriate behavior toward any member, guest, employee, or property of the Club shall be reason for disciplinary action by the Board of Directors, in accordance with Sections 3 and 4 above.

