

**THE FORD PLANTATION CLUB, INC.
FIFTH AMENDED AND RESTATED BY-LAWS**

These Fifth Amended and Restated By-Laws are made effective the 1st day of March, 2017 by The Ford Plantation Club, Inc., a Georgia nonprofit corporation (the "**Club**").

WHEREAS, The Ford Plantation Club, Inc. Fourth Amended and Restated By-Laws were adopted on June 2, 2014 (the "**By-Laws**"); and

WHEREAS, the Club desires to further amend the By-Laws and to restate the By-Laws in their entirety in a single document; and

WHEREAS, pursuant to Section 13.2 of the By-Laws, the By-Laws may be modified, amended or repealed or new bylaws adopted by both (a) a majority vote of all of the members of the Club's Board of Directors ("**Board**"), and (b) the approval of the lesser of two-thirds of the votes cast by Equity members or a majority of the total eligible votes in the Club, provided at least a quorum participates in the voting; and

WHEREAS, amendments to Sections 2.1, 3.1, 3.3.d(iii), 5.14, 5.15, 5.18, 7.4, 7.6, 9.1.b, 9.2, 9.3, 10.1 and 11.3 of the By-Laws and authority to prepare a restated version of the By-Laws incorporating such amendments were approved by at least a majority vote of all Board members at a Board meeting held on January 20, 2017; and

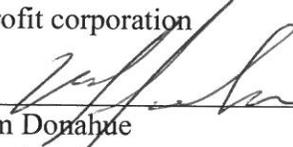
WHEREAS, the Club conducted a vote on the proposed amendments and restatement through ballots in lieu of a meeting in accordance with Section 4.11 of the By-Laws and O.C.G.A. § 14-3-708, and at least a quorum of equity members participated in the voting; and

WHEREAS, the aforementioned amendments and restatement authority were approved on February 28, 2017 by the Club's equity members casting more than a majority of the total votes cast and constituting at least a majority of the total voting power;

NOW, THEREFORE, the By-Laws are hereby amended, restated, replaced and superseded in their entirety with the Fifth Amended and Restated By-Laws attached hereto.

IN WITNESS WHEREOF, the undersigned President and Secretary of the Club hereby certify that the attached Fifth Amended and Restated By-Laws were duly adopted by the required majority of equity members.

THE FORD PLANTATION CLUB, INC., a
Georgia nonprofit corporation

By: 
Name: William Donahue
Its: President

Attest: 
Name: John S.P. Samford
Its: Vice President and Secretary

THE FORD PLANTATION CLUB, INC.
FIFTH AMENDED AND RESTATED BY-LAWS



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**THE FORD PLANTATION CLUB, INC.
FIFTH AMENDED AND RESTATED BY-LAWS**

Effective Date: March 1, 2017

**ARTICLE I
GENERAL**

1.1. Purpose and Duration of Club.

The nature and purpose of The Ford Plantation Club, Inc. (hereinafter referred to as the "**Club**") is to own and operate a private fishing, golf, equestrian, tennis, swimming and socially oriented club of uniformly high quality for the recreation, pleasure and benefit of its Members and their guests. The Club shall offer Equity Memberships and Non-Equity Memberships pursuant to The Ford Plantation Club, Inc. Plan for the Offering of Memberships (as may be amended, the "**Membership Plan**") and these, The Ford Plantation Club, Inc. Fifth Amended and Restated By-Laws (as may be amended from time to time, the "**By-Laws**"). The period of duration of the Club is perpetual.

1.2. Defined Terms and Interpretation of References.

Capitalized terms used but not defined in these By-Laws shall be as defined in the Club Declaration for The Ford Plantation Club, Inc. recorded in Book 45, Page 282 of the Bryan County, Georgia real property records (as may be amended from time to time, the "**Club Declaration**"). An index to defined terms may be found at the end of these By-Laws. Except as otherwise set forth, all terms used in these By-Laws have their natural, commonly accepted definitions. The following terms shall have the meaning set forth below:

"**Board**" means the Board of Directors of the Club.

"**Club Documents**" means collectively the Club Declaration, the Membership Plan, these By-Laws, the Club's Articles of Incorporation, and the Rules and Regulations of the Club, each as it may be amended from time to time

"**Majority**" refers to those votes, Equity Members, directors or other group, as the context may indicate, totaling more than 50% of the total eligible number.

"**Person**" or "**Persons**" shall refer to an individual, a corporation, a partnership, a limited liability company or any other legal entity.

"**The Ford Plantation**" shall refer to the planned community known as The Ford Plantation and referred to as the "Properties" in the Declaration of Covenants, Conditions, and Restrictions for The Ford Plantation recorded on August 12, 1998 in the Office of the Clerk of Superior Court of Bryan County, Georgia in Deed Book 37, Page 55, *et seq.*, as it may be amended and supplemented from time to time.

ARTICLE II
CLUB EMBLEM

The emblem of the Club shall be of a style and design to be approved by the Board.

ARTICLE III
MEMBERSHIPS

3.1. Application and Admission of Members.

There are two classes of membership in the Club – "**Equity Memberships**" and "**Non-Equity Memberships**." Each Equity Member will have an ownership interest in the Club and, if in Good Standing (as defined in Section 4.1), will be entitled to vote on all matters put to a vote of the Members as provided in these By-Laws. However, no votes shall be cast by or on behalf of unissued Equity Memberships. Non-Equity Members have no ownership interest in the Club or the Club Facilities and have no voting privileges.

The Equity Members and Non-Equity Members are sometimes collectively referred to as the "**Members**." Each class and category of membership provides certain privileges to use the Club Facilities. Eligibility for, and the rights and privileges of, each class and category of membership are as set forth below and elsewhere in these By-Laws.

The maximum number of Equity Memberships plus Sporting Memberships shall not exceed 495.

The Club has two categories of Equity Membership: "**Resident Memberships**" and "**Equity Sporting Memberships**." There are also two types of Equity Membership within such categories: "**Series A**" and "**Series B**." Every Equity Membership issued on or before March 31, 2017 shall be assigned to the Series A Membership, unless the Equity Member enters into an agreement with the Club to convert to Series B Membership prior to June 30, 2017 or during the period from January 1 through March 31 of any year beginning in 2018. Every Equity Membership issued on or after April 1, 2017 shall be a Series B Membership.

The Club has three categories of Non-Equity membership: "**Sporting Memberships**," "**Honorary Memberships**" and "**Associate Memberships**." Non-Equity Members have no ownership interest in the Club or the Club Facilities and have no voting privileges.

a. Resident Membership. Subject to availability, Resident Memberships shall be offered to Purchasers of Lots in The Ford Plantation who are approved for membership. As provided in the Club Declaration, every Purchaser of a Lot or prospective Purchaser of a Lot must apply for Resident Membership promptly after executing a purchase agreement to acquire a Lot and prior to closing on the acquisition of such Lot. If the Lot Owner or prospective purchaser of a Lot is married, an application for membership shall also be submitted by the Owner's or prospective Purchaser's spouse.

Prior to closing on the purchase or otherwise taking title to a Lot, all Resident Member candidates shall diligently and in good faith submit a complete application for Resident Membership in the form established by the Club and participate in the application review

process. In the event the Resident Member candidate's application is not acted upon favorably, the applicant may proceed to close on the purchase or acquisition of the Lot; provided, the applicant shall be required to pay the applicable Membership Contribution (as defined in Section 9.2) for the Resident Membership at closing and shall have the right to submit an application for another person to be considered for membership privileges as a Designated Member (as defined below) in accordance with Section 3.3(b) and pursuant to the requirements and procedures set forth in the Rules and Regulations. In addition, if the Lot Owner fails to apply for membership or fails to nominate someone who applies and is approved for membership, the Lot Owner's obligations shall be as set forth in the Club Declaration, and the Lot Owner shall have no membership privileges in the Club unless and until membership is applied for and approved by the Club and applicable dues and fees paid.

It is recommended that in each purchase and sale agreement or other agreement for the sale or other transfer of a Lot, the transferring Lot Owner include a provision that obligates the Purchaser to comply with the Resident Membership application requirements of the preceding paragraph and the Club Declaration and giving the transferring Lot Owner the option not to close on the purchase and sale or other transfer of the Lot in the event the prospective Purchaser fails to apply or be approved for Resident Membership by the Club for such Lot prior to closing.

Only one Resident Membership shall be issued for each Lot, and such membership shall be issued in the name of the Lot Owner/applicant, if unmarried, or in the name of both applicants where the Lot Owner/applicant is married. Where a Lot Owner has been approved for membership and the Membership Contribution paid, the Lot Owner may name another person to apply for and exercise certain of the membership privileges for its Resident Membership pursuant to the requirements and procedures set forth below in Section 3.3(e) and in the Rules and Regulations. If a Lot Owner's membership application is not approved by the Board and the Membership Contribution has been paid, the Lot Owner shall be entitled to designate another person to apply for and, upon approval by the Club, exercise the membership privileges for such Resident Membership pursuant to the requirements and procedures set forth below in Section 3.3(b) and in the Rules and Regulations.

Each Resident Membership shall be entitled to one vote. Resident Members may use all of the Club Facilities and attend Club-sponsored events held at the Club. Resident Members shall not be charged greens fees or court fees for use of the golf, tennis and squash facilities, but shall pay golf cart fees. At any time that reservations are required prior to play, Resident Members shall have advance sign-up privileges to reserve golf starting times and court times, as may be established by the Club. Resident Members shall pay the applicable use fees and charges, including, but not limited to, overnight charges for use of the guest rooms, equestrian fees, food and beverage and other personal charges, as shall be established for use of these facilities and amenities from time to time.

b. *Sporting Membership.* Sporting Memberships may be offered as equity or non-equity memberships on such terms and with such rights and obligations as may be established by the Board from time to time, subject to any applicable limits established in the Club Documents. A limited number of Equity Sporting Memberships were issued to persons who were approved for membership but who do not own a Lot, pursuant to terms and conditions set forth in that certain Turnover Agreement by and between The Ford Plantation, LLC; Sterling Bluff Investors,

LLC; The Ford Plantation Club, Inc.; Ford Plantation Properties, LLC and The Ford Plantation Association, Inc. dated June 4, 2008, as amended. The Equity Sporting Memberships issued prior to October 19, 2012 shall retain the rights, privileges, and obligations set forth in such Turnover Agreement until resignation or recall by the Club of an Equity Sporting Membership.

Immediately upon a Sporting Member or his or her family or immediate family acquiring a property interest that would violate the eligibility requirements for Sporting Membership, the Sporting Membership shall be deemed resigned.

Prior to issuance of a Sporting Membership, a Membership Contribution shall be paid for an Equity Sporting Membership or an "**Initiation Fee**" shall be paid for a Non-Equity Sporting Membership. Applicants for Sporting Memberships shall submit an application for membership in the same manner as is applicable to the Purchaser of a Lot, which applications shall be reviewed in the same manner as applications for Resident Memberships. The Board shall establish the Membership Contribution or Initiation Fee, dues rate, food and beverage minimums, use fees and other charges for Sporting Memberships.

c. Honorary Membership. Honorary Memberships are only available to persons designated by the Board and may be terminated by the Club at any time in the sole discretion of the Board. Honorary Memberships shall have a term of one calendar year and may be renewed or not renewed in the sole and absolute discretion of the Board each year. The Board shall determine the privileges available to Honorary Members and the fees for such privileges on a membership-by-membership basis.

d. Associate Membership. Associate Memberships are only available to persons who do not own a Lot, may be offered by the Club from time to time, are annual use privileges, and shall terminate one year following the date of their issuance. Associate Memberships may be renewed or not renewed in the sole and absolute discretion of the Board. Upon approval, payment of the required membership fees, dues, and other charges and compliance with the Rules and Regulations established by the Club, Associate Members may use all of the Club Facilities except the golf, marina, and fishing facilities or areas and guest rooms. Associate Members shall pay the same fees and charges for use of the Club Facilities available to Associate Members as Resident Members pay for such facilities.

e. Mortgagee Obligation to Acquire Membership. The obligation of a Mortgagee to apply for and obtain a Resident Membership in connection with a Mortgagee's acquisition of title to a Lot shall be as set forth in the Club Declaration.

3.2. Membership Certificates.

Equity Members shall receive a membership certificate in a form approved by the Board and signed by the President and Secretary under the seal (if any) of the Club. Whenever any Person shall cease to be a Member, whether by death, resignation, recall, termination, expulsion or other provisions of the Club Documents, the Treasurer or General Manager of the Club shall effectuate the termination, recall, cancellation, purchase or sale of the membership, as the case may be, in accordance with and in the manner prescribed by these By-Laws.

3.3. Exercise of Membership Privileges.

Each Member shall have the rights and privileges and may use the Club Facilities as provided by the class and category of membership issued to the Member, subject to the provisions of the Club Documents. Upon approval by the Club, payment of the applicable Membership Contribution, dues, fees and other charges and compliance with the Rules and Regulations established by the Club, Members shall have the following use privileges.

a. Individual Equity Members. Equity Membership shall entitle the individual Member or Members (*i.e.*, a husband and wife) who is/are admitted to membership and the "Immediate Family Members" of such persons to use the Club Facilities in accordance with the Rules and Regulations of the Club. "**Immediate Family Members**" means the Member's spouse (if not also a Member) and each of their parents, children and stepchildren, spouses of their children and stepchildren, and their grandchildren and step-grandchildren. Only the Equity Member (or, in the absence of the Equity Member, the Equity Member's spouse) shall be entitled to exercise the voting rights of the Equity Membership. Either the Equity Member or the Equity Member's spouse shall be eligible to serve on the Board and committees appointed by the Board, but they shall not both serve on the Board or on the same committee at the same time.

b. Designees of Equity Members. For convenience and to facilitate the acquisition of an Equity Membership, a membership may be held in the name of a company, partnership, trust, estate or other form of legal entity ownership (each, an "**Entity**") which has made such disclosure of its equity owners or beneficiaries as the Board may require. The membership will be issued in the name of the Entity. In connection with the issuance of an Equity Membership to an Entity, the Entity shall designate one natural person as the designee of the membership privileges who, following application and approval as a "**Designated Member**" pursuant to the requirements and procedures set forth in the Rules and Regulations, will have the right to use the Club Facilities and exercise the privileges of membership in accordance with the class and category of membership acquired. An Entity Member must maintain a Designated Member throughout the term of the membership.

The Designated Member of an Entity Member must be and remain a senior officer, director, member or partner of, or have an ownership interest in, the Entity Member (or a trustee, donor or principal beneficiary of the trust). The Entity Member and the Designated Member shall be jointly and severally personally liable for the payment of the Membership Contribution and all dues, fees and other charges incurred by and losses, damages and liabilities to persons or property resulting from the conduct of the Designated Member, his or her family members and their guests. Should the Designated Member of an Entity cease to be the Designated Member of that Entity for any reason, the Entity shall have the obligation to designate another person to be its Designated Member, pursuant to the procedures set forth above. The Entity Member may change the Designated Member from time to time in accordance with such requirements and procedures set forth in the Rules and Regulations and upon payment of review fees, if any, as the Board may establish. However, once established as a Designated Member, such Designated Member shall remain personally liable for all dues, fees and other charges incurred with respect to the Equity Membership until a new Designated Member is designated by the Entity and approved by the Club.

In addition, where a Lot Owner's application for Resident Membership has not been acted upon favorably by the Club, such Lot Owner shall have a right to designate another person to be the Designated Member and to hold the Resident Membership for the Lot in such Lot Owner's stead as described in Section 3.1(a) above. Such proposed Designated Member shall be subject to the same application and approval procedures for Designated Members described above.

Except as provided in these By-Laws, the Designated Member shall have the same use privileges and shall pay the same dues, fees and other charges as an individual Member in the same category of membership.

c. "Extended Family Members" of Equity Members, defined as the siblings of the Member and the Member's spouse (if not also a Member), may use the Club Facilities in accordance with the privileges available to day guests of Members, provided that use of the Club Facilities by Extended Family Members shall be subject to such fees and charges as may be established by the Club, which fees and charges shall be no greater than the fees and charges established by the Club for Resident Members, if any, plus one-half of the difference between (i) the fees and charges charged to guests and (ii) the fees and charges charged to Resident Members. For purposes of illustration only, if a use fee for an activity applicable to a Resident Member is \$100.00 and such fee applicable to a guest of a Resident Member is \$200.00, then such fee applicable to an extended family member shall be no greater than \$150.00. The Club reserves the right, from time to time, to limit the use of Club Facilities by Extended Family Members during peak periods of use and for private events.

d. Spouses and Constant Companions of Equity Members.

(i) *Spouses.* Any person who becomes the spouse of a Member after the Member has submitted an application and been issued an Equity Membership shall not automatically be entitled to membership in the Club. In order to become a Member, the spouse must submit an application and pay the review fee, if any, to the Club, which application shall be subject to the same review process as conducted for Resident Members. Upon approval for membership, the spouse shall become co-owner of the Equity Membership, obtain the same privileges and have the same obligations, as would a person who was the spouse of a Member and was admitted to membership at the time the membership was initially issued. If not approved for membership, the spouse shall be deemed to be an Immediate Family Member.

(ii) *Constant Companions.* Unmarried Members may request privileges for use of the Club Facilities for one "**constant companion**" (defined as a person certified by the Member to be the person with whom the Member is co-habiting and with whom the Member has an exclusive relationship, which both parties intend to continue in the future). In order to obtain constant companion privileges, the constant companion must submit an application and pay the review fee, if any, to the Club, either in conjunction with the application of the Member or by separate application, which application shall be subject to the same review process conducted for Resident Members. Upon the approval of the applicant for constant companion privileges and the payment of the review fee, if any, charged by the Club, the constant companion shall obtain the same privileges and obligations as would be afforded to the spouse of a Member and shall be bound by the Rules and Regulations.

A Member may change the constant companion, and constant companion privileges may be discontinued, only in accordance with the requirements and procedures set forth in the Rules and Regulations. A constant companion approved by the Board, as provided above, shall not be required to apply for membership privileges again if such person later marries the Member. The constant companion shall be jointly and severally responsible with the Member for the payment of all dues, fees, charges and assessments accruing during the period that the constant companion privileges are in existence.

(iii) **Grandfather Provisions.** Notwithstanding the foregoing, all spouses and constant companions of Members existing as of July 18, 2008 who continue to be spouses or constant companions of Members shall have the same membership privileges and obligations of such Member without applying for or being approved for membership privileges.

e. **Appointed Members.** Any Lot Owner may appoint another person ("**Appointed Member**") to apply for and exercise the use rights for the Lot Owner's Resident Membership pursuant to this section, subject to the requirements, procedures, and limitations established by the Board in the Rules and Regulations and upon payment of any review fees, if any, the Board may establish. The Resident Membership will remain in the name of the Lot Owner, and the Resident Member/Lot Owner will continue to be personally liable for the payment of all dues, fees and other charges incurred with respect to such Resident Membership.

Upon approval of the Appointed Member by the Club, the Appointed Member shall hold the rights of the Resident Membership to use the Club Facilities, however, the Resident Member/Lot Owner will continue to hold the voting rights of the Resident Membership. The Resident Member may change the Appointed Member from time to time in accordance with such requirements and procedures set forth in the Rules and Regulations and upon payment of review fees, if any, as the Board may establish.

f. **Non-Equity Members.** Non-Equity Membership shall entitle the individual Member or Members (*i.e.*, a husband and wife) who is/are admitted to membership to have such rights and privileges as may be determined by the Board from time to time for each category of Non-Equity Membership.

ARTICLE IV

MEMBERSHIP MEETINGS AND VOTING RIGHTS

4.1. Voting Rights.

Only those Equity Members holding memberships that are specifically granted voting rights in Article III shall be entitled to vote, and only Equity Members in Good Standing on the applicable record date shall be entitled to vote on Club matters. "**Good Standing**" for purposes of these By-Laws means that (a) the Member's Club account has not been Delinquent (as defined in Section 11.5) for 60 days or more and voting rights have not been suspended in accordance with the provisions of Section 12.3 hereof, and (b) the Member is not under Suspension (as defined in Section 12.3) for a reason other than delinquency. Non-Equity Members shall not be entitled to vote on any Club matters.

A vote may be cast by the Equity Member or by a valid directed or general proxy. In the event the Member is an Entity, the Equity Member's vote may be cast by the Designated Member. When more than one Person owns an Equity Membership, the vote for such Equity Membership shall be exercised as they determine between or among themselves, but in no event shall more than the number of votes assigned to the Equity Membership be cast with respect to any Equity Membership. In the event that two or more persons representing an Equity Membership attempt to cast separate votes for such Membership, such persons shall not be recognized and such vote shall not be counted.

Except as otherwise specifically provided in the Club Documents, any decision requiring a vote or approval of the Equity Members shall be determined by a majority of the votes cast, provided at least a quorum participates in the voting.

To the extent permitted by Georgia law, a membership vote on any matter may be conducted by mail, facsimile transmission, electronic transmission, or a secure web-based voting system, or any combination of these methods. The Board shall establish procedures to provide reasonable assurance that the person casting the vote is the Equity Member or the Equity Member's proxy appointed pursuant to Section 4.2.

4.2. Proxies.

On any matter as to which an Equity Member is entitled to vote, such vote may be cast in person or by proxy at a duly called meeting, subject to the limitations of these By-Laws and Georgia law relating to the use of proxies. Every proxy shall be in writing specifying the Equity Membership for which it is given, signed by the Member or such Member's duly authorized agent or attorney in fact, dated and filed with the Secretary of the Club prior to the start of the meeting for which it is to be effective. An Equity Member may, but shall not be required to, give directions in the proxy as to how the Equity Member's vote(s) shall be cast.

A proxy form may be signed personally or by electronic transmission, provided that the electronic transmission contains or is accompanied by information from which it can be reasonably determined that the Member, the Member's agent or the Member's attorney in fact authorized the electronic transmission. Unless otherwise specifically provided in the proxy, a proxy shall be presumed to cover all votes which the Member giving such proxy is entitled to cast; provided, that in the event of a conflict between two or more proxies from the same person or persons purporting to cover the same voting rights, the later dated proxy shall prevail, or if dated as of the same date, both shall be deemed invalid.

Every proxy shall be deemed revocable and shall automatically cease upon transfer of the Equity Membership for which it was given, upon the Member attending a meeting and voting in person, upon receipt of written notice by the Secretary of the death or judicially declared incompetence of a Member who is a natural person, upon receipt by the Secretary of a written revocation from the proxy giver or 11 months from the date of the proxy, unless a different period is expressly provided in the proxy appointment form. A proxy holder may not appoint a substitute proxy holder unless expressly authorized to do so in the proxy.

4.3. Annual Meetings of Equity Members.

An annual meeting of the Equity Members shall be held each fiscal year for the purposes of receiving reports of officers and others, electing directors and for such other business as may be properly brought before the meeting. At each annual meeting, the Board will present to the Members a financial report and a report on the state of the Club.

Each annual meeting of Equity Members shall be held in conjunction with the Club's annual homecoming events on a date designated by the Board each year. If by September 1 of any year, no annual homecoming events have been scheduled for such year, then the annual meeting of Equity Members shall be held on the fourth Saturday of October of such year, unless otherwise determined by the Board for such year. Each annual meeting shall be held at The Ford Plantation in Richmond Hill, Georgia, unless another location in Bryan or Chatham County, Georgia is specifically designated by the Board for such meeting.

4.4. Special Meetings.

Special meetings of the Equity Members may be called by the President or a majority of the members of the Board for any purpose at any time. In addition, the President or the Secretary shall call a special meeting upon written petition signed by Equity Members in Good Standing holding at least 25% of the total votes associated with the outstanding, issued Equity Memberships. Any such petition shall state the purpose or purposes for which the meeting is requested and the issue or issues to be considered by the Equity Membership, which issues shall be limited to matters upon which the Equity Members are entitled to vote under the Club Documents or the Georgia Nonprofit Corporation Code.

Notice of any special meeting must contain a statement of the purpose(s) for which the special meeting is called, and no other business may be conducted at that meeting.

4.5. Notice of Meetings.

The Secretary shall send to each Equity Member entitled to vote written notice of each meeting of Equity Members at least 10 but not more than 60 days in advance of the meeting. The notice shall state the place, date and time of each annual and special meeting, and in the case of a special meeting, the purpose(s) for which the special meeting is called. Notice shall be delivered by such means as permitted under Section 13.6. Notice of any such meeting also shall be posted on the official website of the Club; however, failure to do so shall not invalidate or otherwise affect in any way the notice provided pursuant to this section.

4.6. Waiver of Notice.

Any member may waive notice in writing of any meeting of the membership, either before or after such meeting. Waiver of notice of a meeting of the Equity Members shall be deemed the equivalent of proper notice. Attendance at a meeting by an Equity Member, whether in person or by proxy, shall be deemed a waiver by such Equity Member of notice of the time, date and place of the meeting, unless such Equity Member specifically objects to lack of proper notice at the time the meeting is called to order. Attendance at a special meeting shall also be

deemed waiver of notice of all business transacted at such meeting unless an objection is raised at such meeting to lack of proper notice prior to such business being transacted.

4.7. Fixing Record Date; List for Voting.

For the purpose of determining the Equity Members entitled to notice of or to vote at any meeting of the Equity Members, or in order to make a determination of the Equity Members for any other proper purpose, the Board may fix in advance a date as the record date for any such determination of such Equity Members, such date in any case to be no more than 70 days and not less than 10 days before the date of such meeting. If no record date is fixed by the Board, the date on which notice of the meeting is sent shall be the record date for such determination of such Equity Members. When determination of the Equity Members entitled to vote at any meeting of the Equity Members has been made, such determination shall apply to any adjournment of the meeting. Except in the case where voting is conducted without a meeting in accordance with Section 4.11, if an Equity Member is not in Good Standing on the record date but becomes in Good Standing before the day of such meeting, such Member shall be considered to have been in Good Standing on the record date.

After setting a record date for a meeting, the Secretary shall prepare an alphabetical list of the names of all Equity Members who are entitled to notice of the meeting. The list must show the address of and the number of votes each such Equity Member is entitled to vote at the meeting. The list for voting shall be made available for inspection in accordance with Georgia law.

4.8. Quorum.

The presence, either in person or by proxy, of Equity Members entitled to cast at least 35% of the votes then entitled to be cast shall constitute a quorum at any meeting of the Equity Members for the transaction of business. If the required quorum is not established at any meeting when initially called, in accordance with Section 4.10 below, another meeting may be called for the same purpose, subject to the notice requirements for a meeting of Equity Members and the required quorum for any subsequent attempt to convene such meeting shall be one-half of the required quorum at the initial meeting. No such subsequent meeting shall be held more than 60 days following the day set for the initial meeting.

Equity Members or their proxies present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the departure of a sufficient number of persons to leave less than a quorum; however, at least a majority of the votes required to constitute a quorum, or such larger percentage as may be required under the Club Documents or applicable law for specific actions, must approve any action taken.

4.9. Conduct of Meetings.

The President or a Vice President, or such other person as the Board shall designate, shall preside over all meetings of the Equity Members, and the Secretary or Assistant Secretary shall keep the minutes of the meetings and record in a minute book all resolutions adopted and all other actions and transactions approved at such meetings.

4.10. Adjournment of Meetings.

If any membership meeting cannot be held because a quorum is not present, persons entitled to cast a majority of the votes represented at such meeting may adjourn the meeting to a time at least five but not more than 60 days from the scheduled date of the original meeting. At the reconvened meeting, if a quorum is present, any business may be transacted that might have been transacted at the meeting originally called. If those in attendance at the original meeting do not fix a time and place for reconvening the meeting, or if for any reason, a new date is fixed for reconvening the meeting after adjournment, the Board shall provide notice of the time and place for reconvening the meeting in the manner prescribed for regular meetings.

4.11. Action Without a Meeting.

Unless the Georgia Nonprofit Corporation Code or the Club Documents require(s) action to be taken at a meeting of the Members, any action requiring consent or approval of Equity Members may be obtained by obtaining the requisite vote or approval at a meeting, by written ballot without a meeting pursuant to O.C.G.A. § 14-3-708, as may be amended, or by such other means as permitted by applicable law. The Club shall maintain any ballots approving any action in its records for a period of at least four years.

Except in the case where a meeting is required, the approval of Equity Members may be obtained by ballot without a meeting if the Club delivers a ballot in writing or by electronic transmission to every Equity Member entitled to vote on the matter. The ballot form for obtaining any such approval shall:

- a. indicate the number of responses needed to meet the quorum requirements;
- b. state the date by which the ballot must be received by the Club in order to be counted. Such date shall not be less than 14 nor more than 120 days from the date the ballots are sent or delivered;
- c. identify the name and location of the person or entity authorized to receive the completed ballot on behalf of the Club;
- d. specify the number of votes or percentage of approvals necessary to approve each action other than election of directors;
- e. describe in detail the nature of the resolution proposed or matter requiring action;
- f. afford a choice between approval and disapproval of each matter; and
- g. be signed and dated by the voting Equity Member.

Approval by ballot pursuant to this Section 4.11 is valid only when: (i) the number of votes cast by ballot equals or exceeds the quorum required to be present at a meeting of the Equity Members; and (ii) the number of approvals equals or exceeds the number of votes that would be required to approve the matter at a meeting at which the total number of votes cast was

the same as the number of votes cast by ballot. Once submitted to the Club, ballots may not be revoked.

ARTICLE V
BOARD OF DIRECTORS

A. Composition and Selection.

5.1. Number and Qualifications.

The governance, administration and management of the affairs and the property of the Club shall be vested in a Board of Directors. The Board shall consist of nine members and shall be elected by the Equity Members in Good Standing. Only Equity Members in Good Standing may be nominated or appear on any ballot as a candidate for election to the Board.

5.2. Election and Term of Office.

Members of the Board elected at the first annual meeting of Equity Members were elected to serve staggered terms commencing on July 18, 2008, with three directors serving for a term of three years, three directors serving for a term of two years, and three directors serving for a term of one year. Thereafter, upon expiration of the term of each director, the Equity Members in Good Standing shall be entitled to elect a successor to serve for a term of three years. Directors shall hold office until their respective successors have been elected. No director may serve in excess of two successive three-year terms at any one time. However, a former director who had reached the term limit may again be eligible to serve on the Board after the passage of one year, subject to the same two-term limit.

5.3. Nomination and Election Procedures.

a. Nomination Procedures.

(i) *Appointment of Nominating Committee.* At least 120 days but not more than 150 days prior to any election of directors, the Board shall appoint a "**Nominating Committee**" consisting of five Equity Members in Good Standing. One of the committee members shall be the immediate past President of the Club, who shall chair the Nominating Committee. Not more than one of the other Nominating Committee members shall be a current Board member. In the event the immediate past President is not available to serve on the committee, the President shall appoint a former director to serve on and chair the committee. In the event there is no former director willing and able to serve on the Nominating Committee, the President shall appoint one Equity Member in Good Standing who is not a former director to serve on and chair the committee.

No director or Equity Member who intends to stand for election may serve on the Nominating Committee for that election nor may any such director vote on any matter relating to the nominating process. Members of the Nominating Committee shall serve until the end of the meeting of Equity Members at which the election takes place or until their successors are appointed and qualified. However, no member of the Nominating Committee may serve more than three successive terms. Unless specifically requested by the Board, the Nominating

Committee shall not nominate candidates to fill any vacancies in directorships occurring between annual elections by reason of death, resignation or otherwise. The names of the Nominating Committee members shall be announced in the notice of each election.

(ii) *Nomination of Candidates.* In preparation for each election, the Nominating Committee shall meet and make as many nominations for election to the Board as it shall in its discretion determine, but in no event less than the number of positions to be filled by the Equity Members at such election. At least 65 days prior to the election, the Nominating Committee shall recommend to the Equity Members the names of the nominees selected by a majority vote of the Nominating Committee members as candidates for election to the Board.

(iii) *Additional Nominations.* In addition to the nominations by the Nominating Committee, Equity Members have the opportunity to make additional nominations for the election in accordance with this subsection (iii). To nominate a candidate, a petition nominating an Equity Member in Good Standing signed by at least 15 Equity Members in Good Standing who are not members of the Nominating Committee or the Board must be filed with the Secretary at least 35 days prior to the election. The names of these nominees, after having been certified by the Secretary or other officer that they are qualified for election and have been nominated in accordance with the provisions of these By-Laws, shall be included on any ballot or proxy distributed to the Equity Members for use in the election.

b. *Election Procedures.* At each election, Equity Members eligible to vote shall be entitled to cast the number of votes assigned to the membership for each directorship to be filled. There shall be no cumulative voting. Voting shall be by written ballot unless dispensed with by unanimous consent at any meeting at which the election is to be conducted. In the event an election is being held to fill the remaining term of any vacant office in conjunction with the annual election, the candidates receiving the greatest number of votes shall be elected for the longer terms.

5.4. Vacancies.

If a vacancy occurs on the Board for any reason other than the removal of a director by vote of the membership, the remaining directors, even though less than a quorum, may appoint an Equity Member in Good Standing to fill the vacancy. Each person so selected shall serve until a successor shall be elected at the next annual meeting of Equity Members or special meeting of Equity Members to fill the unexpired term (if any) of such position. Vacancies on the Board caused by the removal of a director by vote of the Equity Members shall be filled as permitted for removal under Section 5.5.

5.5. Removal of Directors.

At any regular or special meeting of the Equity Members duly called, any director may be removed, with or without cause, by a majority of the total votes represented in person or by proxy at such meeting, and a successor may then and there be elected to fill the vacancy thus created. Any director whose removal has been proposed by the Equity Members shall be given at least 10 days' notice of the calling of the meeting and the purposes thereof and shall be given

an opportunity to be heard at the meeting prior to a vote being taken on the issue of his or her removal.

Additionally, any director who loses his or her Good Standing status while in office or who fails to attend (in person or by phone) at least 50% of the properly noticed regular Board meetings in any 12-month period may be removed from office at a duly called and noticed Board meeting by a vote of two-thirds of the total number of remaining directors in Good Standing who are then in office. All directors shall receive notice of the proposed removal of any director by the Board at least 20 days prior to the meeting at which the removal may be considered.

B. Meetings.

5.6. Annual Meeting of the Board.

Each year, the Board shall hold its annual meeting to elect officers and to consider any other matters that may be properly brought before the meeting. The annual meeting of the Board shall be the first meeting of the Board following each election of directors, which shall be held within 10 days after such election.

5.7. Regular Meetings.

Board meetings shall be held regularly at such places and times as the Board shall determine by resolution, with at least one meeting each calendar quarter. No notice shall be required for Board meetings held in accordance with a regular schedule the Board has adopted by resolution and provided to all directors. The minutes of all regular Board meetings will be posted on the Club's website promptly after the Board has approved them.

5.8. Special Meetings.

Special meetings of the Board may be called by or at the request of the President or any two directors. The location for holding any special meeting of the Board shall be The Ford Plantation, unless a different location is approved by a majority of the directors in each instance.

5.9. Notice; Waiver of Notice.

a. Notice of any regular or special meeting of the Board shall be given to each director by written notice specifying the date, time and place of the meeting and the nature of any special business to be considered. The notice shall be given to each director by: (i) personal delivery; (ii) first class mail, postage prepaid; (iii) telephone communication, either directly to the director or to a person at the director's home or office who would reasonably be expected to communicate such notice promptly to the director; or (iv) electronic transmission with confirmation of successful transmission. All such notices shall be given at or sent to the director's mailing address, telephone number, fax number or email address or other generally recognized manner of address for the delivery of information by electronic transmission, as shown by the records of the Club. If sent by U.S. Mail, such notice shall be deemed to be deposited into a United States mailbox, postage prepaid, at least five business days before the meeting date. Notice by personal delivery, email or other means of electronic transmission shall be delivered or transmitted at least two business days before the meeting date.

b. Any director may, at any time, waive notice of any regular or special meeting of the Board in writing signed by the director, and such waiver shall be deemed equivalent to the giving of such notice. The attendance by a director at any Board meeting shall constitute an irrevocable 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. If all directors are present at any Board meeting, no notice shall be required, and any business may be transacted at the meeting.

5.10. Telephonic Meetings.

Directors may participate in and vote during any regular or special Board meeting by telephone or other means of communication by which all persons participating in the meeting may hear and speak with each other at the same time during the meeting. Participation by such means constitutes presence in person at the meeting.

5.11. Quorum and Voting.

A majority of all directors shall constitute a quorum at any Board meeting for the transaction of business. Except as otherwise expressly provided herein or by law, a majority of the votes cast by directors at a meeting where a quorum is present is necessary for passage of any motion.

5.12. Executive Sessions.

The Board may, with the approval of a majority of a quorum of directors, adjourn and reconvene in executive session to discuss and vote upon personnel matters, litigation in which the Club is or may become involved and orders of business of a similar sensitive nature.

5.13. Action Without Meetings.

Any action which may be taken by the Board, or any committee thereof, may be taken without a meeting if consent to such action is evidenced by one or more consents in writing describing the action taken and signed by all directors or members of the committee, as the case may be, is delivered to the Secretary for inclusion in the minutes for filing in the Club records.

C. Powers and Duties.

5.14. Powers.

The Board shall manage the affairs of the Club and shall have all powers and duties necessary for administration of the Club and to carry out the purposes of the Club. The Board may do all such acts and things as are not by the Club Documents or Georgia law directed to be done and exercised exclusively by the Equity Members. The Board may enter into contracts on behalf of the Club with any Person for the performance of various duties and functions as it deems appropriate in the exercise of its business judgment.

The Board's powers shall include, without limitation, the power to:

- a. Appoint and remove the officers of the Club;
- b. Appoint various committees in connection with the management or operation of the Club and assign duties to such committees;
- c. Select, hire, oversee the performance of, and discharge the General Manager and other agents and employees of the Club and delegate such authority as may not be inconsistent with law, the Articles of Incorporation, and these By-Laws, proscribe such duties as is considered necessary for the proper operation and management of the Club, and fix their compensation;
- d. Adopt, alter, amend or repeal such Rules and Regulations as it may deem necessary in connection with the management of the Club, consistent with applicable laws and the Club Documents, and to determine all matters affecting decorum and harmony of the membership;
- e. Amend the Membership Plan from time to time upon the approval of a majority of all directors and a majority of the votes cast by Equity Members, provided at least a quorum participates in the voting;
- f. Manage, control, operate, maintain, repair, replace and improve the Club Facilities;
- g. Establish the amount of the Membership Contribution or Initiation Fee for each category of membership and its terms of payment;
- h. Fix and collect dues and other membership fees and levy and collect assessments against Members, subject to the limitations set forth in Section 11.3;
- i. (i) Expend funds to the extent of the amount in the Club's treasury; (ii) make contracts with third parties; (iii) borrow money and incur indebtedness on behalf of the Club; (iv) cause promissory notes, bonds, mortgages, deeds of trust or other evidences of indebtedness to be executed and issued; and (v) purchase and sell or otherwise dispose of Club assets. Notwithstanding the foregoing, the following actions shall also require the approval of Equity Members holding at least a majority of the votes cast on such issue, provided at least a quorum participates in the voting: (A) any sale or other disposition of a Club asset having a fair market value reasonably believed to be in excess of \$500,000.00 (except that no vote of the Equity Members shall be required for the Club to sell any real estate or memberships acquired from a Lot Owner through foreclosure, deed in lieu of foreclosure, judicial sale, or similar process); (B) any expenditure for a capital asset reasonably expected to exceed \$1,000,000.00 in a single fiscal year; or (C) any borrowing of money or incurring of indebtedness on behalf of the Club in excess of \$1,000,000.00 in a single fiscal year (as each such amount shall be increased annually, beginning on January 1, 2012, by the Inflation Index (as defined in Section 13.10 hereof)), unless the action has already been approved by the Equity Members as part of an assessment under Section 11.3(b). If such action is to be considered by the Equity Members at a meeting, notice of the meeting shall specify the purpose or purposes for the proposed expenditure or disposition;

j. Enter into and perform (i) agreements that provide members of other clubs with privileges to use the Club Facilities and amenities, and (ii) agreements that provide to Club Members privileges to use facilities and amenities of other clubs, in each case as determined to be in the best interests of the Members;

k. Obtain for the benefit of the Club and its Members such liability, property and other insurance and fidelity bonds as the Board may deem appropriate or as may be required by these By-Laws or Georgia law;

l. Enter into leases or purchase equipment, supplies and other personal property for use in connection with the operation of the Club and the accommodation of its Members, subject to the limits on the Board's authority set forth in subsection (i) above with respect to incurring indebtedness and purchasing assets;

m. Take disciplinary action as authorized by these By-Laws; and

n. All such other acts and things as are permitted by these By-Laws or the laws of the State of Georgia with respect to nonprofit corporations, as those laws now exist or as they may hereafter provide, which the Board deems necessary or appropriate to achieve the Club's purposes.

5.15. Issuance of Memberships.

The Board shall have authority to issue, cancel and transfer memberships and shall have certificates of membership prepared in form and content consistent with the provisions of the Articles of Incorporation, these By-Laws, and the other Club Documents.

5.16. Compensation.

No director shall receive a salary or any other compensation whatsoever for services as a director but shall be entitled to reimbursement for all expenses reasonably incurred in performing any duties pursuant to these By-Laws, in accordance with reimbursement guidelines as may be adopted by the Board from time to time.

5.17. Interpretation of Club Documents.

The Board shall have the power to determine the interpretation or construction of these By-Laws or any other of the Club Documents, or any parts thereof, which may be in conflict or of doubtful meaning, which interpretation or construction shall be final and conclusive.

5.18. Sales and Marketing.

a. Sales Incentive Programs. The Board is authorized to create and implement one or more sales incentive programs to provide incentives to purchase Lots and/or Memberships whereby a Club account credit may be offered for the activation of a new Membership that is equal to or less than one year's dues for the applicable Membership.

b. Lot Acquisitions. The Club, acting through the Board, is authorized to purchase Lots in an effort to provide an efficient or orderly market for real estate owned by Members and to increase membership in the Club. Any such Lot acquisition strategy may be conducted independently and/or in conjunction with the Association whereby a mutually-agreed upon party (the "**Acquisition Party**") purchases Lots. The Board shall have the authority to determine the eligibility requirements for a Lot to be considered for purchase by the Club; provided, a minimum requirement shall be that the Lot be (1) offered for sale at a price that is nominal or below fair market value, or (2) accepted by the Club in settlement of amounts due to the Club.

By way of explanation and not limitation, the Club shall be empowered to: (i) be the Acquisition Party to purchase Lots; (ii) create a wholly owned subsidiary of the Club to be the Acquisition Party; and (iii) contribute funds to purchase the Lots or provide other consideration to complete such purchases, regardless of whether the Club is the Acquisition Party.

c. Marketing Activities. The Club may engage in real estate brokerage activities and marketing and similar activities to facilitate sales and marketing of Lots and Memberships. To this end, the Club may establish or acquire a brokerage company as a wholly-owned subsidiary of the Club or as a joint venture with the Association.

ARTICLE VI **OFFICERS**

6.1. Designation.

The principal officers of the Club shall be the President, Treasurer and Secretary, all of whom shall be elected by the Board. The Board may appoint such other officers as in its judgment may be necessary, which may include, by way of example and not limitation, a General Manager, Chief Executive Officer, Chief Operating Officer and assistant officers. The President, the Secretary and the Treasurer shall be directors; other officers may be, but shall not be required to be, directors. A person may hold two or more offices, provided that the offices of President and Secretary shall always be held by separate individuals.

6.2. Election of Officers.

The officers of the Club shall be elected annually by the Board at the first meeting of the Board following each annual meeting of the Equity Members and shall hold office at the pleasure of the Board and until a successor is elected.

6.3. Removal of Officers; Resignation.

Any officer may be removed from office at any time, with or without cause, by a two-thirds vote of the members of the Board.

Any officer may resign at any time by giving written notice to the Board, the President or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at a later time specified therein. Unless the resignation specifies, acceptance of such resignation shall not be necessary to make it effective.

6.4. President.

The President shall preside at all meetings of the Equity Members and the Board; provided, however, that in the President's absence, a Vice President, as directed by the President, or such other person as designated by the Board, shall preside. The President shall have all the general powers and duties that are incident to the office of the president of a corporation organized under the Georgia Nonprofit Corporation Code. Subject to the direction of the Board, the President shall have supervision over the General Manager and shall provide to the Board, not less than annually, a review of the performance of the General Manager. The President shall be responsible for enforcement of these By-Laws and all Rules and Regulations of the Club. The President shall be an ex-officio member of all committees, is empowered to execute all papers and documents requiring execution in the name of the Club and shall have such other powers and authority of the President as provided in these By-Laws.

6.5. Vice President.

The Vice President shall act in the President's absence and shall have all powers, duties and responsibilities provided for the President when so acting.

6.6. Secretary.

The Secretary shall be a director and shall keep, or cause to be kept, records and minutes of all meetings of the Board and the Members, shall authenticate records of the Club and shall be responsible for giving all required notices of meetings. The Secretary shall have custody of the Seal of the Club, and all membership records shall be kept under the Secretary's supervision. As may be requested by the Board or as otherwise is required from time to time, the Secretary shall prepare a list of Equity Members in Good Standing and Equity Members entitled to vote on Club matters. The Secretary shall, in general, perform all duties incident to the office of the secretary of a corporation organized in accordance with Georgia law. If no Vice President is elected, the Secretary shall act in the President's absence and shall have all the powers, duties and responsibilities of the President when so acting.

6.7. Treasurer.

The Treasurer shall be a director and chairperson of the Finance Committee. The Treasurer shall have the responsibility for the Club's funds and securities. The Treasurer shall cause to be collected, held and disbursed, under the direction of the Board, all monies of the Club. It shall be the Treasurer's duty to collect monies due the Club from the issuance of Memberships, dues, fees and charges of Members, and all amounts due from others. The Treasurer shall keep or cause to be kept, at the Club, regular books of account and all financial records of the Club and shall prepare or cause to be prepared budgets and financial statements, when and in the form requested by the Board. The Treasurer shall deposit or cause to be deposited all monies of the Club in an account or accounts in the Club's name, in the bank or banks designated by the Board. If directed by the Board, the Treasurer shall give a surety bond for faithful performance in the amount directed by the Board, which surety bond premium shall be paid by the Club. Any other person or persons having access to monies of the Club or its

bank accounts may be required to be similarly bonded, as determined by the Board from time to time.

6.8. General Manager.

The General Manager shall report to the Board under the general supervision of the President and shall manage and be responsible for the day-to-day operations of the Club, including all employee and staff matters, for the enforcement of the Club Documents, and for the implementation and management of initiatives to meet the Club's strategic plans.

6.9. Duties of Officers; Compensation.

Any officer may be given additional assignments and duties by the Board. Officers other than the General Manager shall receive no compensation for serving as officers.

ARTICLE VII **COMMITTEES**

7.1. General.

In addition to such specifically delineated committees as the Board shall establish pursuant to this Article VII and Section 5.3(a), the Board may establish such other committees as it deems desirable to perform such tasks and to serve for such periods as the Board may designate by resolution. Each committee shall operate in accordance with the terms of such resolution.

7.2. Executive Committee.

The Executive Committee shall consist of the President as chairperson, the Secretary, the Treasurer and one other director designated by the Board. The Executive Committee shall have, to the extent not restricted by law, the power to act on behalf of the Board during the interval between meetings of the Board at any time when the Board cannot meet or act by written consent in a timely manner. A quorum shall be a majority of the members of the Executive Committee. Actions and resolutions shall require unanimous approval of the Executive Committee members present.

7.3. Advisory Committees.

Each year as soon as practicable after the annual meeting of the Club, the Board shall designate a chairperson for each of the following advisory committees: Membership, Finance, House, Golf, Greens, Equestrian, Outdoor Pursuits, Spa and Fitness, Building, Legal and By-Laws and Long-Range Planning. In consultation with the President, the chairperson of each advisory committee, who shall be an Equity Member in Good Standing and may be a Board member, shall appoint at least three other Equity Members in Good Standing to be members of the committee. If the chairperson of any advisory committee is not a director, a director must be appointed as a member of the committee by the chairperson.

Each of the advisory committees, subject to the approval of the Board, shall formulate programs in coordination with the General Manager and submit them with recommendations to the Board for review and further action. The General Manager shall have control of the execution of the programs and recommendations approved by the Board. Except as otherwise expressly provided in these By-Laws or as to matters expressly delegated to an advisory committee by the Board from time to time, each advisory committee shall act only as a consultant and advisor to the Board and may not act by or on behalf of the Club or bind it to any actions or obligations. Without limiting the generality of the foregoing, no advisory committee, no chairperson and no member of an advisory committee shall give direction to the General Manager, to any member of the General Manager's staff or to the director, manager or superintendent of any Club Facility, operation or amenity. The responsibilities and functions of the various committees may be modified from time to time by the Board.

7.4. Membership Committee.

Notwithstanding the provisions of Section 7.3, the Membership Committee shall consist of five members, at least one of whom shall be a director, and shall (i) establish policies and procedures for the review, handling and disposition of applications for membership in the Club, provided such policies and procedures comply with the applicable terms and conditions of the Club Documents, and (ii) if requested by the Board and subject to the limit on the total number of Equity Memberships that may be issued and outstanding, develop and recommend to the Board programs, policies, initiatives and other actions to attract new members to the Club.

The President, subject to the approval of the Board, shall designate the chairperson of the Membership Committee and shall appoint four Equity Members in Good Standing to be members of the Membership Committee. The Membership Committee shall investigate all applications for membership and shall report thereon to the Board with its recommendation of approval or disapproval of each application. The Board shall make the final determination whether to approve or disapprove every application.

7.5. Ad Hoc Committees.

The President, subject to the approval of the Board in each instance, may, from time to time, (i) determine the composition of such committees as are created by the Board in accordance with this Article VII, (ii) determine the term of such committee chairpersons and members, and (iii) replace such committee chairpersons or members at any time, with or without cause.

7.6. Terms of Committee Chairpersons and Committee Members.

Each committee chairperson and each member of an advisory committee shall serve until his or her replacement is designated as provided in this Article VII. Each committee chairperson and each member of an advisory committee may resign at any time. The chairperson shall have the right to replace any member of his or her advisory committee for any reason deemed sufficient by that chairperson, and the Board shall have the right to replace any chairperson for any reason deemed sufficient by the Board.

ARTICLE VIII
MANAGEMENT AND ADMINISTRATION

8.1. Fiscal Year.

The fiscal year of the Club shall commence on January 1 and conclude on December 31, unless otherwise determined by the Board.

8.2. Indemnification by the Club.

To the fullest extent permitted by applicable law, as the same may exist or may hereafter be amended, the Club shall indemnify and hold harmless each present and former director, officer and committee member of the Club from and against any and all claims, liabilities and damages, including counsel fees reasonably incurred in connection with any action, suit, or other proceeding (including settlement of any suit or proceeding, if approved by the then Board) to which such person may become subject by reason of being or having been a director, officer or committee member, except that such obligation to indemnify may be limited where limited or prohibited by the Georgia Nonprofit Corporation Code. The Club shall indemnify and forever hold each director, officer and committee member harmless from any and all liability to others on account of any contract, commitment or action taken in good faith on behalf of the Club. The rights granted pursuant to this section shall be deemed contract rights, and no amendment, modification or repeal of this section shall have the effect of limiting or denying any such rights with respect to actions taken or claims arising prior to any such amendment, modification or repeal.

Expenses incurred by a director, officer or committee member in connection with a claim subject to indemnification shall be paid by the Club in advance of the final disposition of such matter in accordance with the procedures set forth in the Georgia Nonprofit Corporation Code. The Club may make the advances contemplated by this section regardless of the indemnified person's financial ability to make repayment. Any advances and undertakings to repay pursuant to this section may be unsecured and interest-free. This right to indemnification shall not be exclusive of any other rights to which any present or former director, officer or committee member may be entitled. The Club shall maintain adequate general liability and directors' and officers' liability insurance to fund this obligation, if such insurance is reasonably available.

ARTICLE IX
MEMBERSHIP PROCESS; RESIGNATIONS AND TRANSFERS

9.1. Application and Admission of Members.

a. Eligibility and Suitability. All membership candidates will be evaluated with the intent and purpose of securing the optimum number of members with compatible social, vocational and professional attainment from all segments of the community. All applicants and their spouses, if any, will be evaluated in good faith on the basis of their interest in the Club, their financial responsibility and their compatibility with other members of the Club, provided that candidates shall be reviewed and consideration given for membership without regard to race, religion, creed, color, sex, national origin or physical disability.

All individuals applying for membership privileges, whether as owners of the membership or as a designee of an owner or entity, must be approved by the Club pursuant to the requirements and procedures set forth in these By-Laws and the Rules and Regulations. If approved for membership in the Club, the Member agrees to be bound by the Club Documents, as the same may be amended from time to time.

b. Review and Consideration. After receiving all required application documents, the Club will make an initial determination as to whether the candidate appears to satisfy the relevant conditions for the class and category of membership requested and then refer the candidate's materials to the Membership Committee for further review and consideration. All candidates for membership are subject to the approval of the Board, which approval may be granted, withheld or conditioned in the sole and absolute discretion of the Board. Deliberations of the Membership Committee and the Board and all records of such deliberations, including communications between or among committee members in whatever form, as well as comments from Equity Members or third parties with respect to prospective members shall be privileged communications and shall be treated in a confidential manner, and only the Membership Committee, the Board, staff, and the Club's counsel with a need to know shall have access to such communications, unless otherwise required by the Club Documents or by law.

c. Notification. If a candidate is approved for membership, the candidate will be notified in writing of such approval, and the candidate shall pay the required Membership Contribution (if any). If an application is not acted upon favorably, the Club shall so notify the candidate, and the candidate must wait at least 12 months before again requesting consideration for membership.

9.2. Membership Contribution and Membership Fees.

Persons who acquire an Equity Membership shall pay the applicable purchase price established by the Club for the applicable category of membership (the "**Membership Contribution**"). The applicable Membership Contribution to be paid for a Resident Membership will be the price charged on the date of the purchaser's execution of a binding contract for the purchase of the Lot, provided such purchase closes no later than 120 days following the execution and delivery of such contract. If such purchase closes later than 120 days following the execution and delivery of such contract, the applicable Membership Contribution to be paid by the purchaser shall be the Membership Contribution in effect at the date of such closing.

Sporting Members shall pay an Initiation Fee prior to the issuance of the membership. For other categories of Non-Equity Membership, the Board may, in its discretion, establish and charge an Initiation Fee or annual membership fee in addition to periodic dues. The Membership Contribution, Initiation Fee, and annual membership fee are collectively referred to as "**Membership Fees**."

The Membership Fee to be paid for membership is subject to increase or decrease from time to time in the sole discretion of the Board. Unless otherwise agreed by the Board in a written agreement with the Member, the Membership Fee shall be payable in full prior to the time the membership is issued by the Club and prior to the exercise or enjoyment of any of the

membership rights. The Club shall have the right, but not the obligation, to finance the Membership Contribution payable for an Equity Membership on such terms and conditions as are set forth in a promissory note and security agreement signed by the Equity Member and the Club.

The Board will establish the required Membership Fee for all Memberships. The failure to pay all amounts of the Membership Fee when due will be cause for termination of such Membership without refund of any Membership Fee previously paid or payment of any proceeds from a later sale or disposition of such Membership.

9.3. Restriction on Transfer of Memberships.

a. General Rule of Non-Transferability. Club Memberships are not redeemable, transferable or assignable, by operation of law or otherwise, except as provided in this Article IX. No membership may be pledged, sold, transferred, hypothecated, encumbered or otherwise assigned to anyone except to the Club, by sale, gift or otherwise, voluntarily or involuntarily, except to secure purchase money financing for the membership in an amount not to exceed the Membership Contribution for the membership. In the event that the lender acquires title to the membership pursuant to its remedies under the loan documents, the membership shall be deemed resigned, and any refund that would have otherwise been due to the prior Member shall be payable to the lender upon any subsequent resale of the membership and payment by the new Member of the Membership Contribution, as described below. No Member shall advertise a membership for sale or offer or commit to transfer or assign a membership except as specifically authorized herein. Any attempted action in contravention of this Section 9.3 shall be invalid and of no effect.

b. Sale or Transfer of Lot. Except for a Mortgagee, the Owner(s) of each Lot shall maintain the Resident Membership issued for the Lot so long as they hold title to the Lot and until the Lot is "Transferred" (as defined below) by the Owner(s). Except as provided in this Article IX, such Resident Membership shall automatically terminate, as to the Owner of each Lot, when such Person Transfers the Lot. Upon such termination, a former Resident Member shall remain obligated for all charges incurred on account of such membership prior to such termination, but no dues shall accrue with respect to the terminated membership after the date of termination. Except as may be otherwise designated by the Board, a "**Transfer**" of a Lot for purposes of these By-Laws is the sale, gift, exchange or other conveyance of title to the Lot, including, without limitation, a distribution of such real property from a trust or estate, to a third party who is not at that time a Resident Member associated with such Lot, but shall not include a transfer of the Lot to an estate of a deceased Resident Member or to a trust that is revocable solely by the Resident Member. In addition, a Lot shall be deemed Transferred if there is a change in control of an Entity Owner plus a change in the Designated Member, as described in Section 3.3(b).

As described in the Club Declaration, upon Transfer of title to a Lot, each new Owner shall apply for Resident Membership, and, if approved for membership, the Club shall reissue the previous Lot Owner's Resident Membership to the new Lot Owner. No Member shall commit to transfer, or arrange for the transfer, of his or her Resident Membership to a purchaser

of his or her Lot in any manner that purports to bind the Club to approve such purchaser for membership, and any attempt to do so shall be void and of no effect.

If a Resident Member Transfers the Lot for which the Resident Membership was purchased, the Resident Member shall be deemed to have resigned such Resident Membership, except as follows:

(i) If, prior to the Transfer of the Lot, the purchaser or transferee of the Lot requests consideration for Resident Membership by completing, signing, and submitting a membership application in the form specified by the Club and the purchaser/transferee is approved for membership, the Resident Member shall arrange for the Club to repurchase the Resident Membership on the terms set forth in these By-Laws and reissue the Resident Membership to the new Lot Owner upon payment by the Lot Owner of the Membership Contribution then being charged by the Club for Resident Memberships. In the event of the reissuance by the Club of the Resident Membership to such transferee:

(A) With respect to a former Series A Resident Member, the former Resident Member shall receive 80% of the Membership Contribution actually paid by the new Member, reduced by any amounts owed to the Club by such former Resident Member. In the event that the transferee does not apply for membership and pay the required Membership Contribution or is not approved for membership, the former Resident Member shall not be entitled to receive any sums from the Club until such time as the Resident Membership is resold to a new Member; or

(B) With respect to a former Series B Resident Member, the former Resident Member shall not be entitled to any refund of the Membership Contribution or proceeds from the resale of the Resident Membership.

(ii) Notwithstanding any other provision of Section 3.3(b) or this Section 9.3(b) to the contrary, should a Resident Member who owns a Lot for which no Membership is attached and, thus, no Membership Contribution has been paid and no dues or other Club charges attach, wish to donate such Lot to a recognized charitable entity (as determined in the sole discretion of the Board), the Board shall have the right to delay or suspend the appointment of a Designated Member and the payment of some or all of the Membership Contribution, dues, fees and other charges associated with such Resident Membership for a period not to exceed three years from the date of such donation in accordance with a written agreement with such charitable entity. In the event of such a Transfer to a charitable entity, the charitable entity shall pay the Membership Contribution applicable at such time and become an Entity (as defined in Section 3.3(b) hereof), unless it sooner Transfers the Lot to a Person who pays the Membership Contribution applicable at such time and becomes a Member of the Club, within the time provided for in the written agreement between the Club and the charity, but in no event more than three years from the date of the donation. The payment of the Membership Contribution by the charity or by a Purchaser from the charity shall be made to the Club.

(iii) In the event that a Resident Membership that has been sold by the Club is terminated by the Board pursuant to the By-Laws or Rules and Regulations, such terminated

membership may be resold by the Club and the former Resident Member shall not be entitled to any proceeds from such resale.

(iv) In the event that a Mortgagee acquires a Lot through foreclosure or by deed in lieu of foreclosure pursuant to the remedies in the Mortgage and such Mortgagee does not purchase the Resident Membership associated with such Lot, the Resident Membership held by the former Resident Member shall automatically terminate and the former Resident Member shall not be entitled to refund of the Membership Contribution paid by the former Resident Member or that might be paid by a future Owner of the Lot that acquires the associated Resident Membership.

c. Resignation and Resale of Equity Sporting Memberships. Equity Sporting Members who desire to resign their membership privileges must give the Club written notice of their intention to resign membership privileges prior to the expiration of the membership year. The resignation of such membership privileges shall be effective upon the expiration of the membership year. All dues, fees and other charges associated with such Membership must be paid until the end of the membership year. The Club shall make available for reissuance Equity Sporting Memberships that are resigned to the Club either as equity or non-equity Sporting Memberships. Upon resignation of an Equity Sporting Membership:

(i) With respect to a former Series A Equity Sporting Member, the former Equity Sporting Member shall receive a refund, reduced by any amounts owed to the Club by such former Equity Sporting Member, upon the first to occur of and calculated in accordance with the following: (A) upon the resale of the Equity Sporting Membership, 80% of the Membership Contribution actually paid by the new Equity Sporting Member; or (B) upon the issuance of five new non-equity Sporting Memberships, 80% of the Membership Contribution paid by the former Equity Sporting Member; and

(ii) With respect to a former Series B Equity Sporting Member, the former Equity Sporting Member shall not be entitled to any refund of the Membership Contribution paid or any proceeds from the resale of the Equity Sporting Membership.

d. Resignation of Non-Equity Memberships. Any Non-Equity Member who desires to resign his or her membership privileges must give the Club written notice of his or her intention to resign membership privileges prior to the expiration of the membership year. The resignation of such membership privileges shall be effective upon the expiration of the membership year. All dues, fees and other charges associated with such membership must be paid until the end of the membership year. However, Honorary Members may resign at any time. Non-Equity Memberships will not be reissued or resold by the Club on behalf of a Member. Non-Equity Members will not receive any proceeds or other payment upon the resignation or expiration of their memberships, except as may otherwise be provided in the membership agreement between the Club and the Non-Equity Member.

e. Automatic Resignation. A Membership shall be deemed resigned upon the occurrence of any of the following events:

(i) the Member ceasing to meet the eligibility requirements for the category of Membership held;

(ii) expulsion from the Club for cause in accordance with Section 12.5, including nonpayment of membership fees, dues, and other charges when due;

(iii) recall of the Membership, if recallable;

(iv) both a change in control or the dissolution of an Entity Member and a change in the Designated Member for such Entity Member. A "**change in control**" of an Entity, as used herein, shall mean any change or series of changes in ownership of the Entity affecting more than 50% of the ownership interest of such Entity or the beneficial interests in a trust. The membership shall not be deemed automatically resigned until both of the triggering events described in this subsection (iv) have occurred. The triggering events described herein may occur in one transaction or through a series of transactions and may occur over a period of years; and

(v) such other event(s) as may be specifically set forth in the Club Documents.

f. Loss of Membership Privileges. Members shall not be entitled to receive a refund of any Membership Contribution, dues, fees or any other charges upon the loss of some or all of their membership privileges and shall only be entitled to a share of the proceeds upon the resale of their Equity Membership as expressly provided in these By-Laws.

9.4. Transfer Upon Death of Member.

a. Resident Memberships.

(i) Upon the death of a married Resident Member whose spouse is co-owner of the Resident Membership, the Resident Membership will remain with the surviving spouse Resident Member if the surviving spouse receives the Lot associated with such Resident Membership from the estate of the deceased Resident Member or the Lot is transferred to a trust created solely or primarily for the benefit of the surviving spouse (a "**Spousal Trust**").

(ii) If the Lot associated with such Resident Membership is bequeathed to an Immediate Family Member other than a surviving spouse who is co-owner of the Resident Membership or a Spousal Trust (as described above in subsection (i)), such surviving spouse or Immediate Family Member must submit an application for membership, and if approved, and after the payment of the applicable review fee to the Club, the Resident Membership shall be issued to such surviving spouse or Immediate Family Member without the payment of a Membership Contribution. If such surviving spouse or Immediate Family Member is not approved for membership, such surviving spouse or Immediate Family Member shall have the right, within 90 days of disapproval for membership, to transfer the Lot to an Entity and cause the Entity to nominate a Designated Member who, if approved as a Designated Member, would have the rights of membership without the payment of a Membership Contribution.

(iii) If the Lot associated with such Resident Membership is bequeathed to a trust of which an Immediate Family Member is a current beneficiary (an "**Immediate Family Member Trust**"), such trust must submit an application for a designee of the membership use privileges, as set out in Section 3.3(b). If such designee is not approved for membership, the Immediate Family Member Trust shall, within 90 days of the disapproval of the designee for membership, nominate another Immediate Family Member who is a beneficiary of the trust as a designee. If the second Immediate Family Member is not approved for membership and no other nomination of a Designated Member is received by the Club within such 90 days who is approved for membership, or if an Immediate Family Member Trust does not within such 90 days nominate a Designated Member who is approved for membership, then the Resident Membership shall be deemed to have been resigned to the Club.

(iv) If the Lot associated with the Resident Membership is bequeathed or transferred to a Person other than a surviving spouse, a Spousal Trust, an Immediate Family Member or an Immediate Family Member Trust (as described in the subsections above), the Person receiving the Lot shall apply for a Resident Membership in accordance with Sections 3.1(a)(i) and 9.1 in the same manner as a Lot purchaser and pay the applicable Membership Contribution and, if approved for membership, the Resident Membership shall be issued to such new Lot Owner.

b. Equity Sporting Memberships.

(i) Upon the death of a married Equity Sporting Member where the spouse is co-owner of the Equity Sporting Membership, the membership shall remain with the deceased Member's surviving spouse.

(ii) If the deceased Equity Sporting Member is not survived by a spouse who was co-owner of the membership, a surviving spouse, Spousal Trust, direct descendant, or Immediate Family Member Trust who inherits such Equity Sporting Membership will have the opportunity to acquire the deceased Member's Equity Sporting Membership upon approval for membership (and, if applicable, approval of the Designated Member) by the Club and payment of the applicable administrative fee.

(iii) If the legatee or heir of the deceased Member's Equity Sporting Membership is not a direct descendant or surviving spouse of the deceased Member or a Spousal Trust or Immediate Family Member Trust (as described in subsection (a)), such legatee or heir will have the opportunity to acquire the deceased Member's Equity Sporting Membership upon approval for membership by the Club and payment of the then applicable Membership Contribution for an Equity Sporting Membership.

(iv) In any case, the opportunity to have the deceased Member's Equity Sporting Membership reissued to a legatee or heir shall be conditioned upon an application for membership being made no later than 120 days after the Person acquires the right to possession of the membership certificate from the estate of the deceased Equity Sporting Member, approval for membership by the Club, and the payment by the applicant of all outstanding amounts owed to the Club (including any dues, fees, charges and assessments on the membership for the intervening time between the date of the Member's death and the date of the application by such

Person). If the legatee or heir does not apply for membership within such 120-day period or such person is not approved for membership, the Equity Sporting Membership will be deemed to have been resigned to the Club as of the day following such 120th day.

c. Continued Obligation for Dues and Fees. Until the Equity Membership of a deceased Member is transferred or resold to another Person who becomes an Equity Member, all dues, fees and other charges associated with that membership will be an obligation of the estate of the deceased Member.

d. Non-Equity Sporting Memberships.

(i) Upon the death of a married Non-Equity Sporting Member where the surviving spouse is a co-holder of the membership, the membership shall remain with the surviving spouse;

(ii) Upon the death of a married Non-Equity Sporting Member where the surviving spouse is not a co-holder of the membership, the spouse will have the opportunity to acquire the deceased Sporting Member's membership upon approval for membership by the Club and payment of the applicable administrative fee; and

(iii) In all other cases, upon the death of a Non-Equity Sporting Member, the Non-Equity Sporting Membership shall terminate upon the Member's death without any refund of dues, fees, or other charges paid to the Club.

e. Associate and Honorary Memberships. Associate Memberships and Honorary Memberships shall terminate upon the Member's death without refund of unused dues, fees, charges or other expenses.

9.5. Transfer Upon Divorce or Legal Separation.

a. Resident Membership. Upon the legal separation or divorce of a Resident Member whose spouse was also admitted to such membership, title to the membership certificate, including all rights and benefits given to the holder thereof, shall vest in the spouse awarded the Lot by the divorce decree or separation agreement. In the event that both are awarded the Lot jointly, they shall each be considered to be Resident Members who are still married for purposes of exercising the rights and privileges and fulfilling the obligations of membership.

Upon the legal separation or divorce of a Resident Member from a spouse who was not admitted to membership, the Resident Member shall retain all rights to such membership unless and until the Lot is awarded to the Resident Member's former spouse by court order. In such event, the Resident Membership shall be transferred to the Member's former spouse if the former spouse applies for and is approved for membership by the Club, in which case, the Resident Membership shall be reissued in the name of the former spouse at no charge and without refund of any Membership Contribution to the former Resident Member. If the former spouse fails to apply for or is not approved for membership by the Club, the Resident Membership shall be deemed resigned in accordance with Section 9.3(b), and the former spouse shall be entitled to

any amounts to which the Resident Member would otherwise have been entitled upon reissuance of the Resident Membership pursuant to Section 9.3(b).

b. Other Memberships. Upon the legal separation or divorce of an Equity Sporting Member or a Non-Equity Member whose spouse was also admitted to such membership, title to the membership certificate, including all rights and benefits given to the holder thereof, shall vest in the spouse awarded the membership in a written separation agreement or final divorce decree. Upon the legal separation or divorce of an Equity Sporting Member or a Non-Equity Member whose spouse was not also admitted to such membership, in the event the membership is awarded to the Member's former spouse by court order, the membership shall be deemed resigned, and the former spouse shall be entitled to such amounts (if any) to which the Member would otherwise have been entitled upon reissuance of the membership, if the membership is eligible for resale.

c. Other Provisions. The Board shall have the authority to adopt additional requirements and procedures applicable to the treatment of a membership upon the divorce or legal separation of a Member as part of the Rules and Regulations to address situations not anticipated or not addressed by this Section 9.5 consistent with the spirit of these By-Laws. The Board shall also have the discretion to make exceptions to this Section 9.5 when warranted.

ARTICLE X

ACCESS AND USE BY NON-MEMBERS

10.1. Outside Use.

The Board, in its discretion, may utilize the Club Facilities and permit the Club Facilities to be used to generate additional revenue from outside sources, including, but not limited to, group outings, tournaments and other non-member use, if the Board determines such use to be in the best interest of the Club. In such cases, the Board will establish the access and use privileges of these non-member users and the applicable fees and other charges from time to time, in its sole discretion. The Board may also permit use of the Club Facilities by membership prospects and others it deems appropriate from time to time.

10.2. Guest Privileges.

Guests of Members may be extended guest privileges subject to applicable guest fees, charges and the Rules and Regulations established from time to time by the Board. Guest privileges may be granted, denied, withdrawn or revoked at any time for reasons considered sufficient by the Board in its sole and absolute discretion. All guests shall be either houseguests or day guests, as such terms are defined in the Rules and Regulations.

ARTICLE XI
DUES, FEES AND CHARGES; ASSESSMENTS

11.1. Membership Year; Dues.

The Club's membership year for accounting purposes will constitute the 12-month period commencing January 1 and ending on December 31, unless otherwise established by the Board from time to time. The Board will determine the amount of dues, fees, clubhouse minimums and other charges to be paid by each Member from time to time. The amount of dues payable by each Member will depend upon the category of membership selected. Dues shall be due and payable in advance, on or before the first day of each membership year, unless otherwise established by the Board from time to time.

11.2. Other Charges.

Member use fees, food and beverage charges, and other amenity service fees shall be due and payable within 30 days of the date billed. Members shall be billed for and shall be responsible for paying all charges and fees incurred by the Member's Designated Member, Immediate Family Members, Extended Family Members, Appointed Member, and guests. Each Member shall be legally and financially responsible for any claims against, or liabilities of or damages to the Club or Club Facilities that are caused by or result from acts or omissions of such Member as well as those of the Member's Immediate Family, Extended Family and guests.

11.3. Assessments.

a. The Board may find it necessary to levy assessments, in addition to dues, to cover any operating deficits that occur from operation of the Club Facilities. Any assessment to cover operating deficits will be prorated among the Equity Members based on the amount of dues charged to each of them during the year in which the deficit occurs. The Board also may, but shall not be required to, levy operating assessments on non-equity Sporting Members.

b. Assessments for capital expenditures shall be approved by the Board, and any assessment for a capital improvement or capital project which is reasonably anticipated to exceed \$7,500.00 per Member, as such amount shall be increased annually beginning on January 1, 2012 by the Inflation Index (as defined in Section 13.10 hereof), whether made as a single assessment or a series of directly related assessments, shall require the approval of Equity Members casting at least a majority of the total votes cast on such issue, provided at least a quorum participates in the voting. Notwithstanding the foregoing, Series B Equity Members shall not be subject to any capital assessment in any amount unless such capital assessment has been approved by Equity Members casting at least a majority of the total votes on such issue, provided at least a quorum participates in the voting. Notice of any meeting of Equity Members at which such a capital assessment shall be considered or any solicitation for Equity Member approval by other methods shall specify the purpose(s) of the proposed assessment.

All assessments for capital expenditures shall be allocated between categories of Memberships and among the Members in such categories in accordance with these By-Laws and in such manner as is found by the Board to be fair and equitable in each instance.

c. Failure to pay any assessment shall subject a Member to the same consequences as failure to pay any other indebtedness to the Club.

11.4. Budget.

The Board shall establish a budget for each membership year. As part of the budgeting process and the establishment of the rates of dues and other charges to Members, it shall be the policy of the Club that the dues and the other receipts of the Club shall be sufficient, insofar as it is reasonably possible to project, to meet the annual operating needs of the Club, including any debt service.

11.5. Delinquencies.

a. An itemized statement of any dues, assessments and current charges to a Member's account shall be mailed or otherwise delivered or made available to each Member as set forth in the Rules and Regulations. All statements are due and payable upon receipt. If not paid within 30 days from the date of the statement, each account for which a Member is responsible shall be considered "**Delinquent**" and will remain so until the account is paid in full or a written plan for the payment thereof within 12 months of the date of the statement is entered into by the Member and the Club for which the Member is not in default. Interest and late charges, as established by Board resolution subject to the limits of applicable law, may be added to all outstanding balances on Delinquent accounts. The Club may suspend a Delinquent Member's credit privileges with the Club without prior notice to the Member. The Club may also suspend a Delinquent Member's membership use privileges or voting rights, or both, or terminate the membership in accordance with Article XII.

The Board may authorize the institution of legal action by the Club for the collection of dues, assessments, indebtedness or other financial obligations owing to the Club by a Member. If the Club retains legal counsel to collect any such amount, the Club shall be entitled to collect from the Member, in addition to all delinquent sums, its reasonable costs, expenses and attorneys fees actually incurred in attempting to collect and collecting such amount, whether or not legal action is in fact instituted.

b. Without limiting other grounds for suspension and termination, the failure of any Member to timely pay a Membership Contribution, dues, fees, assessments and other charges when due in accordance with the Club Documents shall constitute grounds for suspension of membership privileges and termination of the membership and the expulsion of the Member as set forth in these By-Laws and the other Club Documents. During the period that membership privileges are suspended, the Member, any Designated Member or Appointed Member, such Member's Immediate Family Members, Extended Family Members and guests, will not have any membership rights or privileges to use the Club Facilities or amenities, the Member may not vote on Club matters, and the Member will not be entitled to an abatement or refund of any portion of the Membership Contribution, dues, fees or other charges previously paid or that come due. In the case of a membership termination, all membership rights and privileges shall terminate, the membership certificate shall be cancelled, and the Member will not be entitled to receive (i) a refund of any dues, fees or any other charges previously paid or (ii) any proceeds upon the resale or other disposition of the terminated membership.

11.6. Security Interest and Liens.

The Club shall have a security interest under the Uniform Commercial Code as enacted in Georgia (the "UCC") in each membership for any unpaid Membership Contributions (if financed by the Club), dues, fees and other charges due by a Member, and such security interest shall be granted under the agreement with the Member and the Club Declaration. This security interest shall serve to secure, in addition to unpaid Membership Contributions, dues, fees, assessments and other charges, filing fees and reasonable attorneys fees actually incurred by the Club incident to the collection of the dues, fees, assessments and other charges, or the enforcement of payment of the requisite amounts due under the membership or this security interest, whether or not legal proceedings are initiated.

This security interest may be perfected by either or both of: (a) expressly acknowledging the security interest on the membership certificate, and noting its existence and amount, where applicable, on the Member records of the Club, or (b) filing a UCC financing statement with the appropriate public registries. In this regard, if and to the extent required or permitted under applicable law, each Member hereby irrevocably makes, constitutes and appoints the Club and any of its officers, employees or agents as the true lawful attorney of the respective Member to sign the name of that Member on any financing statement, renewal financing statement, notice or other similar document which in the Club's opinion will assist it in perfecting the Club's security interests in the membership. If any default shall occur in the payment to the Club of any Membership Contribution, dues, fees or other charges of a Member, the Club shall have the rights and remedies of a secured party under the UCC. The Club shall give the Member at least five days written notice of any sale or other intended disposition of the membership by the secured party. The Club may also, at its option, sue to recover a money judgment for unpaid Membership Contributions, dues, fees or other charges without thereby waiving its security interest securing the same. The Club shall also have such lien rights with respect to Lots as are provided by the Club Declaration.

Except as permitted by these By-Laws, no Member shall be permitted to create, incur, assume or suffer to exist upon the Member's membership any liens or security interests whatsoever.

ARTICLE XII **DISCIPLINE AND ENFORCEMENT**

12.1. Authority and Sanctions.

The Board shall have the power to impose fines, to suspend some or all of a Member's rights to use the Club Facilities and the Member's vote (if any), and to reprimand, censure, suspend or expel any Person from the Club for violations of the Club Documents in accordance with this Article XII. Any Member, Immediate Family Member, Extended Family Member or guest of a Member who is found to be in violation of the Club Documents or whose conduct is found by the Board, in its sole discretion, to be improper or likely to endanger the welfare, safety, harmony or good reputation of the Club or its Members (a "**Violation**") may be reprimanded, censured, fined, suspended or expelled (terminated) from the Club by action of the Board. The Board shall be the final judge of what constitutes improper conduct or conduct likely

to endanger the welfare, safety, harmony or good reputation of the Club or its Members. Without limiting the Board's discretion in making such judgments, improper conduct or conduct likely to endanger the welfare, safety, harmony or good reputation of the Club or its Members may include filing, joining in or assisting anyone in any lawsuit, arbitration, action or other proceeding against the Club or any of the Club's directors, officers, employees or managers, but only for any action alleged to have been taken or not taken by them or any of them in their capacity as such. Any of the foregoing actions is referred to herein as an "**Adverse Legal Action.**"

Notwithstanding any other provisions of this Article XII, the Club shall have the authority, without first having to comply with the procedures set forth in this Article, to (i) exercise self-help to abate any Violation existing on Club property (specifically including removing personal property that is in violation of the Rules and Regulations and removing disorderly persons from the premises), and (ii) impose fines or monetary sanctions against a Member in any case where damage was caused to Club property by the Member or any of the Member's Immediate Family, Extended Family or guests.

12.2. Grievance Allegations.

Upon receipt by the Club President of a written allegation from a Member or from the General Manager that a Member has committed a Violation, the Member grievance provisions of the Rules and Regulations shall apply.

12.3. Suspension.

A Member, any Immediate Family Member, Extended Family Member or guest of the Member may be suspended (a "**Suspension**") from some or all of the privileges of Club membership, including access to some or all Club Facilities and voting rights, for a period of up to one year for each separate Violation. Suspension does not terminate a membership, and, unless otherwise determined by the Board in its sole and absolute discretion, dues and other financial obligations shall accrue during such Suspension and must be paid in full when due. Notwithstanding the foregoing, for a Suspension resulting from Adverse Legal Action, the Suspension may continue beyond one year pending the final outcome of such Adverse Legal Action.

Except as provided in Section 11.5 with regard to immediate suspension of a Member's credit privileges with the Club in the event a Member's account becomes Delinquent, the Club shall comply with the procedures in Section 12.5 prior to suspending any Member, however, an Immediate Family Member, Extended Family Member or guest of a Member may be suspended upon written notice from the Club without having to comply with the procedures set forth in Section 12.5.

12.4. Expulsion.

Notwithstanding the right of the Board to expel any Person for conduct described in Section 12.1, Members who are Delinquent in the payment of financial obligations to the Club shall first be suspended in accordance with the Club Documents. Any Person may be expelled from the Club, and expulsion of an Immediate Family Member, Extended Family Member or

guest of a Member does not otherwise affect the rights of the Member or other Immediate Family Members, Extended Family Members or other guests to use the Club Facilities.

Expulsion of a Member shall terminate the membership. A Member who has been expelled shall forfeit all rights and privileges of membership and shall not again be eligible for membership nor admitted to the Club's Facilities or property under any circumstances, including without limitation, as a guest of a Member. A Member who has been expelled from the Club shall not be entitled to the return of any Membership Contribution, dues, fees or any other charges. An expelled Member shall be notified by the Board in writing and shall have the obligation to surrender the membership certificate and, failing to do so, the membership certificate shall be cancelled.

12.5. Suspension and Termination Procedures.

Except as otherwise provided in these By-Laws, no Member may be expelled, terminated, or suspended, and no Immediate Family Member, Extended Family Member or guest of a Member shall be expelled or terminated unless and until the following procedure is followed, unless otherwise agreed to by the affected Member or guest:

a. Notice. Prior written notice shall be given to the Member specifying: (i) the nature of the alleged Violation and the proposed sanction to be imposed; (ii) that the Member may, within 15 days from the date of the notice, submit a written request to the Board or General Manager for a hearing to challenge the allegations, the proposed sanction, or both; (iii) the name and address to whom any such request for a hearing is to be addressed; (iv) that the Member may make a statement at such hearing (orally or in writing) on his or her behalf; and (v) that all rights to have the sanction reconsidered are waived if a hearing is not requested within 15 days of the date of the notice. If the proposed sanction involves expulsion of any Person or Suspension of the Member for more than 60 days, the notice shall be sent by certified mail, return receipt requested, to the address of the Member shown on the Club's records.

b. Hearing. If the Member timely requests a hearing, the hearing shall be held before the Board in executive session or before a committee appointed by the Board. At the hearing, the Member shall be given a reasonable opportunity to be heard and to present relevant evidence and witnesses on his or her behalf. The Member shall be given at least 10 days' prior written notice of the time, date and place of the hearing. A copy of the notice, together with a statement of the date and manner of delivery, shall be signed by the person who delivered such notice and filed in the Club's records along with minutes containing a written statement of the results of the hearing and the sanction, if any, imposed. This section shall be deemed complied with if a hearing is held and the Member attends and is provided an opportunity to be heard, notwithstanding the fact that the notice requirements contained herein are not technically followed.

c. Appeal. Following a hearing before a committee appointed by the Board, the Member shall have the right to appeal the committee's decision to the Board and be heard. To exercise this right, the Member must deliver a written notice of appeal to the General Manager, President or Secretary within 10 days after the Member receives notice of the committee's decision. The Board shall render its decision promptly after conclusion of the appeal.

12.6. Disciplinary Action.

All evidence presented to the Board or any committee appointed by the Board in connection with any charges against any Person or any disciplinary hearing shall be kept confidential, and any records of deliberations concerning disciplinary proceedings, except for the final determination of the Board or the committee, shall be available for inspection only by the Board or the committee. Any hearing held pursuant to this Article shall be attended only by those persons who, in the discretion of the Board or the committee, are necessary to afford a complete and impartial hearing.

Neither the Club nor any of its officers, directors or committee members shall have any liability whatsoever to any Person affected by any disciplinary proceeding under these By-Laws.

ARTICLE XIII **MISCELLANEOUS**

13.1. Corporate Seal.

The Corporate Seal of the Club shall be circular in form and shall have inscribed thereon the name of the corporation and the words "seal," "Georgia," "Non-Profit Corporation" and "1998," the year of incorporation. The corporate seal shall be in the possession of the Secretary of the Club and be affixed by the Secretary to all documents relating to the official acts of the Club, as authorized by the Board.

13.2. Amendment of By-Laws.

The Board, by a majority vote of all directors, may amend these By-Laws to correct typographical and scrivener's errors and to modify or amend procedural matters that are not materially adverse to the rights of Equity Members. All other provisions of these By-Laws may only be modified, amended or repealed or new By-Laws adopted by both (a) a majority vote of all of the members of the Board, and (b) approval of the lesser of two-thirds of the votes cast by Equity Members or a majority of the total eligible votes in the Club, provided at least a quorum participates in the voting. The proposed amendment must be attached or described in the notice of any meeting at which the matter is to be acted upon or other solicitation for approval by Equity Members.

13.3. Dispute Resolution.

Except for the provisions of Article XII hereof, which shall be the sole procedure for addressing any discipline of Members, any Member having a dispute or claim arising out of, relating to or connected with any of the Club Documents, their enforcement or interpretation by the Club, the Board or any officer or committee of the Club shall submit such dispute or claim to mediation prior to initiating any legal action or proceeding. The mediator shall be selected by mutual agreement of the parties to the dispute, or if no such agreement is reached within 30 days of a party requesting mediation, then by the parties alternately striking names from a list of qualified mediators provided by the American Arbitration Association or other recognized mediation service selected by the parties to the dispute, with the last remaining name being selected as the mediator. The parties agree to participate in good faith in such mediation, which

shall be attended by persons having full authority to resolve the dispute. If mediation fails to resolve the dispute, either party may, upon 30 days' written notice to the other party, pursue its rights and remedies as may be available under applicable law, if such actions are consistent with the provisions of these By-Laws.

13.4. Dissolution.

The Club may be dissolved only upon a resolution duly adopted by the Board, with the approval of eligible voters entitled to cast at least 75% of the total votes of Equity Members in the Club in person or by proxy at a meeting. In the event of dissolution, liquidation or winding up of the Club, the Club's assets remaining after payment, or provisions of payment, of all known debts and liabilities of the Club shall either (i) be conveyed to a nonprofit organization with similar purposes or (ii) be distributed in accordance with the resolution approved by the Board and the Equity Members.

13.5. Conflicts Between Club Documents.

In the event of conflict between the provisions of Georgia law or among the Club Documents, the provisions of Georgia law (if expressly applicable) shall control over the Club Documents. If there is a conflict between or among the Club Documents, then the Club Declaration shall control over these By-Laws and the Rules and Regulations, and these By-Laws shall control over the Rules and Regulations. For purposes of this Section 13.5, a "conflict" shall exist when requirements of two or more documents or laws are inconsistent and mutually exclusive, making compliance with all such requirements impossible. In the event that any two or more of the foregoing impose requirements that address the same matter, but are not inconsistent or mutually exclusive, both shall be complied with, it being the intent that the Club Documents shall supplement, and may be more restrictive or expansive than, applicable law, to the extent permitted by applicable law, and that one Club Document may be more restrictive or detailed than another so long as not in conflict with the document that would control in the event of a conflict.

13.6. Notices.

a. Form of Notice and Method of Delivery. Unless otherwise provided in the Club Documents or Georgia law, all notices, demands, bills, statements or other communications under the Club Documents shall be in writing and may be delivered in person, by United States mail, by private carrier, or if the intended recipient has given its prior written authorization to use such method of delivery, by fax, electronic mail or other electronic transmission with written confirmation of transmission.

b. Delivery Address. Notices shall be delivered or sent to the intended recipient as follows:

(i) if to the Club, at the address, fax number or electronic mail address of the principal office of the Club or its managing agent, or at such other address as the Club may designate by notice in writing to all Members pursuant to this Section 13.6;

(ii) if to a Member, at the address, fax number, electronic mail address or other address for electronic transmission that the Member has designated in writing and filed with the Club or, if no address has been designated, at the address shown on the Member's membership application.

c. Effective Date. Notice sent in accordance with subsections (a) and (b) shall be deemed to have been duly given and effective:

(i) if sent by United States mail correctly addressed with first class or higher priority postage prepaid, when deposited with the U.S. Postal Service;

(ii) if delivered personally or by private carrier, when actually delivered to the address of the intended recipient, as evidenced by the signature of the person at such address who accepts such delivery or as indicated in a record by the delivery person;

(iii) if sent by fax, electronic mail or other electronic transmission, upon transmission, as evidenced by a printed confirmation of transmission.

d. Electronic Notices. Pursuant to the Nonprofit Corporation Code and the Georgia Electronic Records and Signatures Act, O.C.G.A. § 10-12-1, *et seq.*, each as it may be amended, notices may be transmitted electronically to any Member if the Member consents in writing to receipt of electronically transmitted notices and designates in the consent the message format accessible to the Member and the address, location or system to which notices may be electronically transmitted. The electronic notice must contain any information or material required by the Nonprofit Corporation Code or the Club Documents. A Member who has consented to receipt of electronically transmitted notices may revoke the consent by delivering a written notice of revocation to the Club. The consent of any Member is also automatically revoked if the Club is unable to transmit electronically two consecutive notices given by the Club in accordance with this consent and this inability becomes known to the Secretary or other person responsible for giving the notice.

13.7. Complaints.

Unless the Rules and Regulations provide otherwise, all complaints of Members with regard to the operation of the Club and Club personnel shall be made in writing directly to the General Manager or the President. Members shall not directly reprimand Club personnel.

13.8. Club's Remedies Nonexclusive.

The remedies afforded the Club by these By-Laws with respect to Members shall be cumulative and nonexclusive. The Club may, in addition to pursuing any internal remedies, pursue any legal remedies it may have without making any election of remedies.

13.9. Membership List.

The Membership's mailing list shall be private and confidential. It shall not be made available to any Member or published, except for official Club purposes; it being the intention of this provision to prohibit the circularizing of the Membership list for private purposes. No

Member shall make use or disclose to others for use the Membership roster or mailing list for the purpose of making mass or general mailings for business, political, or commercial purposes.

13.10. Inflation Index.

Any amount to be adjusted by the "**Inflation Index**" shall be increased at the beginning of each fiscal year, beginning on January 1, 2012 and each year thereafter by the same percentage increase as occurred in the Consumer Price Index for All Urban Consumers (South Region; Base: 1982-84 = 100) published by the Bureau of Labor Statistics of the United States Department of Labor for the previous year. If the Consumer Price Index ceases to be published, is substantially revised, or is transferred to another governmental department, bureau or agency, the Board shall select some other widely recognized inflation index which reasonably reflects and monitors fluctuations in consumer prices to become the Inflation Index.

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