

BY LAWS OF THE MARION LAKE CLUB, INC.

MARION, NC

REVISED
November 10, 2022
(2022 Annual Meeting)

ARTICLE I

Section 1.1 The Club shall be composed of two classes of memberships as outlined on the application:

- (1) Family Membership, and
- (2) Single Membership

Members who are stockholders are the only members allowed voting on any issues concerning the club.

Section 1.2 "Family membership" shall include a husband, wife, and unmarried children under the age of 21 or attending school or college on a regular uninterrupted schedule. Grandchildren, nieces and nephews, under the age of 21, or attending school or college on a regular uninterrupted schedule, who stand in the relationship of children and who are members of the immediate family and depend wholly upon the head of such family for their support shall be included in family memberships.

Section 1.3 Candidates for membership shall be admitted to the club only by two-thirds vote of all the directors present at a legally called Board of Directors' meeting. Every candidate shall be proposed in writing by a member and seconded by another member before the Board votes upon a candidate for membership.

Section 1.4 The membership shall be limited to four hundred (400) active "golfing" memberships; provided, however, children of any active membership shall be admitted to memberships of the Club. If there is a waiting list for golfing memberships, preference shall be given to non-golfing memberships who elect to change their status when there is an opening.

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Section 1.5 Memberships in the Club shall be either "golfing (categories 1-5 Section 1.1) or "non-golfing"(categories 6-7 Section 1.1) memberships.

"Golfing" memberships shall be entitled to use all facilities of the Club. "Non-golfing" memberships shall be entitled to use all facilities of the Club with the exception of the golf course "Non-golfing memberships may not play in the Member Guest Tournament unless playing as a guest". The Golf Shop is not included in the definition of "golf course." New memberships shall make their election in writing as to "golfing" or "non-golfing" status upon their application for admission to the Club.

The following procedures will apply when changing Status:

- (1) A "non-golfing" membership, which has never elected "golfing" status, may elect "golfing" status at anytime.
- (2) A "non-golfing" membership, which has previously elected" golfing" status, may not reelect "golfing" status within one year of their last election.
- (3) A "golfing" membership, which has never elected "non-golfing" status, may elect "non-golfing" status at any time.
- (4) A "golfing" membership, which has previously elected "non-golfing" status, may not reelect "non-golfing status within one year of their last election.
- (5) Elections by new memberships shall be effective upon their admission to the Club and elections by all other memberships shall be effective at the beginning of the next quarter after their election.

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ARTICLE II

MEETING OF THE STOCKHOLDERS

- Section 2.1 The Annual Meeting of the stockholders for transaction of such business that may come before the meeting, shall be held on the 2nd Thursday on November each year at a time and place which shall be specified in the Notice of said meeting. If the annual meeting is not held on the date it is scheduled, the Board of Directors shall designate a substitute date for the annual meeting and shall give all stockholders notice as hereinafter set out. Information to be considered for a vote at the Annual Meeting must be presented to the Club Office not later than 15 days before the scheduled meeting. Items presented at the Annual Meeting not meeting the deadline may be discussed, but the vote will be taken by a mail or electronic ballot approximately fifteen (15) days after the meeting. This provision is not to preclude the nomination of directors from the floor during the Annual Meeting.
- Section 2.2 Special meetings of the stockholders may be called at any time by the President or the Board of Directors and shall be called upon the written request of twenty-five (25) stockholders.
- Section 2.3 Ten (10) days written notice mailed to the address as it appears on the records of the Club shall be given to each stockholder of every annual meeting or special meeting. Every notice of special meetings shall state the business to be considered, and no other business shall be transacted at the meeting. Alternatively, an electronic notification may be used in lieu of mailing.
- Section 2.4 At all meetings of stockholders, those present in person or represented by a valid proxy, shall constitute a quorum and may conduct all business lawfully before the meeting.

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ARTICLE III

VOTING PRIVILEGES

Section 3.1 At all meetings of stockholders, each stockholder present or represented by a valid proxy, shall have one (1) vote per share. No stockholder who owns more than two shares of stock may vote more than two (2) votes. Proxies shall be allowed.

ARTICLE IV

OFFICERS

Section 4.1 The officers of the Club shall be a President, Vice-President, Secretary and Treasurer.

Section 4.2 President. The President of the Club shall preside at all meetings of the stockholders and meetings of the Board of Directors and shall perform such duties as are customarily incident to the office of President and such other duties as shall be so specified by the Board of Directors. The President shall appoint all committees and name the Chairman of each committee, and he shall appoint annually the following committees:

- (a) Boating, Pool and Picnic Committee
- (b) Golf Tournament Committee
- (c) Golf Course Committee
- (d) Club House and Pro Shop Committee

Section 4.3 Vice President. The Vice-President shall perform such duties as are customarily incident to the office of Vice-President, and such other duties as may be specified by the Board of Directors. In case of a vacancy in the office of President, the Vice-President shall assume the office of President.

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Section 4.4 Secretary. The Secretary shall be responsible for taking and keeping the minutes of all meetings of the stockholders and the meetings of the Board of Directors, shall mail notices of all meetings of the stockholders and shall perform such other duties as may be customarily incident to the office of the Secretary and any other duties as may be specified by the Board of Directors.

Section 4.5 Treasurer. The Treasurer shall be responsible for the supervision of an adequate financial system for the Marion Lake Club and performing such other duties as are customarily incident to the office of the Treasurer and any other duties as may be specified by the Board of Directors.

Section 4.6 Compensation of Officers. Directors and officers shall serve without compensation unless compensation is approved by a majority of the stockholders at a duly constituted meeting of the stockholders.

ARTICLE V

ELECTION OF OFFICERS

Section 5.1 The officers shall be elected from the Board of Directors at their first meeting following the Annual Stockholder's Meeting for a term of one year, or until their successors have been elected and qualified. The election of officers shall be by a majority vote of the membership of the Board of Directors present and voting.

ARTICLE VI

BOARD OF DIRECTORS

Section 6.1 The Board of Directors shall be elected from the active voting stockholders and shall consist of ten (10) members elected by the stockholders as herein set out: Directors shall be elected for a term of two years. In odd numbered years four directors will be elected and in even numbered years six directors will be elected. No individual can serve more than two terms (4 years) consecutively. For purposes of clarification, only a stockholder who is a club member in good standing may be a member of the Board of Directors. In addition, each year the past President shall become a non-voting member of the Board of Directors if his regular term has expired.

ARTICLE VII

Section 7.1 Board of Directors shall be fully responsible for the management of the Club and shall make such rules and regulations for the Club as it shall deem advisable from time to time and which are consistent with these bylaws. Provided, that the Board of Directors shall not act without the approval of the stockholders given at a duly constituted meeting with regard to the following:

- (1) Sale, encumbrance, exchange or purchase of real estate or borrowing of money.
- (2) Dues, Initiation Fees and "Issuance of Stock".
- (3) Increasing or decreasing the maximum number of active memberships.
- (4) Any items passed by vote of the stockholders.
- (5) Salary Compensation for the Club Manager and Green's Superintendent.
- (6) With approval of two-thirds vote of all Board members (must be a minimum of 7 BOD members), the Board may borrow up to \$30,000 for use to purchase equipment that stands on its own as collateral.
- (7) Leases, approved by two-thirds vote of all Board members (must be a minimum of 7 BOD members), for the purchase of required Capital Equipment is acceptable.

Section 7.2 Voting and quorum at Board of Directors Meeting A quorum at the Board of Directors Meeting shall consist of seven (7) voting Board of Directors members. All matters at the Board of Directors meeting shall be decided by a two-thirds (must be 7 BOD members) majority of the voting Directors who shall be present at the meeting and vote thereon.

Section 7.3. Board-of-Director Conduct

- (1) Must be present and punctual to all meetings not missing more than 3 meetings annually without approval of Board President or delegate.
- (2) No member shall attend a meeting under the influence of any substance. Violation is subject to sanction as determined by all Board members.
- (3) Each member must sign a confidentiality agreement.
- (4) Inappropriate or vulgar language is not to be used at meetings; always be respectful to fellow members.
- (5) All Board members are expected to contribute by volunteering during Board approved club events.

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ARTICLE VIII

VACANCIES

Section 8.1 Vacancies: Any vacancy in any office or on the Board of Directors, unless otherwise specifically provided for in these bylaws, shall be filled by the Board of Directors.

ARTICLE IX

NEGOTIABLE INSTRUMENTS

Section 9.1 Negotiable Instruments Checks, Promissory Notes and other instruments for the payment of money shall be signed by the Treasurer and/or such other person or persons as may be, from time to time, designated by the Board of Directors.

ARTICLE X

Section 10.1 Dues, Initiation Fees and Issuance of Stock
Shall be set annually at the Stockholder's Meeting.

Section 10.2 Method of Payment.
Dues will be paid as follows:
(1) Annually in advance
(2) Quarterly in advance
(3) Monthly, with approval of the Board-of-Directors

Section 10.3 Penalties, Non-payment of Dues.

Section 10.4 See Rules and Regulation

Section 10.5 The Board of Directors shall have the power to grant leaves of absence for medical reasons only.

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ARTICLE XI

Section 11.1 Any person who shall willfully fail to comply with the bylaws of the Club or with the rules and regulations made and issued by the Board of Directors may be expelled from the Club by a vote of two-thirds of the voting members of the Board of Directors present at a meeting of the Board of Directors especially called for such purpose. The member shall be given an opportunity to be heard at such meeting.

ARTICLE XII

Section 12.1 These bylaws may be amended only by a two-thirds vote of the voting stockholders at a duly constituted meeting of stockholders.