

COATESVILLE COUNTRY CLUB BY-LAWS

ARTICLE 1 ORGANIZATIONAL MATTERS

Section 1. The name of this Corporation shall be THE COATESVILLE COUNTRY CLUB.

Section 2. The term of this Corporation shall be perpetual, unless terminated or dissolved in accordance with these By-Laws.

Section 3. The purpose of the club is to promote social activities among its Members by providing and maintaining suitable buildings, facilities, and grounds for the playing of golf, swimming and other sports and pastimes and for the encouragement of the same; by providing and maintaining proper facilities for the entertainment of its Members and their guests by the vending and serving of food and drink and otherwise; and for the purpose of owning, acquiring, holding, leasing as lessee, using and otherwise dealing with any real or personal property which may be appropriate to enable it to accomplish fully and properly its corporate purposes aforesaid. This Corporation does not contemplate pecuniary gain to profit incident or otherwise to its Members.

Section 4. The Corporation shall conduct its business on a calendar year basis with its business and tax year ending December 31.

ARTICLE 2 DEFINITIONS

"Board of Governors or the Board" - A group of Members who are elected in accordance with Article 3 of these By-Laws and, when acting with appropriate authority, conduct the business of the Club.

"Governor" - One of the Members of the Board of Governors.

"Member" - An individual or a married couple or partners to whom the benefits of Membership as hereinafter defined are extended. A Member or Members shall be of one of the classes set forth in Article 6 below.

"Voting Member" - That active Member a) to whom a bond has been issued or b) is in good standing in a Board approved membership class that is defined to have voting rights. In the case of a married couple, that spouse who has been designated by the couple to cast its vote. In the event a married couple has filed a Petition for Divorce, and no "Voting Member Designation" form has been signed and submitted to the Club office, the spouse in that couple who continues to submit payment for the club's monthly bills will be considered the "Voting Member". In the event a married couple desires to change the designation of its Voting Member, it must do so in writing addressed to a Club manager no less than 48 hours in advance of any vote executed by the current designated member. Emails are acceptable. Each spouse / partner in a golf Family membership shall be a Voting Member and is entitled to cast a vote.

"Family" – Member's spouse / partner and a) any child age 26 or younger and living in the same household or b) any child on active service in the United States military other than as a career service individual.

"Bond Holder" - That Member to whom a bond is issued by the Club.

"Club" - The Coatesville Country Club.

"Expulsion" - Termination of Membership.

"Suspension" - Revocation of the privileges of Membership for a determined period of time.

"Member in Poor Standing" - Any Member who is in arrears of any financial obligation to the Club. During this period, all membership privileges shall be suspended.

"Guest" - A third person or party of one or more persons invited and accompanied or sponsored by a Member to use the Club's facilities.

ARTICLE 3 BOARD OF GOVERNORS

Section 1. The Board of Governors shall be comprised of thirteen (13) club Members elected by the Members as hereinafter provided. The Board of Governors shall have general charge of the affairs, funds, and property of the Club; and shall have full power and it shall be their duty to carry out the purposes of the Club according to its charter and these By-Laws (ART. 1, Sec. 3 above).

Section 2. The Secretary shall call an Organizational Meeting of the Members of the incoming Board of Governors for some convenient time and place in the month of December of each year. At such meeting the Governors shall elect the Club Officers, who will serve for the ensuing year. The President and Vice Presidents shall be elected by the Governors from among their number. The Treasurer and Secretary, or either of them, may be elected by the Governors from among their number or as the Governors may determine from the General Membership. The incoming Board of Governors elected at the Annual Meeting in any year shall take over the active management of the Club on the 1st day of January of the succeeding year. The Organizational Meeting of the incoming Board of Governors may be held following the close of the December Meeting of the outgoing Board of Governors if the Secretary shall so determine. If the Secretary fails to call the Organizational Meeting by the 15th day of December of any year, any three Members of the incoming Board may call the same upon forty-eight hours written notice to the Members of the Board.

Section 3. The Board of Governors shall meet no less than once each month, at a time and place to be designated by the Board of Governors and as notified by the Secretary in writing.

Section 4. Special meetings of the Board may be called by the President at any time. Special meetings of the Board may be called by three Members of the Board in the event that they deem the same to be necessary and required, and the President shall have refused their request to call such meeting. At least a forty-eight-hour notice of any special meeting shall be given to every Member of the Board.

Section 5. At any meeting of the Board of Governors, a majority of the Board Members shall constitute a quorum for the transaction of business. If there shall be less than a majority of the Board Members present at any meeting of the Board, no business shall be transacted thereat and the meeting shall be adjourned to such time as a quorum may be in attendance.

Section 6. The Board of Governors shall have power to frame all rules for their own regulation and government. They shall authorize all leases, mortgages and conveyances, and the proper officers to execute such documents shall be the President and Secretary (or Treasurer) and/or their designees.

Section 7. The Board of Governors shall submit at each annual meeting a general report of the affairs of the Club.

Section 8. The Board of Governors may employ appropriate staff personnel to perform such duties of the Secretary and Treasurer as may be assigned by those officers respectively with the consent

of the Board, to coordinate the work of several committees, and perform such other duties as the Board may from time to time determine.

Section 9. The Board of Governors may as it determines the same to be advisable employ a general manager or club manager, a house manager, a controller, a golf course superintendent and a head golf professional, define their respective duties and responsibilities, and may in its discretion require them to be bonded in such amount as they consider proper.

Section 10. In case of a vacancy occurring on the Board of Governors, by resignation or otherwise, the Board shall have the power to fill such vacancy until the next annual election at which time the vacancy shall be filled for the unexpired term by a vote of Voting Members. No action to fill any such vacancy shall be taken by the Board at a Board meeting at which it is first determined that a vacancy exists. The vacancy will be filled within ninety (90) days of the date of the Board meeting at which the vacancy was first announced.

Section 11. The Board of Governors shall have the power to suspend or expel a Member in accordance with the procedure set forth in Article 6, Section 6 below.

Section 12. The Board of Governors shall have the power to suspend or expel a Member of the Board of Governors as follows:

a) Absences: Any Member of the Board of Governors who shall be absent from three regular monthly business meetings of the Board of Governors (including the annual meeting) during any one-year term of office shall be automatically deemed to have submitted his resignation to the Board of Governors. After having obtained and reviewed whatever information the Board, in its discretion, deemed appropriate as to the cause of the absences, the Board may accept or reject said resignation at the meeting of the Board of Governors next following the third absence.

b) Misconduct: The Board of Governors shall have the power to suspend or expel a Member of the Board of Governors for conduct which, in the reasonable opinion of the Board, is deemed to be detrimental to the Board or to the Club in general upon compliance with the following procedure:

i) Any Member of the Board may offer a Board Member for suspension or expulsion by delivering a writing to the Club Office setting forth those facts and circumstances which the offering Board Member avers sufficient to warrant suspension or expulsion from the Board. Said writing must be delivered to the Club Office no less than ten days in advance of the next regularly scheduled Board meeting in order to be placed on the agenda.

ii) The Club Office shall notify the accused Board Member of the charges offered against him no less than five days in advance of the next regularly scheduled Board Meeting. Said notice shall be by certified mail, return receipt requested to that Board member's address and the Club Office shall also notify that Board Member by telephone. Said notices shall include the name of the Board Member offering said charges and set forth the charges offered.

iii) At the next regularly scheduled meeting of the Board of Governors complying with the above time line, the Board shall hear such facts and circumstances as they may deem appropriate and, thereafter, shall vote on the suspension or expulsion. In order to suspend or expel the Board Member, ten (10) Board Members must be present at a Board meeting with a minimum of six (6) affirmative votes for said motion.

iv) If an affirmative vote as aforesaid is achieved, the Board Member shall be immediately relieved of his duties and shall depart the meeting at that time.

v) In the event the Board votes for suspension, the minimum period for which the Board Member may be suspended shall be thirty (30) days and, thereafter, the Board may vote for a longer period of suspension if warranted. In order to suspend a Board Member for a longer period, ten (10)

Board Members must be present at a Board meeting with a minimum of six (6) affirmative votes for said motion.

c) General: If a Member of the Board of Governors is suspended from the Club pursuant to Article 6 of these By-Laws, he shall be immediately expelled from the Board of Governors.

ARTICLE 4

ANNUAL MEETING OF THE MEMBERSHIP AND ELECTION OF BOARD MEMBERS

Section 1. The business at the Annual Meeting shall be as follows:

- Report of Board of Governors
- Reports of Committees
- Report of the Treasurer
- Election of Governors
- New Business
- Adjournment

Section 2. Election of Board Members: [a] The Annual Meeting of the Club shall be held in November of each year on such day and at such place as shall be determined by the Board of Governors. Each year there shall be elected four (4) or five (5) Governors, who, together with the eight (8) or nine (9) Governors whose term shall not then have expired, shall constitute the Board of Governors in the next succeeding fiscal year. The Governors shall be elected for a term of three years by ballot of the Voting Members pursuant to Section 2[b] below. Proxy votes are not permitted. Each Voting Member shall be entitled to one vote for each Governor to be elected. Cumulative voting is not permitted. Only Voting Members are eligible for the Board of Governors (“Eligible Member”).

2[b] The Nominating Committee shall report its nominees to the Secretary and such names will be posted by the Secretary on the bulletin board at least 40 days prior to the Annual Meeting. Any Member may nominate Eligible Members of the Club as candidates for office if they are each supported by the signatures of 5 Eligible Members and if the names of such candidates and their acceptances of the nominations are received in writing by the Secretary at least 30 days prior to the Annual Meeting. Such names shall be posted by the Secretary on the bulletin board at least 20 days prior to the Annual Meeting. If, 20 days prior to the date of the Annual Meeting, there is not a full slate of nominees as required hereby, the Board may, in its discretion, extend the time in which nominations may be obtained. In the event there is not a full slate of nominees by the time of the Annual Meeting, the Board may, at the next regularly scheduled meeting of the Board of Governors, appoint a Member to the Board of Governors by a majority vote of those Board Members present at that next regularly scheduled meeting.

2[c] A list of all nominees, a brief biographical background on each nominee, a ballot for voting purposes shall be sent to each Member at least 15 days prior to the Annual Meeting. Each Member may cast his or her vote by mail, by email with a scanned copy of the ballot attached or in person by returning the ballot to the Club either prior to the Annual Meeting or at the Annual Meeting itself. Ballots cast by mail or email must be received by the Club on or 2 days prior to the Annual Meeting. Ballots received after that day will be disregarded. Reasonable steps shall be taken to ensure that each Member's ballot whether cast by mail, email or in person, shall be secret and confidential. Votes cast by mail, email or in person prior to the Annual Meeting shall be deposited with the Secretary and opened by the Secretary and/or its designee at or in advance of the time of the Annual Meeting. Those nominees receiving the greatest number of votes out of the number to be elected shall be declared, and in case of a tie vote as to the last place to be filled, a new ballot naming those tied for last place shall be cast at the Annual Meeting in order to determine the last successful candidate.

ARTICLE 5 OFFICERS

Section 1. The officers of the Club shall be a President, 1st and 2nd Vice Presidents, Secretary and Treasurer, who shall be elected by the Governors annually as hereinafter provided.

Section 2. The President shall preside at all meetings of the Club and the Board of Governors. He shall, with the Secretary (or Treasurer), sign all contracts, perform such other duties as the Board of Governors may direct. The officers of the Club may designate another Member of the Club or an employee thereof to fulfill these duties. The President shall be an ex-officio Member of all committees, but shall not be entitled to vote in connection with committee deliberations.

Section 3. The 1st Vice President shall perform all of the duties of the President during the absence of the latter. The 2nd Vice President shall perform such duties if the President and 1st Vice President are not available. The Board may designate another Member of the Club or an employee thereof to fulfill these duties.

Section 4. The Secretary shall give notice of all meetings of the Club and Board of Governors. He shall conduct the correspondence, keep the records and seal of the Club and, with the President (or the Treasurer), shall sign all contracts.

Section 5. The Treasurer, or such other person as the Board of Governors may designate subject to the direction of the Treasurer, shall collect all moneys due the Club from every source and deposit the same in the name of the Club in a suitable federally insured financial institution approved by the Board of Governors. He, or the person so designated under his direction, shall keep the accounts of the Club and report thereon at each regular meeting of the Board of Governors and shall pay all bills approved by the Board of Governors. The Treasurer's account may, as the Board from time to time shall determine, be audited by an independent Certified Public Accountant. The Treasurer (or the Secretary) together with the President shall sign all contracts. "Check signing authority shall be governed by banking resolutions as approved by the Board of Governors."

Section 6. The Immediate Past President shall, if not continuing to serve as an elected governor, for the period of one year be an ex-officio Member of the Board of Governors. He shall not as an ex-officio Member, however, be entitled to vote or be eligible for election of President or Vice Presidents.

Section 7. The President, Vice Presidents, Secretary and Treasurer shall take office on the first day of January immediately succeeding their election and shall hold such offices until the first day of January of the next succeeding year. Governors shall hold office beginning with the first day of January following the annual meeting at which elected and ending on the first day of January following the third annual meeting thereafter.

ARTICLE 6 MEMBERS

Section 1. Membership classes are defined by the Board. Members can request a list of active membership classes by contacting the Club office. Membership classes are subject to change at the discretion of the Board:

Section 2. It shall be the duty of every Member to familiarize himself and the members of his immediate family with the By-laws and the rules of the appropriate committees of the Club, for ignorance of them shall not excuse any breach or neglect thereof. It shall be the duty of every Member witnessing or having knowledge of any misconduct or breach of the By-Laws or committee rules to report the same to the Board of Governors or a Club manager for timely and appropriate action.

Section 3. Admissions Procedures.

3[a] A proposal that membership be extended to a candidate in any class except "Honorary Member" shall be made in writing by at least two (2) current Members. All membership proposals shall be submitted to the Club office. The membership proposal shall contain the name and address of the proposed candidate, the name of the proposing Members, and such other information as the Membership Committee may from time to time require. The membership proposal shall be accompanied by the candidate's application for membership (on the form approved by the Membership Committee) including any pre-approval deposits required by then-current Board approved policies.

3[b] The name and address of the candidate and the names of the proposing Members shall be posted in the clubhouse for at least ten (10) days. Any Member of the Club possessed of any information derogatory to the character of a candidate or knowing of any good reason why membership should not be granted to such candidate, shall communicate the same in writing to the Membership Committee or the Board within the ten (10) day posting period. Club Members may also communicate any information to the Membership Committee or the Board which is favorable to the candidate. All such communications shall be held by the Membership Committee and the Board in strictest confidence.

3[c] The Membership Committee shall carefully examine all information and communications in reference to each candidate. Before each regularly scheduled Board meeting, the Membership Committee shall submit to the Board a list of membership proposals, together with its recommendations for action. The Board shall vote on each membership proposal. The affirmative vote of a majority of the Board Members present at any meeting at which a quorum is present shall be required to admit the candidate to membership. If the ten (10) day posting period has expired as to the date of the Board meeting at which the candidate is elected to membership, the candidate shall immediately be considered a Member of the Club and entitled to all rights, privileges and responsibilities of membership. If the ten (10) day posting period has not expired as of the date of the Board meeting, the candidate can be approved by a unanimous Board email vote.

3 [d] A newly elected Member shall be notified of election to membership in writing and included with this written notice will be a copy of these by-laws, the Club Rules and a schedule of applicable dues and fees.

Section 4. Leave of Absence.

4[a]. Upon written request of a Member, the Board of Governors shall have the authority to grant the Member a Leave of Absence. Each Member shall be permitted two (2) one-year Leaves of Absence, for a maximum term of one (1) year during his entire tenure with the Club. All written requests should set forth in detail the reasons for the requested Leave of Absence and must be received by the Club office by the 10th day of the month in order for a proposed Leave of Absence to be effective beginning the first day of the following month. The decision to grant a Leave of Absence shall be within the sound discretion and judgment of the Board of Governors. In exercising its discretion and judgment, the Board should consider such things as medical necessity, financial hardship and other compelling circumstances including the financial condition of the Club. If a Leave of Absence is granted, the Member will not be permitted to enjoy any of the privileges of membership or utilize any club facilities for one full year, and will not be responsible for club dues, house minimums, and other miscellaneous charges for that time period. The Member will be responsible to pay any assessments or capital improvement fees levied, any bonds issued and/or any other charges for which the Board of Governors

requires that Members on Leave of Absence be responsible. A Member who is on a Leave of Absence under this policy may request that said Leave of Absence be extended for an additional year by so requesting in compliance with this Section. The decision to grant extensions is likewise within the sound discretion and judgment of the Board. If no request for extension is made, or if a request for extension is denied, the Member's status immediately previous to the original Leave of Absence will be reinstated and dues and charges will be billed accordingly.

4[b] No application for a Leave of Absence or extension will be granted unless the Member is current on all charges billed, including charges owed the golf professional. As stated, upon conclusion of the approved Leave of Absence or extension, the Member's status immediately previous to the Leave of Absence will be reinstated and dues and charges will be billed accordingly; however, the Board has the authority upon the written request of the Member to allow the Member to return in a different membership category. All such requests must be received in the Club office no less than thirty (30) days prior to the conclusion of the Member's approved Leave of Absence.

4[c] During a Leave of Absence, the Member may elect to terminate the Leave of Absence and resume the Member's membership status by so notifying the Club office in writing and paying all house minimums, miscellaneous charges, assessments and Club dues from the date the Leave of Absence began through the date of reinstatement ("Reinstatement Fees"), in accordance with the then current availability of membership. The Board has the authority to allow a Member who is on an approved Leave of Absence to early return and waive some or all Reinstatement Fees.

Section 5. Resignations:

5[a] All requests for resignation must be submitted in writing to the Membership Committee and referred by it to the Board of Governors which shall have the power to accept or reject same.

5[b] "A request for resignation or reclassification may be made at any time during the calendar year provided the requesting member gives no less than 60-day written notice of that request to the end of a calendar month. With reference to the reclassification, such request may only occur once in any twelve-month period."

5[c] No resignation will be accepted from any Membership in arrears on any payment of fees, dues, charges, bond, etc., due and owing at the time of the submission of the request for resignation.

Section 6. Suspension or Expulsion:

6[a] The Board of Governors may suspend or expel any Member of the Club for an infraction of any By-Law, Ground Rule or House Rule, or for a violation of the Club's Non-Discrimination/Non-Harassment Policy, or for any act or conduct which is disorderly or injurious to the interest of the Club or hostile to the objects of the Club, in the reasonable opinion of the Board of Governors.

6[b] Any Member of the Board may offer a Member for suspension or expulsion. The Board shall then vote as to whether facts offered justify proceeding with the suspension or expulsion procedure as hereinafter set forth. The Board must vote by a three-quarters majority if the offending Member is to be considered for suspension or expulsion. If the Board casts a three-quarters majority vote that the Member is to be considered for suspension or expulsion, the Board shall notify the offered Member in writing that he or she is being considered for suspension or expulsion, setting forth the reason for the offering for suspension or expulsion and the name of the Member of the Board who made the offer. Said notice shall be by United States Certified Mail, Return Receipt Requested and by regular mail.

6[c] Upon notification, the notified Member may within ten (10) days of such notification, request to appear before the Board to hear the alleged violation and to be heard on the issues. The Board shall schedule such appearance before the Board, giving the requesting Member no less than two (2) weeks written notice by United States Certified Mail, Return Receipt Requested and by regular mail.

6[d] After the requesting Member has appeared before the Board, the Board shall conduct a vote as to whether that Member shall be suspended or expelled. The Member may only be suspended or

expelled by an affirmative vote of no less than three-fourths of the Members of the Board of Governors present at that meeting, provided at least six votes are cast in favor of such suspension or expulsion.

6[e] If the Board votes to suspend or expel a Member, that Member shall be notified in writing by the Board no later than five business days after the vote. Said notice shall be in writing and shall be sent to the Member by United States Certified Mail, Return Receipt Requested and by regular mail.

6[f] Notices under this section shall be deemed to have been given at the time that the Certified and regular mail are deposited with the United States Postal Service.

6[g] For purposes of this Article 6, Section 6, suspension shall apply only to that individual specifically suspended by the Board in accordance with the foregoing procedure. However, for purposes of this Article 6, Section 6, if any individual is expelled in accordance with the foregoing procedure, the entire membership is terminated and all individuals enjoying Club privileges thereunder shall no longer enjoy the privileges of membership.

Section 7. Any Member may upgrade his classification of Membership by notifying the Club of his or her intention to do so in advance of any regular Board meeting. If additional fees are due as a result of said change of classification, said fees shall be immediately due and payable.

Section 8. At no time will any Member receive a rebate of any fees notwithstanding the fact that the classification to which the Member may be changing has less fees attendant thereto.

Section 9. The Board of Governors may at any time close the Membership or limit the number of Members to be admitted in any class.

ARTICLE 7 SPECIAL MEETINGS OF MEMBERSHIP

Section 1. A special meeting of the Membership of the Club may be called by the President at any time, and shall be called by him upon the written request of at least twenty percent (20%) of the Voting Members. Notices of any special meeting shall state the object for which said meeting is called, and no other business shall be transacted except as specified therein or that is germane thereto.

Section 2. The Secretary shall give at least 14-day notice, by first class mail, to each Voting Member of any special meeting and shall include an absentee ballot detailing all items to be voted on. The number of Members necessary to constitute a quorum at any meeting of the Club shall be thirty-five percent (35%) of the Voting Members as of the date of that meeting and shall include any absentee ballot that is properly completed, signed by the Voting Member and that was received in the club office at least 3 days prior to the meeting date. If a quorum is not attained at any meeting, the Board may reschedule the meeting for a later date, allowing time for the required notice which the Secretary shall give or cause to be given to all Members.

Section 3. Once a quorum has been attained in accordance with the foregoing, the President shall conduct the meeting. After discussion on the issue properly framed in the notice of special meeting, a vote shall be held by written ballot, cast by only by Voting Members present and absentee ballots that are properly completed, signed by the Voting Member and have been received in the club office at least 3 days prior to the meeting date. Each issue must pass by a majority vote.

ARTICLE 8

ENTRANCE FEES, DUES AND CLUB CHARGES

Section 1. Dues, assessments, other club charges

1[a]. The Board of Governors shall fix the amount of dues, assessments, and other Club charges, including but not limited to initiation fees and bonds to be paid by Membership.

1[b] Should a former Member apply for reinstatement within 12 months after resignation, they will be considered for acceptance by the Board of Governors by re-applying in the same category from which they resigned, and payment of all past dues and charges, and with no additional initiation fee, if applicable.

1[c] Should the request be made after a 12-month interval; it will be considered as a new Member application with the initiation fee to be paid in full at the prevailing charge.

1[d] When a Former Member whose resignation was prompted by moving out of the area, returns to the area within three years of the date of departure, re-applies for and is accepted into Membership, the initiation fee will be an amount equal to the difference between what the initiation fee was at the time of departure vis a vis the initiation fee at the time of his return. If, however, that Member is absent for a period in excess of three years from the date of his departure, he must re-apply for Membership and pay all fees charged and/or assessed for new Members at that time.

1[e] Whenever any Member moves into a class of membership which has a higher initiation fee than that paid by him initially, he shall pay the difference between the fee previously paid and that fee currently due on applying for membership in such higher class. The Member may select payment options that are available to new Members at the time of the request for the upgrade.

1[f] Initiation fees are defined annually by the Board and are fully due and payable upon acceptance into Membership. Notwithstanding the foregoing, deposit payments and serial payment options may be established by the Board. Notwithstanding a Member's election to make serial payments, if that Member elects to resign prior to full payment of his initiation fee, said initiation fee remains fully due and owing to the Club. Deposit payments and payment options are established by the Board of Governors.

Section 2. Exceptions

2[a] Upon the death of any Member, his or her surviving spouse may continue Membership in any class currently or previously held without payment of initiation fee, if applicable.

2[b] In the event of a divorce of a Club Member, either spouse may continue Membership in any class currently or previously held without payment of initiation fee, if applicable. However, if applicable, additional applicable bond(s) must be purchased so that each individual Membership thus created will be in possession of the required bonds as determined by the parties involved.

Section 3. The Club office will maintain a schedule of all fees, dues, assessments, charges, penalties, fines, etc., attendant to each class of membership. It is intended that said Schedule may change from time to time in the Board's discretion, duly authorized. It is the intention of this Section 3 that any change to this Schedule may be effectuated by the Board at a regular meeting, upon motion duly made and seconded, and thereafter voted upon but shall not be deemed to be a change in these By-Laws.

Section 4. Annual charges (dues, locker fees, assessments, etc.) are due and payable upon receipt of an invoice therefor each year. Notwithstanding the foregoing, deposit payments and serial payment options may be established by the Board. Members electing the installment method of payment shall be liable for the full year's charges. A newly elected Member shall be liable for the monthly dues and charges applicable dating from the month of acceptance into Membership through

the end of the year.

Section 5. All charges are due and payable upon receipt of the monthly statement and delinquencies shall be handled as follows: 1) All charges not paid by the 25th day of the month next following the month in which the charges were generated shall be considered delinquent. 2) The delinquent Member shall be sent a reminder notice by email and/or regular mail. 3) If payment is not then received by the last day of that month, a penalty in the amount of one percent (1%) of the unpaid charges will then be added, the Member's name will be posted and all membership privileges will be immediately suspended. 4) The Club will notify the delinquent Member of the foregoing actions by email or certified mail to that Member. 5) If payment in full is not received from the delinquent Member within five (5) days of the date of the posting, expulsion of the delinquent Member shall be reviewed by the Board of Governors at the next regularly scheduled meeting.

Section 6. Bonds: At the discretion of the Board, certain memberships may require a bond payment.

Section 7. Any Member in Poor Standing shall forfeit their bonds. Forfeiture of the bond(s) does not preclude the requirement for payment of all other outstanding sums due to the Club. At no time may bonds be used by a delinquent Member as payment for his outstanding balance.

Section 8. Proprietary Interest: In the case of the distribution of the assets of the Club upon dissolution of the Club or otherwise, the proprietary interest of each Member and his entitlement to the pro-rata share of the distribution shall be based upon the value of that Member's bonds (fully paid for and unencumbered) vis a vis the value of all such Bonds issued by the Club.

ARTICLE 9 COMMITTEES

Section 1. The President shall appoint the standing committees set forth in Sections 2 through 14 of this Article, designating the chairperson of each to serve for one year beginning the first day in January. He shall appoint such special committees as shall from time to time be deemed advisable. The Chairpersons are responsible for forming the make-up of their committee.

Section 2. The House Committee in conjunction with the house manager shall have oversight of the clubhouse and its immediate grounds. The Committee shall: (a) Define and schedule member social events ensuring that they do not conflict with outside events. (b) Review Member feedback and provide guidance on ways to improve House service.

Section 3. The Greens Committee in conjunction with the Golf Course Superintendent shall: (a) Have charge of the course, barns and storage sheds; (b) Make such purchase of tools, machinery, equipment and supplies as may be required for the proper maintenance and upkeep of the course and shall have entire control thereof; (c) Employ and supervise the Golf Course Superintendent and such assistants and other employees as may be required for the purpose; (d) Make all regulations relating to conditions (local rules) governing play and the use of the course.

Section 4. The Pro Shop Committee in conjunction with the Club Professional shall have charge Club Professional shop, and any other persons employed therein. The Committee shall also supervise all facets of golf cart acquisition and maintenance. It shall purchase such necessary supplies and equipment as may be required for the proper maintenance and operation of the Pro Shop/Carts facilities

shop, and with the approval of the Board of Governors fix the fees to be charged for green fees and golf cart rentals.

Section 5. The Membership Committee shall consist of an uneven number of Members, at least one of whom shall be a Member of the Board of Governors. A majority of the committee shall constitute a quorum and no person shall be elected to Membership excepting on the affirmative vote of the majority of the committee Members. The Committee shall, with the approval of the Board of Governors, prescribe such other rules for the qualification and recommendation of candidates as it may deem fit.

Section 6. The Golf Committee shall supervise the handicapping of all Members participating in any golfing events and shall have supervision of all golf events given at the Club. Any request for a non-Member golf function shall be submitted to the Board for approval.

Section 7. The Finance Committee shall work with the House Manager and Club controller to review the overall health of the Club's finances, providing advice and counsel where needed.

Section 8. The Engineering and Maintenance Committee shall, in conjunction with the several other committees, constantly survey the physical makeup of the facility and assure that all utilities are in proper working order to assure continuance of the club operation without interruption, and shall oversee the repair of any segment under emergency conditions.

Section 10. The Pool Committee shall have charge of the swimming pool and its appurtenant grounds, buildings, and equipment. The House Manager and the Pool Manager will make all necessary purchases of equipment and supplies which may be required for the upkeep and maintenance. The House Manager and Pool Manager shall engage and dismiss all necessary employees required, and enforce all rules to ensure proper operation of the facilities. Food and Beverage service shall be supervised by the Club Manager.

Section 11. The Long Range Planning Committee shall be responsible or making recommendations for long range improvements and overall plans, in order to maximize their value and benefits to the Membership. They shall regularly consult with the Board and chairpersons of committees in order to be kept informed of their respective needs.

Section 12. The Member Relations / Human Resources Committee shall serve as a communications link between Members and the Board. The Committee chair will coordinate Board review of appropriate Club HR issues including review of written correspondence from Club employees and make recommendations to the Board for whatever action might be required.

Section 13. The Technology Committee shall be responsible for upgrading the data and telecommunications systems and recommend changes beneficial to the Club operation.

Section 14. The Marketing Committee in conjunction with other committees to prepare marketing messages and distribution channels when working to get Club programs and news published.

Section 15. The various Committees shall under, the direction, control and approval of the Board of Governors, prepare and enforce rules regulating the use of the grounds and the clubhouse.

Section 16. The various Committees shall make reports of their activity to the Board of Governors at the regular monthly meeting of the Board and at such other times as the Board may request.

ARTICLE 10 GUESTS

Section 1. A Member may invite any individual for use of the Club facilities upon the following terms and conditions:

a. A person who is properly sponsored may use the golf course upon payment of greens fee and other fees as defined by then-current Board approved policies. This privilege cannot be extended to a person more than six (6) times in a calendar year.

b. Any active golfing Member of a private club having Membership in the Golf Association of Philadelphia, may play golf as a guest six (6) times in any year and may use the pool as a guest four (4) times in any year upon proper sponsorship and payment of the applicable greens and guest fee.

c. No guest other than a bona fide house guest of a Member or Members may be entertained at the Club more than four times in one year. Attendance at the clubhouse as a guest and at the expense of the Member for lunch or dinner only shall not be construed as included in this restriction. All other uses of the clubhouse and golf course are included in this restriction. For purposes of this Sub-section, a "bona fide house guest" shall be any guest of a Member whose primary residence and business are no less than 100 miles from the Club. Upon payment of all appropriate fees, the bona fide house guest may use the Club facilities as further prescribed by the Rules.

d. The Member is totally responsible for his guests during the time they are using club facilities.

e. No Member who has been suspended shall be entertained as a guest during the period of his or her suspension. No former Member who has been expelled from the club shall be entertained as a guest at the club for any purpose. Upon petition of a sponsoring Member of the Club, a suspended Member or an expelled former Member may be permitted to be entertained as a guest for a special event upon the affirmative vote of not less than three-fourths of the Board of Governors. Such petition shall be made not later than the monthly board meeting of the Board of Governors prior to the special event.

ARTICLE 11 NON-DISCRIMINATION / NON-HARASSMENT POLICY

Section 1. **NEED FOR A POLICY:** Coatesville Country Club strives to create a membership and work environment where all individuals are treated fairly and with respect. It is the policy of Coatesville Country Club to promote and provide all benefits of membership and/or without discrimination due to race, color, religion, national origin, sex, age, handicap, or other classification protected by federal, state or local law.

Section 2. **NON-DISCRIMINATION/HARASSMENT:** Any form of harassment based on race, color, religion, national origin, sex, age, handicap, or other classification protected by federal, state or local law (hereinafter "harassment") will not be tolerated by Coatesville Country Club.

Section 3. **INDIVIDUALS COVERED UNDER THE POLICY:** Harassment is a serious violation of Coatesville Country Club's policies. This policy covers all Coatesville Country Club Members, staff and guests. Coatesville Country Club will not tolerate, condone, or allow harassment, whether engaged in by Members, staff or guests. Coatesville Country Club encourages reporting of all incidents of harassment, regardless of whom the offender may be.

Section 4. **REPORTING A COMPLAINT:** While Coatesville Country Club encourages individuals who believe they are being harassed to firmly and promptly notify the offender that his or her behavior is unwelcome and discriminatory, Coatesville Country Club also recognizes that such a

confrontation is not always appropriate or advisable. The following steps should be followed in reporting harassment:

a. Notification of Appropriate Staff: Individuals who believe they have been subjected to harassment should report the incident to a Club manager or to any Board Member. If a Club manager or any Board Member receives a complaint in a formal or informal manner, the Club manager or Board Member should immediately advise the President of the Club who in turn will initiate the investigation procedure set forth below. If an individual believes they were subjected to harassment by the president, said individual should report that incident to Club manager or a Board member.

b. Protection Against Retaliation: Coatesville Country Club will not in any way retaliate against an individual who makes a report of harassment nor permit any Member, guest or any of the staff employee to do so. Retaliation is a serious violation of this harassment policy and should be reported immediately. Any person found to have retaliated against another individual for reporting harassment or for participating in any investigation of harassment may be subject to the same range of disciplinary action provided for harassment offenders.

c. False accusations: Since Coatesville Country Club treats all allegations of harassment seriously, if an investigation results in a finding that the complainant falsely accused another of harassment knowingly or in a malicious manner, the complainant will be subject to appropriate sanctions, including the possibility of suspension or expulsion. The procedure for suspension and/or expulsion shall be governed by Article 6, Section 6 of these By-Laws.

Section 5. INVESTIGATING THE COMPLAINT: Any allegation of harassment brought to the attention of the Board will be promptly investigated in as confidential a manner as possible so as to protect the privacy of persons involved. Confidentiality will be maintained throughout the investigation process to the extent practical and appropriate under the circumstances.

Section 6. RESOLVING THE COMPLAINT: Any individual found to have engaged in misconduct constituting harassment will be subject to appropriate sanctions, including the possibility of suspension or expulsion for members or suspension with or without pay or termination for employees. The procedure for suspension and/or expulsion shall be governed by Article 6, Section 6 of these By-Laws. Although Coatesville Country Club's ability to discipline a non-Member harasser (e.g. guest, etc.) is limited by the degree of control, if any, that Coatesville Country Club has over the alleged harasser, Members should be assured that appropriate action will be taken.

Section 7. CONCLUSION: Coatesville Country Club has developed this policy to ensure that all of its Members and staff remain in an environment free from harassment. Coatesville Country Club will make every effort to ensure that all its Members and staff are familiar with the policy and know that any complaint received will be promptly and appropriately investigated.

ARTICLE 12 LIMITATION OF LIABILITY

A Member of the Board of Governors of the Club (including any Member of any Committee of the Board of Governors, hereinafter referred to and for purposes of this Article 12 as the "Board of Governors") shall not be personally liable for monetary damages for any action taken, or any failure to take any action, unless he or she has both (i) breached the standards set forth in Title 42, Chapter 83, Section 8363 of the Pennsylvania Consolidated Statutes relating to performance of duty and (ii) such breach or failure to perform constitutes self-dealing, willful misconduct or recklessness. For the purpose of Title 42, Chapter 83, Section 8363, each Member of the Board of Governors shall be deemed to be a "director", regardless of whether such Member is designated as a "director" in these By-Laws. The

foregoing limitation of liability shall be retroactive to the fullest extent permitted by law. This exemption from liability shall not apply to the responsibility or liability of a Member of the Board of Governors for the payment of taxes pursuant to Local, State or Federal Law. If the Pennsylvania Consolidated Statutes hereafter are amended to authorize the further elimination or limitation of the liability of a Member of the Board of Governors, then the liability of a Member of the Board of Governors of the Club in addition to the limitation on personal liability provided herein, shall be limited to the fullest extent permitted by the amended Pennsylvania Consolidated Statutes.

ARTICLE 13 INDEMNIFICATION AND INSURANCE

Section 1. Each person who was or is made a party or is threatened to be made a party to or is involved in any action, suit or proceeding (hereinafter a "proceeding"), whether civil, criminal, administrative or investigative, including, without limitation, an action or suit by or in the right of the Club, by reason of the fact that he or she, or a person of whom he or she is the legal representative, is or was a Member of the Board of Governors or officer of the Club, shall be indemnified and held harmless by the Club to the fullest extent and manner authorized or permitted by the laws of the Commonwealth of Pennsylvania, as the same exists or may hereafter be amended (but, in the case of any such amendment, only to the extent that such amendment permits the Club to provide broader indemnification rights than said law permitted the Club to provide prior to such amendment), against all expense, liability and loss (including attorneys' fees, judgments, penalties, fines and amounts paid or to be paid in settlement) reasonably incurred or suffered by such person in connection therewith and such indemnification shall continue as to a person who has ceased to be a Member of the Board of Governors or officer and shall inure to the benefit of his or her heirs, executors and administrators; provided, however, that, except as provided in Section 4 hereof, the Club shall indemnify any such person seeking indemnification in connection with a proceeding (or part thereof) initiated by such person only if such proceeding (or part thereof) was authorized by the Board of Governors of the Club. The right to indemnification conferred in this Article shall be a contract right and each person to whom this right to indemnification applies shall be a third party beneficiary of such right and shall be entitled to enforce against the Club all indemnification and other rights granted to such person by this Article. Such right shall include the right to be paid by the Club the expenses incurred in any such proceeding in advance of its final disposition; provided, however, that, if the laws of the Commonwealth of Pennsylvania require, the payment of such expenses incurred by a Member of the Board of Governors or officer in advance of the final disposition of a proceeding shall be made only upon delivery to the Club of an undertaking, by or on behalf of such Member of the Board of Governors or officer, to repay all amounts so advanced if it shall ultimately be determined that such Member of the Board of Governors or officer is not entitled to be indemnified under this Article or otherwise. The Club may, by action of its Board of Governors, provide indemnification to employees, agents, fiduciaries and other representatives of the Club or to any person who is or was serving at the request of the Club as a director, employee, agent, fiduciary or representative of another corporation or of a partnership, joint venture, trust or other enterprise, including service with respect to any employee benefit plan, with the same or lesser scope and effect as set forth herein and in the other section of this Article. If and to the extent that the laws of the Commonwealth of Pennsylvania require that indemnification be provided in a given instance only if the person acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Club, and, with respect to any criminal proceeding, had no reasonable cause to believe his or her conduct was unlawful, then termination of any proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not of itself create a presumption that the person did not act in good faith and in the manner which he or she reasonably believed to be in or not opposed to the best interests of the Club, and, with respect to any

criminal proceeding, he or she had no reasonable cause to believe that his or her conduct was unlawful. Termination of any proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not of itself be a determination by a court that the act or failure to act giving rise to a claim for indemnification constituted willful misconduct or recklessness.

Section 2. Indemnification under Section 1 of this Article shall be made by the Club unless a determination is reasonably and promptly made that indemnification of a Member of the Board of Governors or officer is not proper in the circumstances because of grounds for denying indemnification under this Article or under applicable law. Such determination may be made only (i) by the Board of Governors, by a majority vote of a quorum consisting of Members of the Board of Governors who were not parties to such proceeding, (ii) if such quorum is not obtainable, or, even if obtainable, if such quorum so directs, by independent legal counsel in a written opinion, or (iii) by the majority vote of the Voting Members of the Club present at any meeting called for such purpose.

Section 3. Notwithstanding any other provisions of this Article, to the extent that a Member of the Board of Governors or officer of the Club has been successful on the merits or otherwise in defense of any proceeding referred to in Section 1 of this Article or in defense of any claim, issue or matter therein, he or she shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by him or her in connection therewith.

Section 4. If a claim under Section 1 of this Article is not paid in full by the Club within thirty (30) days after a written claim has been received by the Club, the claimant may at any time thereafter bring suit against the Club to recover the unpaid amount and, if successful in whole or in part, the claimant shall be entitled to be paid also the expense of prosecuting such claim. It shall be a defense to any such action (other than an action brought to enforce a claim of expenses incurred in defending any proceeding in advance of its final disposition where the required undertaking, if any is required, has been tendered to the Club) that the claimant has not met the standards of conduct which make it permissible under the laws of the Commonwealth of Pennsylvania for the Club to indemnify the claimant for the amount claimed, but the burden of proving such defense shall be on the Club. Neither the failure of the Club (including its Board of Governors, independent legal counsel or its Members) to have made determination prior to the commencement of such action that indemnification of the claimant is proper in the circumstances because he or she met the applicable standard of conduct set forth in the laws of the Commonwealth of Pennsylvania, or an actual determination by the Club (including its Board of Governors, independent legal counsel or its Members) that the claimant has not met such applicable standards of conduct, shall be a defense to the action or create a presumption that the claimant has not met the standards of conduct.

Section 5. The right to indemnification and the payment of expenses incurred on a proceeding in advance of its final disposition conferred in this Article shall not be exclusive of any right which any person may have or hereafter acquire under any statute, provisions of the Articles of Incorporation, by-law, agreement, vote of Members of the Board of Governors or otherwise.

Section 6. The Club may maintain insurance, at its expense, to protect itself and any Member of the Board of Governors, director, officer, employee, agent, judiciary or representative of the Club or another corporation, partnership, joint venture, trust or other enterprise against any expense, liability or loss, whether or not the Club would have the power to indemnify such person against such expense, liability or loss under the laws of the Commonwealth of Pennsylvania.

Section 7. This Article may hereafter be amended or repealed; provided, however, that no

amendment or repeal shall reduce, terminate or otherwise adversely affect the right of a person who is or was a Member of the Board of Governors or officer to obtain indemnification or advancement of expenses with respect to a proceeding that pertains to or arise out of actions or omissions that occur prior to the date of such amendment or repeal, which date cannot be retroactive.

ARTICLE 14 AMENDMENTS

Section 1. These By-Laws may be amended at any meeting of the Board of Governors by the affirmative vote of two-thirds of the Board Members thereof, or at any meeting of the Club by the affirmative vote of the majority of the Voting Members in attendance thereat and absentee ballots properly cast by Voting Members, provided that said affirmative votes consist of no less than 35% of vote of the all Voting Members, whether present or not.

Section 2. No action shall be taken by the Board of Governors upon any proposed amendment to these By-Laws unless notice be first given in writing to all Board Members at least twenty days in advance of such action and no action shall be taken by the Board unless notice of the amendment to be acted upon be first posted in the clubhouse for a period of twenty days prior thereto.

ARTICLE 15 Miscellaneous

Section 1. The use of any male pronoun in these By-Laws is intended to and does include the female pronoun and is not intended to reflect any bias on the basis of a person's gender.

Section 2. The Club will not, under any circumstances, be responsible for the property of Members, visitors, guests or other persons brought on the Club property for any purpose whatsoever.

Section 3. If any of the Club's facilities are unavailable for membership use due to fire, casualty or other similar circumstances beyond the Club's control, the membership will continue to be liable for the timely payment of all dues, fees or charges unless specifically waived or suspended by vote of the Board of Governors.