

COUNTRY TOWN CLUB OF ORANGE, INCORPORATED

BY-LAWS

ARTICLE I - Name and Address

The name of the corporation shall be Country-Town Club of Orange, Incorporated, and the principal office and mailing address shall be Orange, Virginia.

ARTICLE II - Seal

The corporation seal shall have inscribed thereon the name of the corporation and the word "SEAL" inscribed in the center. Said seal may be used by causing it or a facsimile thereof to be impressed or affixed or reproduced.

ARTICLE III - Capital Stock

1. Certificates of stock shall be issued in numerical order from the stock certificate book, they shall be signed by the President and the Secretary, and the corporate seal shall be affixed thereto by the Secretary. A record of each certificate shall be kept on the stub thereof in the stock certificate book.

2. Certificates of stock shall be issued or transferred only to persons approved in advance by the Board of Directors.

3. The Board of Directors is authorized to accept subscriptions for capital stock and to issue certificates therefor at prices to be fixed by the Board of Directors.

4. Any stock of the corporation proposed to be sold or transferred by a stockholder must first be offered for sale to the corporation; and the corporation shall have the right to purchase such stock at a price to be fixed by the Board of Directors.

5. Treasury stock shall be held by the corporation subject to disposal by the Board of Directors and shall not be voted.

6. The owner of each share of stock, for all purposes, shall be the person in whose name the stock appears on the transfer books of the corporation. Before a share may be transferred on such books, the certificate, representing such share, must be submitted to the Secretary of the corporation, endorsed in full, and accompanied by a certificate of approval of the transfer by the Board of Directors. To effect the transfer, the Secretary shall make appropriate entries on the transfer books and shall issue a new certificate to the transferee.

7. In the event that a stockholder is compelled to move his residence to a location from which normal use of the pool would not be feasible, the corporation shall redeem the stock of such stockholder at a price to be fixed by the Board of Directors.

8. Ownership of a share of stock shall entitle the stockholder to a life membership, which shall carry with it the privileges and obligations to be defined from time to time by the Board of Directors.

9. Any stockholder who has maintained an inactive status for five years must become active the sixth year or his stock will be redeemed by the corporation.

10. When accumulated debts of a stockholder equal the redemption value of the stock, the stock will automatically be cancelled.

ARTICLE IV - Stockholders' Meetings

1. The annual meeting of stockholders shall be held in October of each year at such time and place as the Board of Directors shall designate.

2. Special meetings of the stockholders may be held at such time and place as shall be stated in the notice of the meeting and upon call of the President, the Board of Directors, or at the request of stockholders owning at least twenty percent (20%) of the capital stock of the corporation.

3. Notices of meetings, written or printed, for every regular or special meeting of the stockholders, shall be prepared and mailed to the last known Post Office address of each stockholder not less than five (5), nor more than ten (10) days before any such meeting, and if for a special meeting, such notice shall state the object or objects thereof.

4. A quorum at any meeting of the stockholders shall consist of at least twenty-five percent (25%) of the stockholders of the corporation, present in person or by proxy. Except as herein otherwise provided, a simple majority of such quorum shall decide any question that may come before the meeting.

5. At an annual or special meeting, each stockholder shall be entitled to one vote for each share of stock held and no more than one vote shall be cast for each share of stock. A stockholder may vote in person or by proxy designated in writing.

#### ARTICLE V - Directors

1. The governing body of the corporation shall be a Board of Directors consisting of not less than seven (7) nor more than thirteen (13) members. The property and operations of the corporation shall be managed by the Board of Directors.

2. The directors shall be elected at the regular annual meeting of the stockholders for a term of three (3) years and shall hold office until their successors are elected and qualified. In voting for directors, each stockholder may cast one vote per share for each seat to be filled, without cumulation. Each director shall be a stockholder and shall receive no compensation for his service as a director.

3. Newly elected directors shall commence their term of office, and their predecessors shall terminate their term of office as of the close of the annual meeting of stockholders at which such election occurs.

4. The transfer by a director of his stock in the corporation shall operate as a resignation of his office.

5. When a vacancy occurs on the Board of Directors, such vacancy may be filled by the Board of Directors at its discretion.

#### ARTICLE VI - Directors' Meetings

1. The first regular meeting of the Board of Directors shall be held immediately after the adjournment of the regular annual stockholders' meeting. Thereafter, regular meetings shall be held at the time and place fixed by the Board of Directors.

2. The President, or in his absence, the Vice President, may call a special meeting of the Board of Directors at any time and shall do so within ten (10) days upon receipt of the written request of a majority of the Directors. The time and place of each such meeting shall be fixed by the President. Notice of each such meeting shall be given at least three (3) days before the date of the meeting.

3. The President shall call a special meeting of the Board of Directors within ten (10) days after receipt of the written request of any twenty-five (25) stockholders, at which meeting said stockholders or their representatives may attend to present any problem and propose solutions for consideration by the Board of Directors.

4. A majority of the Directors shall constitute a quorum.

5. Meetings shall be presided over by the President, or in his absence, by the Vice President. In the absence of both the President and the Vice President, the Board of Directors shall elect a presiding officer for that meeting.

6. Meetings of the Board of Directors shall be open to the stockholders.

#### ARTICLE VII - Officers

1. The officers of the corporation shall be a President, a Vice President, a Secretary and a Treasurer, all of whom shall be elected by the Board of Directors for a term of one year at the first meeting following the regular annual meeting of the stockholders. Such officers shall hold office until their successors are elected and qualified. The President and Vice President shall be directors. The Secretary and Treasurer need not be directors, but they shall be stockholders.

2. The President shall preside at all meetings of the stockholders and of the Board of Directors. He shall perform such other duties as customarily pertain to the office of the President, or as he may be directed to perform by resolution of the Board of Directors.

3. The Vice President shall have and exercise all of the powers, authority, and duties of the President during the absence of the latter or his inability to act.

4. The Secretary shall prepare and maintain full minutes of all meetings of the stockholders and of the Board of Directors. He shall give proper notice of all meetings of the stockholders and of the Board of Directors. He shall maintain the stock transfer books and the membership records of the organization. He shall have custody of the seal of the corporation and all valuable papers other than those kept by the Treasurer, and shall perform such other tasks as customarily pertain to his office.

5. The Treasurer shall have custody of all funds, securities, fiscal papers, and other tangible assets of the corporation. He shall collect the revenues of the corporation and pay its bills as authorized by the Board of Directors. He shall provide and maintain full and complete records of all assets and liabilities of the corporation and complete report to the Board of Directors on the financial condition of the corporation when called upon. The Treasurer shall be bonded for five thousand dollars (\$5,000.00).

6. When an officer is absent or otherwise unable to perform the duties of his office, the Board of Directors may designate one of the directors to act temporarily in his place. If the office of any officer becomes vacant for any reason, the vacancy shall be filled by the Board of Directors.

7. The Board of Directors may appoint such other officers and employees as it shall deem necessary, who shall hold their offices for such terms and shall exercise such powers and perform such duties as shall be determined from time to time by the Board of Directors.

#### ARTICLE VIII - Committees

1. The President of the corporation shall appoint such standing committees as the Board of Directors may direct for the purpose of assisting the officers and the Board of Directors in the performance of their duties. The members of such standing committees shall be stockholders, or members of their families. The chairmen of these committees shall be approved by the Board of Directors.

2. The President is authorized to appoint such temporary committees as he shall deem necessary for the welfare of the corporation.

3. The duties of standing committees and temporary committees shall be outlined by the Board of Directors and their actions shall be reported to the Board of Directors.

4. No obligations or expenditure may be made by a committee, officer, or member of the Board of Directors without prior approval of the Board of Directors.

#### ARTICLE IX - Members

1. A certificate of stock shall entitle the life member, his or her spouse, and the unmarried children of said life member and spouse in their immediate household who are under the age of twenty-five (25) years, to all privileges of the corporation.

2. All members shall be subject to the corporation Charter and By-Laws and the rules and regulations prescribed by the Board of Directors.

3. The Board of Directors at its discretion may extend the privileges of the corporation to any person or persons for limited times.

4. Any member may be suspended for using the recreational facilities of the corporation for limited times for:

- (a) Violation of the By-Laws or rules prescribed by the Board of Directors by such member or member of his household entitled to use the facilities, or a guest of such member;
- (b) Acts endangering the safety, health, morals, and property of the members and the persons using the facilities of the corporation by such member or member of his household entitled to use the facilities, or a guest of such member;
- (c) Disturbance of the peace while using the facilities of the corporation by such member or member of his household entitled to use the facilities, or a guest of such member;
- (d) Failure to pay annual operating dues.

5. The Board of Directors may suspend any member by a majority vote of the directors present at a regular or special meeting, but only after such member has been given an opportunity to be heard; provided, however, the Board of Directors may delegate

authority to exclude any person from the recreational facilities of the corporation, subject to appeal to the Board of Directors; and, provided further, that suspension of a member for failure to pay operating dues shall be automatic and shall require no approval of the Board of Directors.

6. Suspension of a member shall likewise operate as suspension of members of his, or her, family entitled to use the facilities of the corporation.

#### ARTICLE X - Annual Operating Dues

1. The Board of Directors shall establish annual operating dues for the ensuing season and the date such dues shall be payable.

2. Operating dues shall be sufficient to provide for the necessary expenses of the corporation and the proper operation, maintenance and improvement of its property.

3. No operating dues shall be refunded in the event that the operation of the facilities is suspended or delayed for any reason.

#### ARTICLE XI - Amendments

1. Amendments of these By-Laws may be adopted by the affirmative vote of a majority of the stockholders present in person or by proxy at any regular or special meeting of the stockholders when the text of the proposed amendment has been set forth in the notice of such meeting.