

**BY LAWS
CHESTNUT MOUNTAIN GOLF CLUB**

**ARTICLE I
NAME**

The name of this corporation is Chestnut Mountain Golf Club (sometimes referred to herein as "CMGC" or "Club"). It has been incorporated as a North Carolina nonprofit corporation, and is located at 88 Country Club Road, Mills River, North Carolina 28759 ("Location").

**ARTICLE II
VISION**

CMGC has been established for the purpose of operating a golf course and other associated activities generally at the location in the community otherwise known as High Vista in Mills River, North Carolina and to provide opportunities for its members for socialization and camaraderie.

**ARTICLE III
MEMBERSHIP**

Section 1. Any person, upon written application, agreeing to the Vision of CMGC as stated in these bylaws, is eligible for membership.

Section 2. Applications for membership shall be subject to approval by a majority of the Board (hereinafter "Board") or any committee so authorized by such Board.

Section 3. Categories of membership may be established by the Board including the amount of initiation fees and monthly fees for each category or subcategory of membership. Initially, and until otherwise modified by the Board, the categories of membership shall be:

- a. Golf Membership.
- b. Recreational Membership.

Within each category of membership, the Board may designate different subcategories (such as "family" or "single" membership).

Section 4. All members of the Club shall pay an annual or monthly fee ("Fee") to CMGC, as determined by the Board. The annual or monthly fee beginning in 2023 shall be part of the annual budget submitted to the membership for approval. No board member, officer or employee of the Club, nor any other person shall be permitted to vary or discount the Fee. Each person in each subcategory of membership shall pay the Club the same Fee unless the Board, with membership approval, determines otherwise.

Section 5. A member, to be in good standing, shall be current in financial obligations. Any member more than sixty (60) days in arrears is not in good standing and may be suspended or terminated from membership by the Board.

Section 6. Members in good standing, upon payment of any applicable fees, shall have the privilege, unless otherwise noted below, to:

- a. Participate in and vote at all meetings of Members of the CMGC. In the case of a “family” membership, only one person from such family shall have the right to vote. Such person shall be designated in the application for membership.
- b. Serve on standing committees, ad hoc committees, and task forces.
- c. Use the CMGC facilities and golf course consistent with the rights and privileges of their membership category.
- d. Receive communications, including emails and written communication.

Section 7. Family memberships shall include any spouses legally married as well as children of one or both spouses under the age of 25. Upon application, the Board may grant “family membership status” to unmarried couples living together.

Section 8. Any member may resign as a member at any time after the initial two year membership commitment. Upon such resignation such former member shall lose rights to use the facilities, vote as a member and shall not be entitled to a return of any initiation or annual or monthly membership fees paid to CMGC.

Section 9. An application for reinstatement of membership shall be considered in the same manner as a new application.

ARTICLE IV MEETINGS OF THE MEMBERSHIP

Section 1. CMGC shall meet at least annually in January in a place and on a date and time set by the Board. CMGC will permit attendance at such meeting in person and electronically.

Section 2. Members in good standing ten (10) days prior to an Annual Meeting who are present at the Annual Meeting shall (in accordance with the voting privileges described in Section 4 of this Article IV):

- a. Elect members of the Board as required.
- b. Act on any other business referred by the Board.

Section 3. Notice of each meeting of CMGC stating the purpose of the meeting shall be sent to all members no less than five (5) days and no more than forty-five (45) days prior to the date set for such meeting. Notice is effective if mailed to the address submitted by the member in the membership application or such other address as member may thereafter designate in writing. Notice may be given to members in an electronic transmission as provided in Article VIII.

Section 4. All members in good standing are entitled to vote at all meetings of the membership as follows:

- a. Golf members are entitled to 3 votes each.
- b. Recreational members are entitled to 1 vote each.

Section 5. Fifty percent (50%) plus one vote of all the possible votes to be cast by members in good standing shall constitute a quorum. Members may vote at any meeting either in person or by proxy. A member may appoint a proxy to vote for the member by submission of (a) an appointment form signed by the member, or (b) an electronic transmission sent in accordance with the provisions for the electronic notice under Article XVII. An appointment of proxy is effective when an appointment form or an electronic transmission (or documentary evidence thereof, including verification information) is received by the person authorized to tabulate votes. The proxy has the same power to vote as that possessed by the member, unless the appointment form or electronic transmission contains an express limitation on the power to vote or direction as how to vote on a particular matter, in which the tabulation of the votes must be done in a manner consistent with that limitation or direction. The appointment of a proxy is valid for the meeting in question. Notwithstanding the foregoing, a proxy appointment is only valid if the proxy is also a member in good standing at the time of the meeting or vote. A valid proxy shall constitute presence at the meeting for the purpose of determining a quorum. The proxy appointment may leave the name of the designee blank, in which case the person authorized to tabulate votes will assign the proxy to a member in good standing who is attending the meeting.

Section 6. Fifty percent (50%) plus one vote of all possible votes of members in good standing present and voting on a particular matter at the meeting of members shall be required to constitute a positive vote of the membership as to any resolution, election, or other vote of the members.

Section 7. Members may participate in a meeting, and shall be considered present at such meeting, using a conference telephone or other electronic means as determined by the Board (such as Zoom or Teams) or similar communications equipment by means of which all persons participating in the meeting can hear each other at the same time, and participation by such means shall constitute presence in person at the meeting. Voting by members attending a meeting electronically may not be able to be conducted in a private manner.

ARTICLE V OFFICERS AND THEIR DUTIES

Section 1. The elected Officers may be President, Vice-President, Secretary, Treasurer, and any other offices the Board may determine appropriate.

Section 2. To qualify for election as an Officer, the individual must be a current member of the Board.

Section 3. The Officers shall be elected by a majority vote of the Board. Officers shall assume their duties as of the later of their election by the Board which shall occur at, immediately after or within seven (7) days of the Annual Meeting. No person shall serve in the same office for more than two (2) consecutive terms.

Section 4. The President shall:

- a. Chair all meetings of CMGC and the Board at which he/she is present.
- b. Be an ex-officio member of all committees.
- c. Sign official documents as required.
- d. Establish ad hoc committees and task forces with the approval of the Board.
- e. Appoint chairpersons of all committees except as otherwise provided for in these bylaws.
- f. Perform such other duties as usually pertain to the office of the President.

Section 5. The Vice President shall serve as an aide to the President, carry out such duties as assigned by the President or the Board and Chair all meeting of CMGC and the Board at which the President is not present.

Section 6. In the absence or inability of the President to serve, the Vice-President shall temporarily assume the duties of the President.

Section 7. The Secretary shall arrange for the recording of the minutes of all meetings of CMGC and the Board; shall sign, with the President, official documents as required by third parties or the Board; and shall perform such duties as pertain to the office or as assigned by the President or the Board.

Section 8. The Treasurer shall keep all financial records and shall perform such other duties as pertain to the office or as assigned by the President or the Board.

Section 9. In the event of the vacancy in any officer position the Board may elect a person to fill such vacancy.

ARTICLE VI BOARD

Section 1. The initial Board of Directors consists of six Board members representing the members and one Board member appointed by High Vista Finance, LLC.

- a. At the first annual meeting of members, 3 initial Directors shall resign and the members shall elect 3 new board members to replace those resigning members. In the event 3 Board members do not resign at the first annual meeting the membership will vote to remove as many members of the board as necessary to reach 3 Board members not continuing as Board members. The 3 elected board members shall be elected for a 2-year term expiring at the annual meeting held in January 2025 and classified as Group A Board Members.

- b. The three Initial Board of Directors who did not resign (or were not removed) at the first annual meeting of members shall remain as board members until the annual meeting held in January 2024 and shall be classified as Group B Board Members.
- c. Group A and Group B Board members may not serve for more than two consecutive elected terms of 2-years each.
- d. The board member appointed by High Vista Finance, LLC is not elected by the membership and may serve until the earlier of resignation, death or removal by High Vista Finance, LLC who may then appoint his or her replacement.
- e. At all times a minimum of one Board member and a maximum of two Board members shall be a recreational member of CMGC, with vacancies filled within 30 days consistent with Section 6 of this Article 6.
- f. The election of Board members shall be conducted in a manner determined by the Board not inconsistent with the other provisions of these bylaws.

Section 2. The Board shall:

- a. Manage affairs of the Club, including adopting an annual budget.
- b. Employ or terminate employment of employees hired to work for CMGC.

Section 3. The Board shall meet monthly unless it determines otherwise. Special meetings of the Board may be called at any time by the President. All members of the Board shall be given no less than (5) five days' notice of all regular meetings, including an agenda which shall state all actions to be considered. Unless waived in writing, all members of the Board shall be given no less than twenty-four (24) hours' notice of special meetings stating the purpose thereof. Notice may be given in an electronic transmission as provided in Article VIII. Members of the Board may participate in a meeting of such Board by means of a conference telephone or similar communications equipment where all persons participating in the meeting can hear each other at the same time. Participation by such means shall constitute presence in person at a meeting. Board members may only vote at a meeting by means of a conference call or similar communications equipment if they have been connected during the discussion. Board members may vote, without notice, by electronic means (e mail affirmation) on any matter communicated to all members of the Board.

Section 4. Any Officer or Board Member absent from three (3) consecutive meetings of the Board without approval of the President (or Vice-President in the case of the absence of the President) may be removed by a three-fifths (60%) vote of the Board present (without considering taking into account the presence and vote of the Officer or Board Member who is the object of such removal vote).

Section 5. Members consisting of the majority of all the Board members shall constitute a quorum for Board Meetings and the affirmative votes of a majority of the existing board members is required to constitute action by the Board.

Section 6. Upon the resignation, death or removal of a Board member (other than the Board member appointed by High Vista Finance LLC) the remaining Board members may appoint a replacement for such departing Board member, or determine how such replacement will be made, and such replacement Board member shall serve for the remainder of the term of the director such replacement director is replacing.

ARTICLE VII BUDGET AND FINANCE

Section 1. The fiscal year shall be July 1st through June 30th.

Section 2. The Board shall determine the fiscal policies of the Club with authority to direct and control use of funds and properties of the Club.

Section 3. Members shall pay an annual or monthly membership fees, assessments and other fees in accordance with the policies determined by the Board.

Section 4. The Board shall require an annual review of the financial records of the Club by a certified public accountant (CPA) or CPA firm recommended by the Treasurer. The selection of a CPA or CPA firm and the review shall not be considered final until accepted by the Board

ARTICLE VIII ELECTRONIC TRANSMISSION

Notice may be given to members and Board Members in an electronic transmission; Provision by a member or Board member of their e-mail address to the club shall constitute consent by such person to receive all notices and communications electronically at such e-mail address until the Club is provided alternative communication information by such person.

ARTICLE IX INDEMNIFICATION

Section 1. Right to indemnification: The Club shall indemnify and hold each of its Officers and Directors harmless against any and all loss except for losses arising out of (a) the Officers or Directors acts or omissions finally adjudged to be intentional misconduct or a knowing violation of law, or (b) any transaction in which it is finally adjudged that the Officer or Directors personally received a benefit in money, property or services to which the Officer or Directors was not legally entitled. In addition, the Club shall indemnify an Officer or Director if:

- (a) The individual acted in good faith; and
- (b) The individual reasonably believed:
 - (i) In the case of conduct in the individual's official capacity with the Club, that the individual's conduct was in its best interests; and
 - (ii) In all other cases that the individual's conduct was at least not opposed to the best interests of the Club; and

- (c) In the case of any criminal proceeding, the individual had no reasonable cause to believe the individual's conduct was unlawful.

Section 2. Expenses incurred in defense of such claim may be paid by the Club in advance of the final disposition of such claim if approved by a two-thirds (2/3) vote of the Board present exclusive of the vote and presence of the Officer or Board members to be indemnified.

ARTICLE X DISSOLUTION

In the event of dissolution of the Club, the Board, after making provisions for the payment of all obligations and liabilities, shall dispose of the remaining assets of the Club in the manner required by its Articles of Incorporation.

ARTICLE XI PARLIAMENTARY AUTHORITY

The rules contained in *Robert's Rules of Order*, Newly Revised, Current Edition, shall govern this Club in all cases to which they are applicable and in which they are not inconsistent with these bylaws.

ARTICLE XII AMENDMENTS

These bylaws may be amended by the members of the Club at (i) an annual meeting with a vote of 60% of the votes present at such meeting and voting on such change or (ii) the affirmative vote of at least six (6) directors except that the directors may not amend Section 4 of Article III.