

NEWPORT COUNTRY CLUB, INC.

NEWPORT COUNTRY CLUB
P.O. Box 434
Newport, VT 05855

BYLAWS ADOPTED AT
STOCKHOLDER MEETING
HELD July 9, 1995 / Amended Sept 08

ARTICLE I

The **NAME** of this non-profit corporation as provided by its articles of association is **NEWPORT COUNTRY CLUB, INC.** The principal office of the Corporation is located at its site on Pine Hill, in the City of Newport, Vermont 05855. It is noted that the playing course itself lies mainly in the Town of Derby, Vermont.

ARTICLE II PURPOSE

This Corporation shall be a **non-profit recreational one to encourage and promote recreation in the community but, most especially, the game of golf.** It shall foster a greater understanding and appreciation of the ancient sport of golf among all interested persons, children and adults alike.

ARTICLE III BOARD OF DIRECTORS

The management of this Corporation shall be vested in a Board of Directors consisting of twelve (12) members, to be elected by the stockholders. The Board shall have all legal powers of a non-profit corporation in the State of Vermont, and **shall have full responsibility for the management of the corporation.** It shall determine and monitor policies governing the administration and operation of the Corporation consistent with its bylaws. It shall have full responsibility for the financial affairs of the Corporation. The Board may call a special meeting of the stockholders when deemed advisable.

A director shall have no personal liability to the Corporation while acting in good faith and carrying out his/her corporate duties. Personal liability could result when a director acts in bad faith, in violation of law, or without corporate authority.

SECTION 1) The Board **may engage any additional personnel** deemed necessary to assist in the governance of the Corporation.

SECTION 2) NOMINATIONS

A Nominating Committee shall prepare a slate of candidates for the annual meeting. (See Nominating Committee)

SECTION 3) TERM OF OFFICE

The term of office shall be **three (3) years** with **one-third of the Board being elected each year.** A member may be **re-elected for two (2) additional consecutive terms.** A member shall not be eligible for re-election until at least one year after the allowed consecutive terms plus any partial term served as a result of filling a vacancy.

SECTION 4) Each director shall be entitled to **one vote at any meeting.** There shall be NO proxy voting or voting by phone.

SECTION 5) RESIGNATION

Members may resign at any time upon **written notice to the President.** The resignation becomes effective upon receipt or at such time as specified by the resigning member.

SECTION 6) REMOVAL

Board attendance at all meetings will be reviewed at various intervals. **Excessive absences could result in removal from the Board.** Reinstatements shall be by a majority vote of the board at the next meeting upon the member's request for reinstatement.

SECTION 7) VACANCIES

The **Nominating Committee** shall present the Board with names of candidates to fill unexpired terms. Upon election by the Board, the candidate(s) shall assume the position of Director at the next meeting for the duration of the unexpired term.

SECTION 8) A **QUORUM** shall consist of **seven (7) members** of said Board.

SECTION 9) The Board shall determine the day and time of its monthly meetings, unless postponed by the Presiding Officer. When appropriate, the Secretary shall send attendees an agenda one week prior to the meeting.

SECTION 10) The Board may have **special meetings** at any time at the request of the President and/or any four (4) Directors.

SECTION 11) Action shall be taken by a **majority vote of members present**, providing there is a quorum. Any action taken shall be deemed the action of the full Board.

SECTION 12) Board members shall notify the President or Secretary prior to the meeting if unable to attend.

SECTION 13) CONFLICTS OF INTEREST

No Director or Committee Member shall discuss or vote on matters involving a conflict of interest. When a Director or Committee Member has cause to believe he/she or another member may have a conflict, he/she shall declare the perceived conflict. The Board/Committee, excluding the member involved, shall then decide by majority vote whether it deems an actual conflict exists. When a conflict is found to exist, the Director/Committee Member involved shall physically remove him/herself from the meeting and shall not discuss or vote on such matter. No one who is employed or under a lease agreement shall be eligible to be a Director.

QUALIFICATIONS OF BOARD MEMBERS: Potential Board Members shall have knowledge of the game of golf and its rules. Members shall be willing to assume collective responsibility with other Board Members for the success of the Club. Members should be willing to seek alternative approaches to problem solving and to fully cooperate with other Members of the Board. Members should be willing to commit the necessary time, thought, and energy, including full participation in the monitoring of the resources the Corporation needs to meet its objectives.

RESPONSIBILITIES OF BOARD MEMBERS

A BOARD MEMBER shall:

- a) fully support NEWPORT COUNTRY CLUB in its endeavors;
- b) prepare thoroughly for all meetings;
- c) attend all meetings whenever possible, including Committee meetings on which the member serves;
- d) monitor the resources necessary for the Club to meet its objectives;

- e) represent NEWPORT COUNTRY CLUB to its members and to the community in a favorable manner;
- f) resign if unable to fulfill the responsibilities of a Board Member;
- g) deliver to one's successor all official material in his/her possession no later than fifteen (15) days following the election of officers.

ELECTION OF BOARD MEMBERS

The names of the candidates shall be listed on ballots to be included with the Annual Stockholder Meeting notice. All ballots received up to and including the day of the meeting shall be valid. Ballots shall be tallied at the meeting after being verified by the Secretary and an Audit Committee of three (3) Board Members appointed by the President. All ballots shall be mailed in or presented by the Stockholder at the meeting, eliminating all proxy voting for Board Members.

ARTICLE IV OFFICERS AND THEIR DUTIES

SECTION 1) The **CORPORATE OFFICERS** of this Club shall consist of a **President, Vice President, Secretary, and Treasurer.** The offices of **President** and **Vice President** shall be elected by the Board of Directors by Australian ballot if there is more than one candidate for a term of one year, at the meeting which follows the annual Stockholder meeting. In the event of the RESIGNATION of the President, the Vice President shall fulfill such duties until a new President is elected. If the Vice President should resign, a new Vice President shall be elected at the next Board meeting. The offices of President and Vice President shall have a maximum of six (6) consecutive years in office. The Treasurer and Secretary shall be elected by the Board on a yearly basis for an indeterminate period of time; said officers shall serve until a successor has been duly elected.

THE PRESIDENT SHALL:

- a) preside at regular and special Board meetings, and at all stockholder meetings;
- b) together with the Secretary or Treasurer or any other designated person, sign any deeds, mortgages, contracts, leases, or other instruments the Board has authorized, except in cases where the Board has delegated signing authority and in cases required by law to be otherwise signed or executed;
- c) appoint the Chairs of each Standing and Ad Hoc Committee;
- d) in consultation with Committee Chairmen, appoint Board and non-Board Members to various committees;
- e) appoint ad hoc committees;
- f) be an ex officio voting member of all committees, except Nominating;
- g) assign special tasks and duties to individual Board members, officers, or committees, as the needs of Newport Country Club warrant;
- h) call special meetings of the Board as necessary, as outlined in Article III, Section 10;
- i) perform other duties as may be requested by the Board of Directors.

THE VICE PRESIDENT SHALL:

- a) become fully acquainted with the affairs of Newport Country Club and, in the absence or incapacity of the President, assume all duties of the President;
- b) perform other duties as may be requested by the President or Board of Directors.

THE TREASURER SHALL:

- a) oversee the management of the Corporation's financial operations;
- b) coordinate yearly budget with various committee chairmen;
- c) report to the Board of Directors on a regular basis;

- d) dispose of records according to a retention schedule to be mutually established by the Treasurer and the Board;
- e) perform such other duties as may be requested by the President or Board of Directors.

The Treasurer shall be the Chairman of the Finance Committee.

THE SECRETARY SHALL:

- a) take minutes at all meetings of the Board of Directors, or Stockholders, such minutes to be retained permanently;
- b) see that the minutes or agendas of Board meetings are distributed to the Directors and key personnel in a timely fashion;
- c) issue, transfer, or cancel SHARES OF STOCK, and keep an accurate record thereof, including all correspondence;
- d) notify the Department of Liquor Control annually of the names and residences of all persons purchasing stock the previous year;
- e) handle all correspondence referred to him/her for reply;
- f) prepare and notify all members of the annual dues set by the Board in a yearly letter approved by the President;
- g) notify all Stockholders of the annual and any special meetings;
- h) perform all duties incidental to the Office of Secretary and such other duties as may from time to time be assigned by the President or other members of the Board of Directors.

The Secretary may or may not be a member of the Board of Directors, as determined by said Board.

ARTICLE V MEMBERSHIP AND PRIVILEGES

Membership in the Club shall be for one year from April 1 to March 31 of the following year.

SECTION 1) TYPES

Membership is open to individuals and corporations. Individual memberships are classified as follows: **ADULT, HUSBAND AND WIFE, COLLEGE, and JUNIOR.** The Board of Directors shall further define any classification in the rules booklet as it sees fit. Business or corporate memberships may also be established by the Board.

The Board may also designate other types of membership, such as Complimentary, Honorary, Lifetime, etc.

SECTION 2) The **maximum number of adult playing members** shall be determined by the Board of Directors.

SECTION 3) The Membership Committee shall be responsible for formulating a **waiting list** of prospective members according to predetermined criteria, as contained in the rules booklet.

SECTION 4) Each **adult member shall own a share of Newport Country Club stock.**

SECTION 5) VOTING

Each individual adult Stockholder shall have only one vote at any meeting, regardless of the number of shares held. In order to vote, a Stockholder must also have paid full annual playing dues as an adult member of the Club **or be an**

honorary/complimentary member for the year in which the stock is sought to be voted.

Stockholders may not sell or transfer stock without first offering it for sale to the Club at its par value.

Routine business shall be transacted by a majority vote of those present at duly warned Stockholder meetings, including any and all valid proxies.

Proxies may be voted once they are deemed by the Secretary to be duly executed by a dues paying Stockholder member.

Election ballots will be kept until the next annual Stockholder Meeting at which time they will be destroyed.

SECTION 6) MEETINGS

All qualified Stockholder playing members for the current year shall be notified of the Annual or any Special Meeting at least ten days prior to the meeting date. The **annual meeting shall be held prior to September 15** at a date and time to be set by the Board. This meeting shall be for the purpose of electing Board members and to transact such other business as may properly come before the assembly.

The President, on request of the majority of the Board members, shall call special meetings of the Stockholders. No business shall be transacted at special meetings other than that germane to the subject stated in the notice.

Notice of special stockholder meetings shall be posted in the clubhouse unless it is closed.

SECTION 7) Thirty (30) shall constitute a **quorum at the Annual Stockholder Meeting**, and **twenty (20) members** shall constitute a **quorum for special stockholder meetings**.

SECTION 8) Meetings shall be conducted using Robert's Rules of Order as a procedural guide.

SECTION 9) DUES

Dues shall be determined by the Board of Directors. The Board may also impose special assessments as it deems necessary.

SECTION 10) SUSPENSION AND/OR EXPULSION

Any member may be suspended or expelled by a two-thirds vote of the Directors present at a Board meeting, there being a quorum, for non-compliance or a violation of the provisions of the constitution, bylaws, rules of the Club, or for conduct, in the discretion of the Board, deemed improper and prejudicial to the interests of the Club. Adequate notice and opportunity for a fair hearing by said Board shall be given. The Board's decision shall be final, and the party shall be so notified by the Secretary.

Upon request, a member may be reinstated by vote of three-fourths of the Board members attending the meeting.

Complaints of violations of the constitution, bylaws, or rules of the Club should be addressed to Members of the Board of Directors, or to Members of the Rules Committee.

ARTICLE VI COMMITTEES

The President shall assign the Chairs of all committees. The President may assign other members to a committee or the committee chairmen may, in turn, recruit other members to serve on their committees after advising the Board of their intention to do so. All committee chairs shall be Directors.

The Newport Country Club shall have these **standing committees**:

- 1) COURSE/GREENS,
- 2) CLUBHOUSE,
- 3) TOURNAMENT,
- 4) HANDICAP/RULES,
- 5) MARKETING/MEMBERSHIP
- 6) LONG RANGE PLANNING (for course and clubhouse),
- 7) PERSONNEL,
- 8) FINANCE,
- 9) NOMINATING,
- 10) JUNIOR GOLF, including scholarships.

All committee chairs shall be prepared to give a written report at the annual stockholder meeting.

The **COURSE COMMITTEE** shall make all decisions and recommendations regarding the care and maintenance of the course. It shall coordinate all necessary information with other committees affected by its decisions. It shall oversee and assist the management of personnel necessary for the proper upkeep of the course. It shall prepare a yearly budget for Board approval.

The Board members of the Course Committee shall evaluate the Course Superintendent on a timely basis and file such evaluation with the Personnel Committee.

The **CLUBHOUSE COMMITTEE** shall oversee the operation of the clubhouse. It shall assure the cleanliness of the premises, proper handling of food, and strictest adherence to the liquor laws of the State of Vermont. It shall prepare a yearly budget for Board approval of the projected expenses of its operation. It shall assist with the management of personnel necessary to the operation of the clubhouse. It shall also generally monitor the receipts of the clubhouse operation and security measures for safeguarding such receipts.

The Board members of the Clubhouse Committee shall evaluate the Clubhouse Manager on a timely basis and file such evaluation with the Personnel Committee.

The **TOURNAMENT COMMITTEE** shall, with Board approval, determine the format, timing, and number of players in each tournament. Only the Tournament Committee may add a tournament or change formats. It shall receive all requests for special tournaments, and relay them to the Board with their recommendation for approval. It shall accurately maintain any waiting lists and conduct all lotteries. It shall keep adequate records of the numbers of players and all receipts and expenses of each tournament. It shall yearly establish a calendar of events.

The **HANDICAP/RULES COMMITTEE** shall be responsible for the input/deletion/correction of all membership handicaps into the computer by the allocated deadline, after determining the payment or non-payment of said handicaps. It shall also review member handicaps from time to time for any adjustments deemed proper. The Committee shall transmit posted scores to the USGA via computer once a week and remain in contact with said Association through these updates. New cards are then issued every two weeks from input submitted by this Committee. It shall review the rules and membership booklet when appropriate and recommend changes for Board approval. It shall

handle complaints against members and upon investigation, recommend to the Board a course of action in accordance with the rules in existence.

The **MARKETING/MEMBERSHIP COMMITTEE** shall be responsible for defining the types of membership the Club will have, with Board approval. It shall be in charge of publicizing, promoting and making membership advantageous for the Newport Country Club.

The **LONG RANGE PLANNING COMMITTEE** shall devise a five (5) year plan for the course, clubhouse and driving range, with priorities given to items needing immediate attention. Plans and recommendations shall be submitted to the Board for approval. This Committee shall include a member of the Clubhouse Committee, a member of the Course Committee, and a member of the Finance Committee.

The **PERSONNEL COMMITTEE**, in conjunction with appropriate committee chairmen, shall be responsible for recommending the hiring and dismissal of the Club Professional, Course Superintendent, Clubhouse Manager, or such other personnel as the Board may hire. It shall ensure there are proper job descriptions for all employees, reviewing them from time to time so they reflect employees' current duties. It shall further ensure consistent handling of employee complaints and promote good communications overall. It shall assist employees responsible for hiring and dismissals of personnel if so deemed necessary. Members of this Committee **MUST** be Board members.

It shall be responsible for the timely evaluation of all Club employees.

It is hereby noted that the Board of Directors of Newport Country Club at its regular meeting on June 13, 1994, adopted a **SEXUAL HARASSMENT POLICY FOR EMPLOYEES**. A copy of this policy shall be posted in the clubhouse and shall accompany these bylaws.

The **FINANCE COMMITTEE** shall consist of no more than six (6) members, including the Treasurer, and including a member from the Clubhouse Committee and a member from the Course Committee. It shall be responsible for reviewing the various annual budgets of all committees, making prudent recommendations. It shall also be responsible for reviewing the revenue and expenditures of the Club at various intervals and notify the Board of any irregularities needing their attention. The Finance Committee shall make its recommendations when they differ from those of other committees. They shall perform in-house audits when advisable. They shall determine if an audit is necessary at the end of the fiscal year. If so deemed, a CPA shall be engaged by the Board to prepare such audit. The Committee shall review and preface the audit with its comments and recommendations. When a change in the Business Manager's office takes place, they shall audit or recommend audit of the books and accounts and supervise the transfer of books.

Board members of the Finance Committee shall evaluate the **BUSINESS MANAGER** on a timely basis.

The **NOMINATING COMMITTEE** shall consist of not less than three (3) nor more than five (5) members appointed by the President at least three months prior to the Annual Stockholder Meeting. Using the guidelines set forth under Board membership, it shall be responsible for personally seeking members willing to serve as Board members and shall post a notice on the bulletin board of this search. It shall deliver a slate of not less than four (4) candidates to the Board at least thirty (30) days before the Stockholder Meeting. The Board approved slate shall be presented to the Stockholders for voting by mail with the Annual Stockholder Meeting notice. Persons interested in serving on the Board shall so notify the Committee at least two months prior to the Annual Stockholder Meeting. Members of the Nominating Committee shall be eligible for office.

The **JUNIOR GOLF COMMITTEE** shall consist of three (3) members. It shall be the main thrust of this Committee to promote the game of golf and its rules among the Club's junior members. The Committee will yearly review the application for scholarship for necessary changes then distribute copies to area high schools. They shall consider all applications and make recommendations to the Board according to the criteria stated on the application.

Scholarships will be awarded and remain in force as long as requirements are met (requirements noted on the application form).

AD HOC COMMITTEES may be appointed by the Board or by the President who shall report such appointment to the Board at the next meeting. These committees shall strive to complete their mission in the time frame assigned for their special task.

The Board shall give each Ad Hoc Committee a charge outlining its responsibilities and a time frame for the completion of its work.

ARTICLE VII FISCAL YEAR AND REPORTS

Newport Country Club's fiscal year shall begin January 1 and end December 31.

The Board shall receive regular financial reports from the Treasurer at such times and in such format as deemed appropriate. The Board may receive other reports on specific projects that it deems appropriate or necessary.

ARTICLE VIII AMENDMENT OF BYLAWS

The Stockholders may amend, rescind, or replace any or all of these bylaws by a two-thirds vote of the Stockholders present and voting at any meeting when duly warned, a quorum being present. Valid proxies shall be included in such votes.

All Stockholders shall receive a copy of the proposed change(s) at least ten (10) days prior to the date of the meeting at which the vote will occur.