

ARTICLE 1: DEFINITIONS

In this General Operating By-Law (the “By-Laws”) of the **Fredericton Golf Club Inc.** (the “**Club**”):

“**Asset Units**” and “**Units of Deposit**” - means a non-interest bearing instrument of the Club used to provide it with capital funds to operate a golfing facility. Asset Units and Units of Deposit are redeemable at the discretion of the Board in accordance with the By-Laws.

“**Board**” – means the Board of Directors of the Club.

“**Full Privileges**” means the right to use all of the Club’s facilities at any time during normal hours of operation, subject to limitation and restrictions as may be in effect, from time to time, relative to closing or restrictions, for maintenance, weather conditions, tournaments or such other limitations or restrictions as may be authorized by the Board.

“**Initiation Fees**”-means an amount set by the Board, from time to time, to be paid by a Full Member or an Associate Member, on an annual basis in an amount set by the Board, until such times as the fee is paid in full. Initiation fees are non-refundable. Provided that holders of Asset Units, Units of Deposit or Wavier Certificates shall not be required to pay Initiation Fees.

“**General Manager**” – means a person engaged by the Board and who is responsible for the day to day management and administration of the Club, subject to the direction of the Board. The General Manager is a non-voting member of the Board.

“**Head Office**” – means the Head Office of the Club, which shall be located in the City of Fredericton, New Brunswick, or at such other place as determined by the Board.

“**Member In Good Standing**”-a Member In Good Standing is either a Full Member, Associate Member or Intermediate Member who has, as of May 1 of each Membership Year paid in full his annual fees, levies and assessments for his class of membership (together with all outstanding and delinquent fees, levies, charges and assessments).

“**Notice**” – means the delivery of paper or electronic communication to the last known address, email account, or facsimile number of a member, or if no address, email account or facsimile number is known, the posting of such communication at the Head Office.

“**Membership Year**”-means from January 1 to November 30 of each year.

“**Waiver Certificate**”-means a certificate issued to a member who has contributed his Units of Deposit or Asset Units to the Club.

ARTICLE 2: INTERPRETATION

In this By-Law and resolutions of the Club, the singular shall include the plural and vice versa, and the masculine shall include the feminine and vice versa.

ARTICLE 3: SEAL

The seal of the Club shall bear the name of the Club and shall be in a form adopted by the Board from time to time. The seal shall be entrusted to the General Manager of the Club for its use and safe keeping.

ARTICLE 4: CLASSES OF MEMBERSHIP

The classes of membership of the Club are as follows:

4.01 Full Member - a Full Member is a person who:

- a) holds a Waiver Certificate or has a minimum of 4 Asset Units or Units of Deposit; or
- b) has paid, or is paying his Initiation Fees as required on an annual basis, and has paid in full on or before May 1st of each Membership Year, the full amount of the annual fees, levies and assessments for this class of membership (together with all outstanding and delinquent fees, levies, charges and assessments). Full Members have full privileges of the Club.

4.02 Associate Member - an Associate Member is a person who:

- a) holds a Waiver Certificate or has a minimum of two Asset Units or Units of Deposit; or
- b) has paid, or is paying his Initiation Fees as required on an annual basis; and has paid in full on or before May 1st of each Membership Year, the full amount of the annual fees, levies and assessments for this class of membership (together with all outstanding and delinquent fees, levies, charges and assessments). Associate Members have full privileges of the Club subject to restrictions on the times they are allowed to play golf, as established by the Board.

4.03 Intermediate Member - an Intermediate Member is a person who:

is at least 19 years of age and no older than 34 years of age as of January 1 in a Membership Year and has paid in full on or before May 1st of each Membership Year, the full amount of the annual fees, levies and assessment for this class of membership (together with all outstanding and delinquent fees, levies, charges and assessments). Intermediate Members have full privileges of the Club.

4.04 Junior Member - a Junior Member is a person who:

is at least 8 years of age and not older than 18 years of age as of January 1 in a Membership Year and has paid in full on or before May 1st of each Membership Year, the full amount of the annual fees, levies and assessment for this class of membership (together with all outstanding and delinquent fees, levies, charges and assessments). Junior Members have full privileges of the Club subject to restrictions as established by the Board.

4.05 Complimentary Member - a Complimentary Member is a person who: has been issued a membership by the Board, subject to the terms and conditions as may, in the discretion of the Board, be imposed upon such member.

4.06 Distinguished Member – a Distinguished Member is a person who: has, due to exemplary or extraordinary service to the Club, been awarded by the Board of Directors a Distinguished Membership. Distinguished members are appointed for life and have non-playing privileges of the Club.

4.07 Honorary Member – at one time, the Club recognized Honorary Members. These members were appointed for life and not required to pay annual fees. Honorary Members continue to retain full privileges of the Club; however, the classification has been discontinued.

ARTICLE 5: BOARD OF DIRECTORS

5.01 The Board of Directors: the affairs of the Club shall be governed by a Board comprised of 8 elected directors and the Past President.

5.02 Terms of Office: Directors shall be elected for 2 year terms and may be elected for additional terms of office. No director shall serve more than 3 consecutive 2 year terms. The term of the Past President shall not be included in the term limitation period.

5.03 Qualification of Directors: All Directors shall be individuals at least 19 years of age and shall at the time of his election be a Member in good Standing of the Club. An employee of the Club or a person under written contract with the Club is not eligible to be a Director.

5.04 Officers: the Officers of the Club shall be the President and President-Elect and such other officers as the Board may, from time to time, appoint.

5.05 Election of Directors: At each Semi-Annual General Meeting of the Club members, 3 or 4 Directors shall be elected, as required to fill vacancies on the Board, each for a term of 2 years.

5.06 President's Term of Office: The President shall serve for a one year term and may be elected by the Board for one additional year after which time he shall sit on the Board as Past President.

5.07 Election of President Elect: The President Elect shall be elected from within the Board in the month prior to each Semi-Annual General Meeting. The President Elect shall be elected for a two year term, the first year of which is as President Elect and the second year is as President, after which time he shall sit on the Board as Past President for a term of one year. In the event the President is elected for a second year, the President Elect will serve for two years.

5.08 Remuneration of Directors. The directors of the Club shall serve without remuneration and no director shall directly or indirectly receive any profit from his position as such; provided that a director

may be reimbursed, in accordance with Board policy, reasonable expenses incurred by him in the performance of his duties.

5.09 Vacancies If a vacancy occurs on the Board for any reason, the Board may fill the vacancy with a member of the Club. In the case of a vacancy occurring in the Office of President, the President Elect shall assume the remainder of the President’s term of office and the office of President Elect shall be filled by election within the Board. In the case of a vacancy occurring in the Office of President Elect, the Board may fill the vacancy by election from within the Board.

ARTICLE 6: MEETINGS OF THE BOARD OF DIRECTORS

6.01. Place of Meeting and Notice. Meetings of the Board may be held on a date, time and place determined by the Board. A meeting may be convened by the President or any 3 directors at any time. Notice of any meeting of the Board shall be delivered or sent by fax or email not less than 14 days before the meeting is to take place.

6.02. Chairperson. When present, the President shall act as Chairperson of all meetings of the Board. In his absence or inability to act, the President Elect shall assume the role of Chairperson.

6.03. Quorum. At all meetings of the Board, the presence of 5 Board members (excluding the General Manager) shall be sufficient to constitute a quorum for the transaction of business.

6.04. Voting. Questions arising at any meeting of the Board shall be decided by a majority of votes cast by the directors present at the meeting. In the event of a tie, the Chairperson, who normally does not have a vote, shall have a casting vote.

6.05. Minutes. The minutes of meeting of the Board shall be made available to members upon request.

ARTICLE 7: OFFICERS

7.01. President. The President shall preside at all meetings of Members of the Club, and the Board. He shall see that all the By-Law and all orders and resolutions are carried into effect; shall sign all by-laws, minutes of meetings of the Board, and other documents requiring the signatures of the officers of the Club, or as provided by this By-Law; and shall be an *ex-officio* member of all committees, with the exception of the Nomination Committee. The President shall, subject to the direction of the Board, be the official spokesperson for the Club.

7.02. President Elect. The President Elect shall be vested with all of the powers and shall perform all of the duties of the President in the absence, inability or refusal to act on the part of the President. The President Elect shall have such other powers and duties as may be assigned to him by the Board from time to time, or as are incidental to his office.

7.03. General Manager. The General Manager shall be responsible for the day to day management and administration of the Club, subject to the direction of the Board. He shall attend all meetings of the Board, and shall give notice of all Board and member meetings. The General Manger shall be a non-voting *ex-officio* member of all committees. The General Manager shall also perform such other duties as may be assigned to him by the Board from time to time, under whose supervision the General Manager shall act.

ARTICLE 8: POWERS OF BOARD OF DIRECTORS

8.01. Rules, Policies and Procedures. Subject to the By-Laws, the Board may establish, and provide for the enforcement of, rules, policies and procedures for the general management, administration and operation of the Club provided the same are not inconsistent with the By-Laws.

Any rule, policy or procedures which affect the rights of the members shall be posted at the Head Office of the Club within 10 days of Board approval.

8.02. Committees. The Board may from time to time constitute such committees as it deems necessary to assist the directors in carrying on the affairs of the Club and shall appoint members to and prescribe the duties of any such committees.

8.03. Execution of Documents. Contracts, documents or any instruments in writing requiring the signature of the Club shall be signed by the President, or such other persons as the Board may appoint, and the General Manager and shall be binding upon the Club without any further authorization or formality.

8.04. Insurance. The Club shall maintain insurance for the benefit of officers and directors in an amount of at least \$1,000,000 against liabilities, costs and charges sustained or incurred by any officer or director for his failure to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

ARTICLE 9: MEMBERSHIP

9.01. Qualification. The members of the Club shall be those persons who are from time to time enrolled as members of the Club at its Head Office in accordance with the classes of membership, a list of which shall be maintained at the Head Office.

9.02. Membership Fees, Levies, Charges and Assessments. Membership Fees, including any Initiation Fee, levies, charges and assessments shall be such sums as fixed by the Board from time to time.

9.03. Non-Members. The Board may, in its discretion, permit non-members to have use of the facilities and shall impose such fees, restrictions and conditions on such use as the Board deems appropriate from time to time.

9.04. Termination of Membership. A person's membership may be terminated by the Board for just cause. Provided that the member be given the opportunity to appear before the Board and be heard prior to the Board determining whether or not to terminate.

9.05. Resignation. Any member may resign from the Club by letter addressed to the General Manager at the Head Office.

9.06. Annual General Meeting The Club shall hold an annual general meeting of its members no later than May 31 each year on a date, time and place to be determined by the Board. At the annual general meeting the Directors shall present to the members a report dealing with the affairs of the Club for the previous year, a financial statement of the Club, the Auditor's Report, and such other information as the Board may determine.

9.07. Semi-Annual Meeting: The Club shall hold a semi-annual meeting of its members each year no later than November 30 each year on a date, time and place determined by the Board. At the semi-annual meeting, the Report of the Nominating Committee, and, the operating and capital budgets for the next calendar year shall be presented to the members for approval. The Board may amend the approved budgets to address unforeseen circumstances that arise subsequent to the semi-annual meeting. Any such amendments shall be reported to the members at the next annual general meeting.

9.08 Special Meetings. Special meetings of the members may be convened by order of the Board or upon the Club's receipt of written requisition to do so, signed by not less than 100 Members in Good Standing. Such meeting shall be held on a date, time and place as determined by the Board.

9.09. Notice. Members shall be provided Notice of member meetings at least 30 days in advance. The notice of meeting shall include a draft agenda and a statement of the right of the member to appoint a proxy. The accidental omission to give Notice to any member, or any error in any Notice not affecting the substance thereof, shall not invalidate any resolution passed or any other action taken at a member meeting.

9.10. Proxies. At any meeting of members, a member in good standing may appoint a proxy on a directed proxy form to be provided by the Club, to exercise his vote.

9.11. Voting. At any member meeting only Members in Good Standing (i.e. Full Members, Associate Members, Intermediate Members, Distinguished and Honorary Members) shall have the right to vote. Every question submitted at any members' meeting shall be decided by a majority of votes in person or by proxy. In the event of a tie the Chairperson shall have a casting vote.

9.12. Quorum. A quorum for the transaction of business at any member meeting shall consist of not less than 50 Members in Good Standing present in person, or represented by proxy; provided that in no case no meeting shall be held unless there are 25 Members in Good Standing present in person.

9.13. Member Motions: Any Member in Good Standing from the classes of membership which have voting rights shall have the right to make a motion to be heard at a members’ meeting, provided such motion shall be delivered in writing to the General Manager no sooner than 90 days before the meeting and not later than 60 days before the meeting, and such motion shall be signed by the member, seconded by a member and signed by 10 other members who support the motion. All such members must be Members in Good Standing with voting rights.

9.14. Nomination By Members: Any Member in Good Standing from the classes of membership which have voting rights shall have the right to nominate another Member for the position as a Director provided such nomination is in writing, signed by the Member and seconded by another Member, accompanied by the signed consent of the nominated Member, and delivered to the General Manager no sooner than 60 days before the Semi-Annual General Meeting and not later than 30 days before the Annual General Meeting . All such members must be Members in Good Standing with voting rights.

ARTICLE 10: COMMITTEES

10.01. The Club shall have the following standing Committees:

- (a) Nominating Committee
- (b) Finance Committee
- (c) Grounds Committee
- (d) Building Committee

The Nominating Committee: shall be elected at the Semi-Annual General Meeting and shall be comprised of 3 members nominated by the Board, one of whom will be the Past President upon leaving the Board. Members of the Nominating Committee shall not be current members of the Board of Directors. The members of the Nominating Committee shall appoint one its members to act as Chairperson. It shall be the responsibility of the Nominating Committee to nominate members to fill the positions of Directors as those positions become vacant. The Nominating Committee shall, as near as may be practical, select members from a cross-section of the Club’s membership. The Nominating Committee shall present its report to the General Manager no later than 60 days prior to the next Annual General Meeting and shall present its report at the next Annual General Meeting. The Report of the Nominating Committee shall be provided to the Members within 30 days of the Semi-Annual Meeting.

The Finance Committee: shall be comprised of 3 Members of the Club, two of whom shall be Board Members and one shall be a Member in Good Standing, all of whom shall be appointed by the Board. The Finance Committee shall consult with the General Manager relative to the Club’s finances and shall make recommendations to the Board on such matters.

The Grounds Committee: shall be comprised of as many members as the Board may, from time to time appoint. The Board shall appoint the Chairperson of the Grounds Committee. The Chairperson shall make recommendations to the Board on matters concerning the golf course and surrounding property.

The Building Committee: shall be comprised of as many members as the Board may from time to time, appoint. The Board shall appoint a Chairperson of the Building Committee. The Chairperson shall make recommendations to the Board on matters concerning the Club's buildings.

The Board may constitute such other Committees, from time to time, as it considers necessary or appropriate and shall determine the members of such Committees and their terms of reference.

ARTICLE 11: ENACTMENT, REPEAL AND AMENDMENT OF BY-LAWS

11.01. Enactment, Repeal and Amendments. By-laws of the Club may be enacted, repealed or amended by by-law approved by two thirds (2/3) of Members in Good Standing present in person, or represented by proxy, at a special meeting of members.

11.02. Notice. A copy of any by-law to be enacted, repealed or amended at a special meeting of members shall be sent to every member of the Club with the notice of such meeting at least 30 days before the meeting.

ARTICLE 12: AUDITORS - The Board shall appoint an auditor to review and report on the accounts of the Club, prepare the Club's Annual financial Statements and to assist with the preparation and filing of the Club's annual Returns. The auditor shall be paid such remuneration as determined by the Board to be fair and reasonable for the auditor's services. The auditor shall report to the Club's Members at the Annual General Meeting of Members.

ARTICLE 13: YEAR END - The Year End of the Club shall be November 30 of each year.

ARTICLE 14: CAPITAL RESERVE FUND

14.01. Maintenance of a Capital Reserve Fund. The Club shall maintain a Capital Reserve Fund. At the beginning of each fiscal year, there shall be added to the Capital Reserve Fund the lesser of:

- (a) 30% of the net operating surplus earned in the preceding fiscal year; or
- (b) such portion of the net operating surplus earned in the preceding year as will bring the balance of the Fund to an amount equal to 100% of the amount of the membership fees, not including Initiation Fees, received by the Club during the preceding financial year.

14.02. Use of Capital Reserve Fund. The Board may utilize monies in the Capital Reserve Fund for:

- (a) capital expenses identified in the annual capital budget approved at a meeting of the members; and
- (b) any other capital expense recommended by the Board and approved at a meeting of the members.

ARTICLE 15: UNITS OF DEPOSIT, ASSET UNITS AND WAIVER CERTIFICATES

15.01. Units of Deposit and Asset Units. At one time, the Club issued Units of Deposit and Asset Units as a method of raising capital. That practice has been discontinued, although there are still Units of Deposit and Asset Units outstanding.

15.02. Redemption of Units of Deposit and Asset Units. The Club shall redeem Units of Deposit and Asset Units only when:

- (a) a Unit holder has delivered to the General Manager written notice stating the amount he or she requests to be redeemed;
- (b) the Unit holder ceases to be a member of the Club; and
- (c) The Board of Directors may, at their absolute discretion, redeem a maximum of \$5,000 Units of Deposit and/or Asset Units in a calendar year provided that: The Audited Financial Statement of the preceding year reflect an increase in cash position during the year. Units must be redeemed in the order in which request for redemption have been received on a first-come basis.

15.03. Order of Redemption. Units shall be redeemed in the order of receipt of request, but Units of Deposit shall be redeemed in priority to Asset Units when there is insufficient capital to meet all requests for redemption.

15.04. Surrender. A holder of Units of Deposit or Asset Units may surrender the Units to the Club without compensation and shall be entitled to receive in return a Waiver Certificate.

An owner of Units of Deposit or Asset Units who is not a member of the Club and who applies to rejoin the Club may surrender his Units toward satisfaction of the Initiation Fee.

15.05. Transfer. An owner of Units of Deposit or Asset Units or the holder of a Waiver Certificate may transfer the Units or Certificate to another person who may utilize the same to apply toward his obligation to pay the Initiation Fee.

15.06. Deemed Resignation from Membership. A member who requests redemption or transfer of his Units of Deposit or Asset Units or who transfers his Waiver Certificate is deemed to have resigned from membership in the Club. If a member who has requested redemption of his Units rejoins the Club before the Units have been redeemed, the unredeemed Units shall be applied toward the Initiation Fee.

ARTICLE 16: TRANSITION Commencing in the year 2020, elections for the Board of Directors will take place at the Semi-Annual Meeting in November. Additionally, the President Elect will be elected from within the Board by the Board, and, the President will be eligible for re-election by the Board to one additional term of one year (two year maximum). To facilitate the transition, in 2019 the terms of the Directors will be extended by 6 months from the Annual Meeting in May to the Semi-Annual Meeting in November.