

PROPOSED CHANGE OF BY-LAWS HEART RIVER GOLF CLUB

Article 1

MEMBERSHIP

1.1 Membership in the Club shall be divided into the following categories, each with its own rights. Each person or entity shall be assigned one annual membership upon payment of designated fees:

- a) Junior member: an individual who is under the age of 18 years. A Junior member is entitled, subject to the Club's usage and hours of operation, to use the Club's golf and non-golf related facilities, at such times as designated by the Club from time to time, and to participate in golf-related and social events. Annual dues for a Junior member are determined on an annual basis by the Board of Directors. A Junior member does not have the right to vote.
 - b) Adult member: an individual who is 18 years of age and older. An Adult member is entitled, subject to the Club's usage and hours of operation, to use the Club's golf and non-golf related facilities and to participate in golf-related and social events. Annual dues for an Adult member are determined on an annual basis by the Board of Directors. An Adult member has the right to vote.
 - c) Lot member: an individual who is 18 years of age and older and leases a lot from the Club. A Lot member is entitled, subject to the Club's usage and hours of operation, to use the Club's golf and non-golf related facilities and to participate in golf-related and social events. Annual dues for a Lot member are determined on an annual basis by the Board of Directors and shall be paid at the same time as the annual rental fee for the lot. A Lot member has the right to vote.
 - d) Corporate member: a bona fide business corporation or partnership carrying on an active business. A Corporate member entitles, subject to the Club's usage and hours of operation, one (1) designated executive of the corporation or partnership to use the Club's golf and non-golf related facilities and to participate in golf-related and social events. The Corporate member's designee must be an officer, director, owner, partner, employee or any other person as designated by the Corporate Member. Annual dues for a Corporate member are determined on an annual basis by the Board of Directors. A Corporate member has the right to vote.
- 1.2 The Board of Directors, in its sole and absolute discretion, may from time-to-time, and at any time, add to, delete from or amend the categories of membership provided for herein and set the conditions for such memberships.
- 1.3 The Board of Directors, in its sole and absolute discretion, may from time-to-time, establish, add to, delete from or amend the membership fees, annual dues, green fees and surcharges payable in respect of each category of membership. For example, the Club

may provide for reduced annual dues when memberships are purchased pursuant to the "Christmas special" or "Senior's Membership". The Club may also create package deals on memberships such as, but not limited to, Family or couple memberships.

- 1.4 Membership in the Club shall cease:
- a) upon the death of a member;
 - b) upon a member failing to pay annual dues or other fees levied against the member;
 - c) upon the expulsion of a member by the Board of Directors in accordance with these by-laws.
- 1.5 Any complaint regarding the conduct of a member shall be made in writing. Where the conduct of the member is found by the Board of Directors to be injurious to the character, integrity or affairs of the Club or any member thereof, or commits any act which fails to comply with the rules and regulations adopted by the Board, the Board may suspend that member upon such terms and conditions as it deems reasonable or expel that member from the Club. No member shall be suspended or expelled until the member has been given a reasonable opportunity to appear before the Board. Expulsion, suspension and re-instatement shall be determined by two-thirds (2/3) of the vote of the Directors.
- 1.6 There shall not be more than 75 lots leased by the Club and Membership shall not exceed 500 total Members in any event.
- 1.7 Memberships are for the calendar year only, with all membership expiring on December 31st, or such date as the Board of Directors may agree upon.
- 1.8 Memberships are individual and non-transferable.
- 1.9 Members are required to know and observe the Rules of Golf as posted on Club signs and scoreboards and as otherwise published by the Club.
- 1.10 Members are required to respect the rights, privacy and dignity of other members and staff of the Club.
- 1.11 Members are required to obey instructions of the Marshals, Starters, Grounds and Clubhouse staff.

Article 2

LOT RENTAL

- 2.1 The annual rental fee for each lot shall be determined by the Board of Directors, and such fee shall be payable at the same time as the annual membership dues which shall be in any event on or before the 1st day of June of each and every year.

- 2.2 A Lot member may be expelled, pursuant to clause 1.5, for failure to abide by the terms of the lot lease and any rules or regulations established by the Board.
- 2.3 There shall be no more than 2 Lot members leasing a lot, both of whom must be married to each other or living in an adult interdependent relationship.
- 2.4 No person may lease more than 2 lots unless by approval of the Board of Directors.
- 2.5 Subject to 2.6, no person may lease a lot without being a member of the Club.
- 2.6 In a situation where the spouse or children of the Lot member do not golf, he, she or they, as the case may be, will not be required to become members of the club. The non-golfing spouse or children are not entitled to vote or participate at any meeting.
- 2.7 The Board of Directors, in its sole and absolute discretion, may from time-to-time, create, establish, modify, or cancel regulations, of any type, with regards to the lease, use, rights and fees associated with the lots.

Article 3

MEMBERSHIP VOTING

- 3.1 Voting shall be limited to one (1) vote per member (excluding Junior members). Every question shall be decided by a majority of the votes of the members present unless otherwise required by the by-laws. In case of an equality of votes, the President, in addition to his original vote, shall have a second or casting vote.
- 3.2 A Lot member shall be limited to one (1) vote regardless of the fact that 2 lots may be rented.
- 3.3 Voting shall be by a show of hands except by Resolution for ballot which shall be by secret ballot.
- 3.4 All voting members must vote in person at the meeting; there shall be no proxy votes on behalf of any member(s) or any electronic communication of the member(s)' vote.
- 3.5 Any vote required for purposes of passing a Special Resolution shall require seventy-five (75%) percent of those members present at an annual meeting or at any special meeting held for that purpose, approving the adoption of such special Resolution.
- 3.6 Seven (7) members in good standing and present shall constitute a quorum at any meeting.

Article 4

BOARD OF DIRECTORS

- 4.1 The Board of Directors, Executive Committee or Board shall mean the Board of Directors of the Club.
- 4.2 The Board of Directors shall consist of the office of the President, Vice President, Secretary, Treasurer and a maximum of six (6) elected Directors. All Directors shall be members of the Club.
- 4.3 Terms of Office:
- a) the term of the President shall be for a period of two (2) years.
 - b) the term of the Vice President shall be for two (2) years unless required to fulfill the position of the President.
 - c) the term of the Secretary/Treasurer shall be for two (2) years.
 - d) the term of six (6) Directors shall be for two (2) years, except for the first 3 directors elected who shall serve only one year and be eligible to run again for election the following year (all subsequent terms shall be of a 2 year duration).

All officers shall be elected by the Board of Directors at the Board meeting immediately following the Annual General meeting. There is no limit on the amount of terms held by each director or officer.

- 4.4 The Board shall, subject to the by-laws or directions passed by Resolution at any Membership meeting called and constituted, have full control and management of the business and affairs of the Club and shall be responsible for the preparation of the budget, the operations of the Club and all matters relating to determination of the rules and regulations of the leases of the lots.
- 4.5 Meetings of the Board shall be held as often as the business of the Club shall require; however, shall be at least once every three (3) months and shall be called by the President. A Special Board meeting may be called by two (2) members of the Board provided that the President is requested to call the meeting in writing and such request to state the nature of the business to be brought forward at such meeting. Meetings of the Board shall be called by three (3) days' notice given to each Board member either by mail, phone, fax, email or other electronic communication.
- 4.6 Any six (6) Board members shall constitute a quorum and any emergency meeting of the Board shall be held without notice if a quorum is present provided that any business transactions at such meeting shall be ratified at the next regularly called Board meeting, otherwise such transaction shall be null and void.

4.7 Any Director or Officer shall be removed from the Board of Directors upon such Board member ceasing to be a member of the Club or upon a majority vote of $\frac{3}{4}$ of the membership at a duly constituted meeting of the Club.

4.8 **President**

The President shall be an ex-officio member of all Committees of the Board or of the Club as the case may be. The President shall, when present, chair and set the agenda for each Board meeting.

The President shall have the right to vote at Board meetings; however, the President's vote shall not be a casting vote in the event the President abstains from such vote.

4.9 **Vice President**

The Vice President shall conduct and preside at the meetings of the Board when the President is absent. In the absence of both the President and the Vice President, the Board may elect a chairperson to preside at the meeting.

4.10 **Secretary**

The Secretary shall attend all meetings of the Board and the meetings of the Club and shall keep accurate minutes of the meetings and present the minutes taken at the next meeting of the Board or of the Club as the case may be.

In the event of the absence of the Secretary, the Board or the members may appoint a member to perform the duties of the Secretary for that particular meeting.

The Secretary shall keep a record of all the members of the Club and their respective addresses, and other contact information and serve notice to the Board members or the Club members as required pursuant to these By-Laws or amendments thereto.

4.11 **Treasurer**

The Treasurer shall collect and receive all dues and assessments levied by the Club and shall keep accurate records and receipts of all such payments. All monies paid to the Club shall be deposited in such financial account as determined by the Board from time to time and all withdrawals from such account(s) shall be duly recorded and accounted for.

The Treasurer shall provide a detailed accounting of the receipts and disbursements of the accounts to the Board at least every three (3) months and shall prepare, for submission to the Annual General Meeting of the Club, a statement duly audited of the financial affairs of the Club and submit a copy of the Report to the Provincial Government as required. The Treasurer shall prepare a budget for the forthcoming year and present same to the Annual General Meeting of the Club.

The position of the Treasurer and the Secretary may be filled by one person if the members of the Annual meeting shall so determine for the forthcoming year.

- 4.12 The Secretary shall have charge of the seal of the Club and such seal shall only be authenticated by the Secretary together with the President/Vice President of the Club.
- 4.13 The signing authority for all cheques, withdrawals, and receipts shall be determined by the Board from time to time; however, there shall be at least two (2) different signatures required.
- 4.14 Any vacancy of the officers of the Board during the year shall be fulfilled by the Board; however, such appointed Board member must stand for election at the next Annual General Meeting.

Article 5

AUDITING

- 5.1 The books, accounts, and records of the Club as prepared by the Secretary and the Treasurer shall be audited at least once each year by a duly qualified accountant or by two (2) members of the Club chosen for that purpose at the Annual General Meeting. A complete and proper statement of the standing of the books for the previous year shall be submitted to the auditor and subsequently to the Annual General Meeting.
- 5.2 The fiscal year end of the Club shall be the 31st day of October.
- 5.3 The books and records of the Club may be inspected by any member of the Club upon giving fifteen (15) days' notice and arranging for a time satisfactory to the Officer having charge of the books. Each Board member shall at all reasonable times have access to the books and records of the Club.

Article 6

MEETINGS

- 6.1 The Club shall hold an Annual General Meeting on or before December 15 of each and every year.
- 6.2 Notice of the Annual General Meeting shall be given to the address as shown on the Secretary's ledgers, or by email or fax.
- 6.3 At each Annual General Meeting there shall be elected a slate of Officers and Directors as required pursuant to Article 4 of these by-laws.
- 6.4 Any member in good standing shall be eligible to be elected to the Board.
- 6.5 Meetings of the Club, other than the Annual General Meeting, may be called at any time by the Secretary upon instructions of the President or the Board by twenty-one (21) days' notice to the last recorded address of the member.

- 6.6 A special meeting may be called by the President or Secretary, or upon receipt of petition signed by one-third (1/3) of the members eligible to vote setting forth the reason for calling such special meeting. Notice of such meeting shall be given eight (8) days prior to the date of the special meeting.

Article 7

NOTICE OF MEETINGS

- 7.1 Notice of any Board meeting or Membership meeting shall be deemed to be sufficient by the Secretary delivering written notice, either by non-registered mail or by electronic means (email, faxes or such other electronic written communication), at the last recorded address as recorded on the Secretary's address ledger or such record of addresses either by mail, email, faxes or other means of electronic written communication.
- 7.2 Notice delivered to one (1) Lot Member shall be deemed to be served upon both members having the lot lease in the event that there are two (2) members having the same lot lease.
- 7.3 Notice of any Special Resolution to be adopted by the Club shall be given by written notice of the said Resolution delivered twenty-one (21) days prior to the holding of such meeting at which the vote shall take place.

Article 8

REMUNERATION

- 8.1 Unless authorized at any Club meeting, and after notice of such proposal has been given, no Officer or member shall receive any remuneration for services rendered unless services were provided for in the status of an employee or contractor with such expenditure authorized by the budget.
- 8.2 The Board may grant a honourium to any member as it shall determine; such honourium may be forgiveness of a debt owing to the Club, or the granting of a free membership.

Article 9

BORROWING POWERS

- 9.1 For the purposes of carrying out the objects of the Club, the Club may borrow, raise or secure the payment of money in such manner as it determines and in particular may issue debentures, mortgages on real or personal property as security for obtaining such money.

- 9.2 The Board may raise funds and give such security as it shall determine provided that such amount does not exceed the sum of five hundred thousand (\$500,000.00) dollars.
- 9.3 Any amounts in excess of five hundred thousand (\$500,000.00) shall be approved by a Special Resolution of the Club.

Article 10

AMENDMENT TO BY-LAWS

- 10 These By-Laws may be rescinded, altered, or amended by Special Resolution.

DISSOLUTION

Upon dissolution of the Club, the assets of the Club shall be distributed equally amongst non profit organization in the Northern Sunrise County.

I _____ being the Secretary of Heart River Golf Club hereby certify that the foregoing By-Laws were duly passed at the Annual General Meeting of the Club held on the _____ day of _____, 2012 after notice was properly given pursuant to the By-Laws filed at Registrar of Corporations Government of Alberta
