

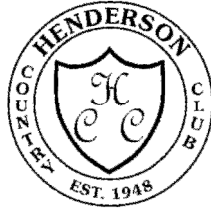


Henderson Country Club

Constitution and By-Laws for 2011

Our Mission Statement:

Henderson Country Club's mission is to provide, maintain and support a small town, private country club in North Carolina offering golf, tennis, swimming, fitness, and social facilities to a family oriented membership with quality environments, services, and sound financial policies.



Henderson Country Club, Inc. Constitution

Article I Name and Objective

This club is incorporated and organized under the laws of North Carolina, under the name of Henderson Country Club, Inc. for the main purpose of establishing and maintaining a suitable club house and grounds for outdoor and indoor sports of all kinds and for the promotion of social and recreational fellowship among its members.

Article II Directors

Section 1. The Corporation shall be governed by a board of 12 directors; all of whom must own at least $\frac{1}{2}$ share of stock in the corporation, or be the owner of one share, who shall be elected by the stockholders as follows:

At the annual meeting in 1948 the stockholders shall elect four directors for a term of one year; four directors for a term of two years; and four for a term of three years; thereafter four directors shall be elected each year for a term of three years. The immediate past president of the corporation shall be *ex officio* a member of the Board of Directors. The Chairman of the House Committee, unless he is regular member of the Board, shall be *ex officio* a member of the Board.

Section 2. The Board of Directors shall have power to make rules and regulations for the government of the club members; to receive and redress complaints; to receive, care for and expend funds of the corporation; to fix or remit penalties for violation of any By-Laws, rules or regulations; and generally to do and perform such acts and things as may be necessary or proper for the conduct of operations of the Henderson Country Club, Inc.

Section 3. Regular meetings of the Board of Directors shall be held monthly on the dates to be fixed by the President, and other meetings may be held on call of the President or three directors. All meetings shall be held on the Club property, unless otherwise specified.

Section 4. A majority of the members of the Board of Directors shall constitute a quorum. The Board shall fill all vacancies for an unexpired term.

Article III Officers

The officers of the club shall be a President, Vice-President, Secretary and Treasurer, who shall be elected annually by the Board of Directors. The President and Vice-President shall be chosen from among the directors.

Article IV Annual Meetings

The annual meeting of the stockholders of the corporation for the election of Directors, and the transaction of such other business as may be brought before the meeting shall be held on the third Tuesday in September of each year, or as soon thereafter as practicable. At all regular and called meetings of the stockholders, a quorum shall consist of the owners of 50 shares of the capital stock; provided at least 20 stockholders are present in person; the others may be represented by proxy.

Article V Non-Assessable Stock

The stock in this corporation shall be non-assessable, except that dues, penalties, assessments and obligations owned by a stockholder to the Henderson Country Club, Inc. shall be a lien upon all stock standing in the name of the member.

Article VI Place Meeting

The club building of the Henderson Country Club, Inc. shall be considered the principal office of the corporation, and all meetings of the stockholders shall be in said building or on said property; but meetings of the Board of Directors may be held elsewhere upon proper notice.

Article VII Order of Business, Stockholder Meeting

At all meetings of the stockholders the order of business shall be as follows:

1. Appointment of committees to determine the number of shares of capital stock represented in person and by proxy, and determination of a quorum.
2. Reading of the minutes of last annual meeting and all special meetings held subsequent thereto.
3. Reports of Board of Directors; Secretary, Treasurer and Committees.
4. Unfinished business
5. New business
6. Election of Board of Directors (if annual meeting).

Article VIII Order of Business, Board of Directors

At all meetings of the Board of Directors the order of business shall be as follows:

1. Roll call.
2. Reading of the minutes of last regular meeting, and all special meetings held subsequent thereto.
3. Reports of Presidents, Secretary, Treasurer and Committees
4. Election of Officers (if annual meeting).
5. Unfinished business.
6. New business.

Article IX Club Colors

The official colors of the Henderson Country Club, Inc. shall be Navy Blue and Gold.

Article X Stock Callable

Since the main purposes of this corporation are for the operation of a club for social, recreational, and athletic purposes, on a non-profit basis, if any stockholder fails to be a dues-paying member of the Club for a period of one year, any or all stock outstanding in the name of said stockholder shall be callable at the option of the Board of Directors. Upon giving thirty days notice to the shareholder and paying for said stock at the rate of \$250.00 per share for the Class A capital stock. The Class B non-voting stock has no value and will not be redeemable. In order to be a stockholder, a member must be a member of the Henderson Country Club in good standing, and upon membership termination, a member will lose all voting rights and the Club will buy back the class A stock at value at which it was purchased upon the withdrawal from the Club at the end of such twelve month period, or anytime thereafter.

Article XI Amendments

This Constitution, or any Article of Section thereof, may be amended only by a majority vote of the stockholders present at the meeting or voting by proxy, provided that notice of the meeting to consider the proposed amendment, which notice shall include a statement of the proposed amendment, is sent to all Class A stockholders of record at least 14 days prior to the date of the meeting.

Amended: November 19, 2001
November 30, 2009



**Henderson Country Club, Inc
By-Laws**

Article I Membership

Ownership of stock(s) in the Henderson Country Club, Inc. is a prerequisite to membership in the club, as indicated below, but mere ownership of stock(s) in the corporation alone does not carry a membership in the club.

Section 1. Family Membership – Requirement: Head of family must be owner of at least one share of Class "A" capital stock and one share of Class "B" no par non-voting stock and shall pay an initiation fee (provided, however, that no initiation fee shall be charged to a minister who obtains his stock from a former minister of his church who has maintained an active membership in the club within 24 months of the new minister's application). The head of a family residing within Vance or Granville counties (excluding those persons having their primary residences and zip codes related to Creedmoor, zip code #27522 and Butner zip code #27509), when approved by three-fourths of the Board of Directors, shall be entitled to a family membership. This Membership shall entitle the holder, his wife or her husband, and all children (or other dependent members of his or her family as defined by the Internal Revenue Service regulations) until 24 years of age or while students in a school, college or university, to all the privileges of the club, except children and other dependent members of the family shall be termed Associate Members.

Section 2. Resident Single Gentleman or Ladies Membership – Unmarried persons over the age of 21, residing within Vance or Granville counties – same stock ownership, initiation fee and passing by the Board of Directors requirements as for Family Membership. This membership shall entitle the holder to all the privileges of the club for himself only, except that he or she has the privilege of having one guest of the opposite gender accompany him or her in any club activity. Upon marriage this membership automatically becomes a family membership.

Section 3. Non-resident Membership - Available only to persons living outside and not maintaining any residence within Vance or Granville Counties (except as is set for in Section 1 above). This membership requires payment of an initiation fee and is subject to approval by three-fourths of the Board of Directors.

Section 4. Cash and Alternative Deferred Payment Plans – Persons obtaining membership in the Henderson Country Club shall have alternative methods of paying the club for his or her initiation fee and stock purchases, with the ownership of said stocks becoming vested in the member only upon completion of all said payments.

Section 5. Senior House Membership – An optional membership open only to a couple when at least one spouse is 70 years of age and has maintained membership in the Henderson Country Club in good standing for a period of five consecutive years or more immediately preceding the application to convert to Senior House Membership. Dues will be equal to one-half the Family Membership dues and the dining room minimum will be the same as the Family Membership. The capital dues will remain payable. The member will continue to own one share of "A" stock and one share of "B" stock. Privileges are limited to house activities only (upstairs and downstairs) however; visiting immediate family from out of town may use all Club facilities at the applicable fees. In the event of either spouse's death, this membership will remain in effect even if the surviving spouse is under age 70. This optional membership must be requested by the member to the Board in writing 30 days prior to becoming effective.

Section 6. Junior Membership – There shall be one class of junior membership, and there shall be no geographic boundaries regarding this membership classification. Fees for persons applying for Junior Membership shall be set by the Board of Directors for this class. This class shall apply to all persons who desire Junior Membership and who are thirty-six years of age or under. This class of membership shall have full membership privileges related to the use of facilities, but this class of membership shall have no voting stock and equity stock in the Henderson Country Club. At age thirty-seven all junior members would be required to purchase stock and move to full resident membership or the appropriate membership classification.

Section 7. Corporate Membership - A corporation shall be allowed to join the Henderson Country Club, provided that entity has at least five W-2 employees. The definition of “corporate” means any business structure, including, but not limited to a schedule C business, an LLC, a corporation, a partnership, or other full-time venture. Each corporate membership would allow a corporation to designate up to three persons who are employees of the corporation to use the Henderson Country Club, but each corporate member must be designated by the corporate member to apply for approval under the corporate membership purchase. All employees invited by a corporate member to become a designated club member must be approved by the Membership Committee of the Henderson Country Club before the employee can become a designated club member, just as any other regular member. Membership rights stay with the corporate member and not the designated employee club member. Upon any termination from employment, the designated employee club member is no longer entitled to membership privileges or usage of the Henderson Country Club unless that person applies for membership on his own, in any class in which he qualifies, if he is in good standing with the Club. All dues for corporate members shall be determined by the Board of Directors. No voting or equity stock in the Henderson Country Club shall be held by a corporate member.

A resident corporate member is deemed a resident if the business has an office in Vance County. The only employees eligible to be designated club members through this corporate class are those who live outside of Vance County. A resident corporate membership shall not apply to employees who reside in Vance County. This membership class entitles the business to invite three of its non-resident employees to become designated users of the Henderson Country Club, and up to three non-resident members may use the facilities and have privileges at the Henderson Country Club.

A non-resident corporate member is deemed a non-resident if the business does not have an office in Vance County. All employees working for a non-resident corporate class member are deemed to have non-resident status and are fully eligible to become designated club members. A non-resident corporate employees’ residency is determined by the residency of the business. This membership class entitles the business to invite three of its employees to become designated Club members no matter where their employees live.

Article II Applications and Resignations

Section 1. No person may become a member of Henderson Country Club until the application is duly made, indicating the class of membership desired and the same has been approved by three-fourths of the Board of Directors; no person may become a member without meeting the requirements of ownership of stock in the corporation and payment of an initiation fee (or fulfilling his or her obligations under an approved Deferred Payment Plan as required in Article I.

Section 2. Any former member of the club who is indebted to the Club may not be considered or approved by Board of Directors for reinstatement to membership until all such indebtedness is fully satisfied; provided further that any former member who has been out of the club for less than twelve months shall be required to pay all dues if he had not been out of the club.

Section 3. Any former member of the club who has not been a member during any of the preceding twelve months, upon applying for reinstatement, shall have to be approved by the Board of Directors and shall have to pay either a new initiation fee or dues for the entire period unpaid, whichever amount is less.

Section 4. No resignation shall be considered unless the member is in good standing and the request is presented in writing and acted upon by the Board of Directors. Resignations shall only be effective at the end of a calendar quarter.

Section 5. A prospective member who has met all the requirements for membership except being approved by the Board of Directors, is allowed to use the Club as a guest of a present member, without limit to visitation, provided the member accompanies him and be responsible for all charges made by the prospective member.

Article III Dues, Fees, and Charges; Non-Payment; Liens

Section 1. Dues and fees for members are payable in advance on a calendar quarter basis (but may be paid annually in advance) and shall be in such amounts as shall be fixed by the Board of Directors. All memberships shall be for at least one full year from acceptance of membership.

Section 2. The Board of Directors shall determine the minimum monthly charge to be paid by each membership class relative to the dining room. Cash cannot be used in the dining room to pay charges.

Section 3. A service charge of 1 ½% per month (18% Annual Percentage Rate) shall be imposed on that portion of all dues, fees, charges and indebtedness owed by a member to the club which is not paid within the calendar month in which the bill is sent to the member.

Section 4. There shall be a minimum charge equal to current bank charges imposed on the member for each check on his account, which is returned by reason of non-payment. The Directors shall from time to time increase the charge to the prevailing rate or more charged by local banks.

Section 5. All dues, fines or penalties assessed upon a member and all other obligations of a member of the club shall be a first lien upon the stock standing in the member's name upon the books of the club, which may be sold as herein provided. Stock purchases by an applicant for membership in the club direct from a stockholder who is indebted to the club shall not qualify such applicant for membership in the club until all sums due the club by the seller and prior holders of the stock have been fully satisfied, and said stock shall be transferred on the books of the club until all obligations have been fully satisfied.

Section 6. Any member of any class whose dues or any other obligation to the club are as much as 60 days in arrears may be denied all the privileges of the club, but shall remain liable for all unpaid dues and obligations for the remaining period of his or her membership. All such dues and obligations shall be and remain a lien on all stock in the corporation standing in the name of such member, and if same remains unpaid for 120 days, the Board of Directors is authorized at their option to sell all of his stock at private sale and apply the proceeds on said indebtedness. The Treasurer, with the approval of the Board of Directors, may post in one or more conspicuous places in the club the names of all persons more than 60 days in arrears together with the amounts due by same.

Article IV Guests

Section 1. Non-Resident – Members may have people residing outside Vance and/or Granville Counties as their guests without restriction.

Section 2. Resident Non-Member – No non-member residing within Vance or Granville Counties may enjoy the privileges of the club as a guest more than four times in any calendar year, or more often than once every three months. This rule does not apply to business meetings, civic meetings, or when a member reserves the club for a private party.

Section 3. Guests of Single Members – Any single member, excepting Associate Members, may entertain one resident non-member of the opposite sex at any time without restriction by the three months rule. Such guests may enjoy all privileges accorded the entertaining member, provided said member accompanies his or her guest.

Section 4. Regulation of Guests –

- (a) The regular greens fee, tennis fee, and swimming fee will be charged all guests except those defined in section 3 above, using the facilities.
- (b) A member shall be responsible for the conduct and indebtedness of any person or persons while using the club premises as his or her guest.
- (c) Persons living within Vance and/or Granville Counties shall not be entitled to the privileges of the club as a guest, escort or partner of an associate member unless such guest, escort or partner is a member or an associate member, but the Teenage Committee is authorized to permit associate teenage members to bring one non-member guest to organized functions of the Teen Committee, provided the inviting associate member accompanies his or her guest to the committee function. (See paragraph (d) for exception.)
- (d) Should an associate member desire to bring an escort or partner to the club dance, this can be done upon the issuance of a written invitation by the Secretary of the club at the request of the parent of the associate member.

Article V Use of the Club

Section 1. The use of the club facilities are available to all members and their guests when open, except that any facility may be reserved by members for private functions upon application to the Board of Directors (or to the Club Manager in the event of reservation of any dining room).

Section 2. Upon proper application to the Board of Directors, the club or parts thereof, may be made available to non-member parents of an active member for the celebration of his or her wedding.

Section 3. Members may use their privately owned golf carts on the golf course subject to the general golf course rules.

Article VI Conduct

Section 1. This being a club for ladies and gentlemen, all members of the club are expected to conduct themselves in a proper manner at all times while on the club premises.

Section 2. Any property of the club broken or damaged by a member (or by one of his or her associate members) or by any guest of said member must be promptly paid for by said member, the amount thereof to be ascertained by the Board of Directors.

Article VII Penalties

Section 1. In case of an infraction of the By-Laws or rules of the club or any conduct on the part of a member (or by one of his or her associate members or by any guest or visitor whom he or she brings to the club) which tends to danger the good order, welfare and character of the club, the Board of Directors shall have the right to inflict such penalty in the nature of suspension, fine or expulsion as the Board in their sole discretion may deem proper.

Section 2. If any member under fine or suspension shall enter the club grounds or premises before the fine is paid or during the period of suspension, he shall *ipso facto* cease to be a member of the club, he shall remain liable for all unpaid dues, fines, fees or penalties.

Article VIII Directors

Section 1. The numbers, terms and election of Directors of the Corporation shall be as set forth in the Constitution of the Henderson Country Club, Inc; provided, however, that the three most recent past presidents who are still active members of the club shall constitute a Nominating Committee which shall propose four nominees for election as Directors for the next ensuing three years and the names said four nominees, together with names of the holdover directors, shall be mailed to the club membership in the newsletter and shall be included in the notice of meeting sent to the stockholders prior to the annual stockholders meeting; the floor shall open for other nominations at the annual stockholders meeting at which four Directors shall be elected. The Nominating Committee shall also recommend to the Board of Directors, one person to fill each office provided for in the Constitution. The Nominating Committee shall determine that the persons nominated for Director or an office agree to serve in the position for which they are being nominated or recommended.

Section 2. Terms for directors and officers of the club shall commence on January 1st and said directors and officers shall serve until their respective successors are elected and qualified.

Section 3. Unless specified otherwise by the President, the Board of Directors shall meet at the club on the third Tuesday of each month.

Article IX Committees

Section 1. With exception of the Long Range Planning Committee, the President shall appoint and fix duties for all committees, subject to the approval of the Board of Directors. It shall be the duty of each committee to prepare and post rules, subject to the approval of the board.

Section 2. The following standing committees shall be appointed each year by the President: Executive, Finance, Food and Beverage, Golf, House, Personnel, Swimming Pool and Tennis. At least one member of the Board of Directors shall be a member of each standing committee.

Section 3. The Long Range Planning Committee shall be a permanent committee of the Henderson Country Club established under the following guidelines:

Purpose: To provide greater consistency over a longer period of time span in planning and implementation of capital improvements including major replacement items.

Scope of Work: The Committee will limit its work to these areas of concern:

- (1) The development of a list of desired capital improvements to the club facilities (Including major repairs and replacements) with cost estimates to each item. The items will be prioritized and scheduled in relation to available funding.
- (2) The projection of funds available for capital expenditures during the next succeeding five years. This projection will be extended annually and related to the prioritized list of capital improvements.
- (3) Analysis of membership initiation fees and dues with recommendations for changes to the Board of Directors.
- (4) An annual recommendation to the Board of Directors for capital expenditures to be included in the budget for the next following year.

Personnel: The Committee will be composed of the current President and Vice-President and five additional members who will be named by the Henderson Country Club Board of Directors. The five members who are not *ex officio* members will served staggered terms with one new member joining the committee in January of each year as the most senior member retires. The new member for the forthcoming year will be named by a majority vote of the Board of Directors at the December meeting of the Board. The existing committee will suggest a name to be placed in nomination by the Vice-President. Other names may be nominated by members of the Board.

In the event that a current committee member in unable to complete the five year term, the vacancy will be promptly filled by the Board of Directors following the same procedure outlined above naming a new member each year.

The senior member (in years of Committee service) will act as the chairman of the committee. The chairman will assign tasks to the individual committee members and be generally responsible for the timely completion of the work.

Authority: The committee will function as a standing committee of the Henderson Country Club, deriving its' authority from the Board of Directors. The committee will not be empowered to act on behalf of the Henderson Country Club, but only to make recommendations for action by the Board.

The committee will be authorized to call on any club member for voluntary, non-compensated expertise and advice in carrying out its tasks. With prior approval by the Board, the Committee will be allowed to engage the services of fee-based professionals such as architects and engineers (but not limited thereto) in order to assess proposed capital improvements.

Schedule of meetings: The committee will meet in January, April, July and October of each year in Henderson Country Club, two weeks prior to the scheduled meeting of the Board of Directors in that month. Additional meetings may be called by the chairman of the committee or the Club President. The Committee Chairman or other committee member designated by the Chairman will meet with the Board of Directors at a regularly scheduled meeting at least quarterly.

Section 4. In addition to the standing committees the President may, from time to time, appoint such other committees as he may deem necessary, whose duties shall not be inconsistent with these By-Laws and whose members shall serve during the President's term of office, at his pleasure.

Article X Amendments

Section 1. These By-Laws may be amended only by majority vote of the stockholders present at the meeting or voting by proxy, provided that a notice of the meeting to consider the proposed amendment, which notice shall include a statement of the proposed amendment, be sent to all Class A stockholders of record at least 14 days prior to the date of the meeting.

Amended: October 20, 1981
 October 18, 1983
 May 26, 1987
 October 20, 1987
 October 17, 1989
 October 20, 1992
 October 19, 1993
 November 13, 2002
 November 30, 2009
 March 1, 2010
 November 7, 2011