

BYLAWS
OAKMONT GOLF CLUB, INC.
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(Revised 10/09)

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BYLAWS OF OAKMONT GOLF CLUB, INC.

ARTICLE I NAME AND LOCATION

1.1 The name of this corporation is THE OAKMONT GOLF CLUB, INC., and the term "CLUB" as used in these Bylaws shall be understood to mean THE OAKMONT GOLF CLUB, INC.

1.2 The principal office of the corporation shall be located at the community known as "Oakmont" as it shall be designated from time to time in the Official Records of Sonoma County, California.

ARTICLE II SEAL

2.1 The CLUB shall have a corporate seal upon which shall be inscribed the words "THE OAKMONT GOLF CLUB, INC., SANTA ROSA, CALIFORNIA, Incorporated 1990."

ARTICLE III PURPOSE

3.1 The CLUB is organized to engage in any lawful act or activity for which a corporation may be organized under the General Corporation Law of California other than the banking business, the trust company business or the practice of a profession permitted to be incorporated by the California Corporations Code. The CLUB is authorized to purchase, lease, lease to an outside operator or otherwise lawfully acquire, hold, sell and use both real and personal property of every kind and nature incident to the proper fulfillment of its purpose. It is also authorized to engage in necessary fund raising projects to provide for repair, maintenance and replacement of owned and operated facilities. It shall have the authority to engage in all activities within the limitations imposed in this Article. It is intended that all of its property be owned by the CLUB for its members in perpetuity.

ARTICLE IV MEMBERSHIP

4.1 **Qualification for Membership.** Membership shall be subject to the conditions, limitations, and provisions of the Articles of Incorporation, these Bylaws and the Rules and Regulations of the CLUB as adopted there under.

4.2 **Number of Members.** The number of proprietary members shall not be more than 863.

4.3 **Classes of Memberships.** Memberships shall be classified as Charter Proprietary or Proprietary.

4.3.1 All classes of memberships shall be further classified as Active or Inactive; and all memberships are defined as Active unless Inactive status was approved by the Board of Directors prior to September 26, 2005. Application for Inactive status will not be available to members after September 26, 2005.

4.3.1.1 Active memberships retain all voting rights, the right to hold office, and receive all benefits of membership including greens fees, discounts, and other benefits; and are responsible for all restaurant minimum charges, dues, assessments or other fees legally adopted by the Board of Directors or by membership vote. Except for those transfers under Sections 5.4, 5.5 and 5.6, memberships purchased or transferred on or after April 1, 2006 have an obligation to pay a monthly golf fee that shall also include all dues and assessments.

4.3.1.2 Inactive memberships surrender all voting rights, the right to hold office, and receive no benefits of membership, including member greens fees, discounts, and other benefits; and are not responsible for any other restaurant minimum charges, dues, assessments or other fees legally adopted by the Board of Directors or by membership vote.

4.3.1.3 All Inactive memberships must be placed and maintained on the membership Seller List by July 1, 2006, at the then current minimum sale price as set by the Board of Directors

4.3.1.4 Inactive members must accept an offer to purchase their membership at the minimum price, or the membership will be automatically restored to Active status and the owner will be responsible for payment of all accrued dues, assessments or other fees legally adopted by the Board of Directors or by membership vote, from July 1, 2006 to the date Active status was restored.

4.3.1.5 Prior to July 1, 2006 an Inactive membership can be restored to Active status by application to the Board of Directors and the member will not be responsible for payment of any previously accrued dues, assessments or other fees legally adopted by the Board of Directors or by membership vote.

4.3.1.6 After July 1, 2006 an Inactive membership can be restored to Active status by application to the Board of Directors and the member will be responsible for payment of all dues, assessments or other fees legally adopted by the Board of Directors or by membership vote from July 1, 2006 to the date the membership is restored to Active status.

4.3.2 A Charter Proprietary membership is one purchased from the CLUB during the initial subscription period that terminated December 31, 1990.

4.3.3 A Proprietary membership is one purchased through the CLUB after December 31, 1990. It shall be further classified as Resident or Non-Resident. The number

of active Non-Resident Proprietary Memberships shall not exceed 45% of all active Proprietary Memberships. The number of Non-Resident Proprietary members serving on the Board of Directors at any one time shall not exceed three (3) of the total number of seven (7) Directors set forth in Section 6.1.

4.3.3.1 A Resident Proprietary Membership is a membership acquired while a resident of Oakmont. It shall have all of the rights, privileges and obligations of any other membership.

4.3.3.2 A Non-Resident Proprietary Membership is available exclusively to non-residents of Oakmont as their only initial form of membership. It may consist of no more than 2 adults, plus dependent children under the age of 23, all of whom must be residing at the same residence. It shall have all of the rights, privileges and obligations of the other memberships.

4.3.4 The Board of Directors may establish Social, Honorary or other classes of memberships. Such members will have no proprietary rights, no voting rights and may not hold office.

4.4 **Registration of Members.** Registration of memberships as to name or names and the property to which they relate shall be as directed by the member, however not more than two individuals may be named on a single membership and both individuals must reside at the single property designated. All registration of memberships shall be subject to approval by the Board of Directors. Such designation may not be changed except with approval of the Board and payment of a transfer fee as fixed by the Board, when applicable.

4.5 **Number of Memberships to Residential Units.** Each residential unit may have a separate membership for each adult resident.

4.6 **Obligations of Members.** By acceptance of membership in the CLUB, a member ratifies all prior acts of its officers and Directors and agrees to be bound by the provisions of these Bylaws, and all of the Rules and Regulations promulgated by the Board of Directors and by the several Committees of the CLUB.

4.7 **Dues.**

4.7.1 The Board of Directors shall have the power to establish dues that shall apply to all Active Memberships.

4.7.2 The Board of Directors must prescribe the level of dues sixty days prior to its going into effect.

4.7.3 Initially the dues will not exceed \$10 per month per membership; subsequent increases may not be made more than one time in any calendar year and may not exceed \$10 per month per membership, except by an affirmative vote of a majority of the members voting.

4.7.4 Funds collected through dues will be set aside in a reserve fund to be used only for golf course maintenance or improvements.

4.8 **Golfing Fees.** Fees will be fixed by the Board of Directors and will be reviewed annually.

4.9 **Membership Price.** The Board of Directors shall have the right to establish, from time to time, the minimum price at which memberships may be sold and shall have the right to refuse to accept for transfer a membership proposed to be sold for less than the established minimum price. A proposed seller may set his selling price above the established minimum price and not lose his priority on the Seller List, subject to the Procedures for the Purchase/Sale of Memberships. If the seller then refuses to sell at or above his stated selling price he will be moved to the bottom of the Seller List.

4.10 **Assessments.**

4.10.1 The Board of Directors shall have the power to assess proprietary members an amount not to exceed \$100.00 in any given calendar year and to prescribe the terms under which such assessment is to be paid.

4.10.2 The Board also shall have the power to assess proprietary members in excess of \$100.00 in any given calendar year, provided, however, that any such assessment shall not take effect until notice of the proposed assessment shall have been given to each proprietary member and the assent by vote of at least seventy percent (70%) of the total of the proprietary members to be assessed shall have been obtained.

4.11 **Payment of Indebtedness.**

4.11.1 Any indebtedness to the CLUB for which a member is responsible shall be paid when due. If not so paid, a monthly late payment fee, in such amount as may be fixed by the Board of Directors, will be charged until full payment has been received.

4.11.2 If full payment from the member has not been received within sixty (60) days after the debt became due, the Board may suspend all membership privileges of the member. Upon receipt of full payment, such privileges may be restored by the Board, subject to such reasonable conditions as may be appropriate under the circumstances.

4.12 **Disciplinary Action.** The membership rights of any member of the CLUB may be suspended by order of the Board of Directors for unbecoming conduct or for other good cause; provided, however, that prior to the making of such order, the member must be provided with the opportunity to be heard, orally or in writing, at least five (5) days before the effective date of such order, and must be notified of the Board's intended action at least fifteen (15) days prior to the intended effective date of the order. Such notice must be in writing and shall state the reasons for the proposed order. It may be delivered personally or mailed to the member's address of record.

4.13 **Restaurant Minimums**

4.13.1 The Board of Directors shall have the power to establish a minimum amount that each member must spend at the restaurant in a 3 calendar month period; it shall apply to all Active Members.

4.13.2 Any minimum not spent in the three-month period is forfeited, unless approved by the Board of Directors.

4.13.3 The Board of Directors must prescribe the level of the restaurant minimum sixty days prior to its going into effect.

4.13.4 Initially the restaurant minimum will not exceed \$50 per month (\$150 per three month period) per membership; subsequent increases may not be made more than one time in any calendar year and may not exceed \$10 per month (\$30 per three month period) per membership except by an affirmative vote of a majority of the members voting; single members living alone will be charged half these rates upon applying to the Board of Directors.

4.13.5 The Board of Directors shall have the authority to adjust individual member's restaurant minimums for special circumstances.

**ARTICLE V
TRANSFER OF MEMBERSHIP**

5.1 **Sale, Use or Transfer of Membership.**

5.1.1 Any member who desires to sell a membership shall sign and present to the Board of Directors, on a form to be provided by the Board, a Notice of Intent to sell or transfer such membership. Such Notices shall be received by the Board, numbered in the order of receipt and placed on a Seller List, to be maintained by the CLUB.

5.1.1.1 A member who desires to sell a membership and bypass the Seller List may identify a purchaser provided the following conditions are satisfied:

- a) Purchase must be approved by the Board of Directors,
- b) All conditions of Article IV Membership are satisfied, and
- c) Seller shall pay a transfer fee of 20% of purchase price or \$100, whichever is greater.

5.1.2 A member who, as owner, leases a residential unit to a tenant may register the membership as one relating to the rented unit pursuant to Section 4.4 of these Bylaws. Thereafter, the member may not exercise any privileges of that membership but the tenant may, with specific approval of the Board, exercise all such privileges, except the right to vote and hold office, during the period of tenancy. The Proprietary member/lessor in

such cases shall be responsible for all debts to the CLUB incurred by the tenant. When the tenant vacates the residence, the membership privileges shall revert to the Proprietary member/lessor.

5.1.3 When a homeowner member sells his or her residential unit, the membership may be either transferred to the buyer, surrendered to the Club for resale, or retained by the homeowner (seller); however, if surrendered for sale, the homeowner member may continue to exercise all membership privileges.

5.1.4 The sale of memberships to non-residents of Oakmont is subject to the limitation set forth in Section 4.3.6.

5.1.5 Charter Proprietary memberships will not be charged a transfer fee. All other Proprietary memberships shall pay a transfer fee of 20% of the selling price or \$100, whichever is greater. The transfer fees may be used for any legitimate CLUB purpose.

5.1.6 Should the owner of a Non-Resident Proprietary Membership become a resident of Oakmont the membership will be converted to a Resident Proprietary Membership and no transfer fee will be charged.

5.2 **Conditions for Transfer of Membership.**

5.2.1 No membership shall be transferred except with approval of the Board and shall be transferred only in the manner hereafter set forth and subject to the following terms and conditions:

5.2.2 Payment to the CLUB of all indebtedness then owing to the CLUB by the transferring member.

5.2.3 Delivery and surrender of the certificate of membership to the CLUB, together with the Notice of Intent to sell as required under section 5.11 of this Article.

5.2.4 Payment of the transfer fee, if applicable, by the selling member.

5.2.5 Issuance and delivery of a new certificate of membership to the transferee upon qualification and acceptance as a member and written acquiescence to the Bylaws.

5.3 **Transfer of Membership with Sale of Residential Unit.** Notwithstanding the provisions of section 5.1 to the contrary, a member who intends to sell such membership as part of a transaction relating to sale of the member's residential unit shall notify the Board of Directors of such intent on a form to be provided by the CLUB. Such form shall be signed by both parties to the sale and shall set forth, among other things, the name, qualification and acceptance of the proposed transferee. If applicable, a transfer fee based on the average price of the last five recorded membership sales or \$100, whichever is

greater, shall be paid.

5.4 **Transfer Upon Death.**

5.4.1 Upon the death of one of the members named in a dual membership household, the membership, if registered in the name of both members, must be surrendered and will be reissued in the name of the surviving member. There will be no transfer fee for this type of transfer.

5.4.2 Upon the death of a surviving spouse or single member, the membership must be placed on the Seller List for sale as follows:

5.4.3 Upon notification in writing and the written consent of the personal representative or Trustee of the estate of the deceased member, the Board may approve a proposed sale or transfer of the membership with approval of the court, if applicable, to a qualified purchaser. Such sale or transfer shall be subject to all conditions for transfer of membership as set forth in Section 5.2.

5.4.4 The proceeds of such sale shall be paid to the personal representative, or Trustee, of the estate of the deceased member or, if none, to the apparent heir or heirs of the deceased member upon the submission of evidence satisfactory to the Board.

5.5 **Transfer upon Dissolution or Separation.**

5.5.1 In the event of divorce or separation the ultimate owner of the membership will be determined by the property settlement agreement entered into between the parties. A copy of the written settlement agreement, signed by both parties, must be submitted to the Board.

5.5.2 In the event of dissolution of an unmarried household, either of the following procedures may be chosen by the parties:

5.5.3 The membership may be placed for sale on the Seller List, in which case the provisions set forth in sections 5.1 and 5.2 must be followed, or

5.5.4 One of the members may purchase the interest of the other member in which case, with approval of the Board, a new Certificate of Membership will be issued. No transfer fee will be imposed for such transfer and the new Certificate will be the same as the surrendered one, i.e. Charter or Regular.

5.6 **Transfer to a Qualifying Relative.** A Proprietary Membership purchased prior to April 1, 2006, may be transferred to a qualifying relative as per the current resolution of the Board of Directors.

5.7 **Non-Residents Membership Buy-Back.** The CLUB retains the right to buy any memberships owned by Non-Residents of Oakmont if a merger or sale to the Oakmont Village Association is approved by a majority vote of OGC members voting in said election; The buy-back price shall be the average price of the last five recorded membership sales.

ARTICLE VI BOARD OF DIRECTORS

6.1 **Composition.** Following a transition period described in section 8.1.1, the authorized number of Directors shall be seven (7), of which five (5) Directors shall constitute a quorum. No person shall be elected as a Director who is not a CLUB member in good standing. At any time no more than 1/3 of the Board members shall be Non-Resident Proprietary Members.

6.2 **Duties and Powers.** Subject to such limitations as may be imposed by the Articles of Incorporation, these Bylaws and the laws of the State of California, all corporate powers of the CLUB shall be exercised by the Board of Directors, which Board shall conduct and manage its affairs. In this respect, the Board of Directors shall:

6.2.1 Keep adequate and correct books and accounts relating to the financial condition of the CLUB and direct such periodic reviews thereof as may be proper and reasonable, including an annual report by a qualified independent accountant.

6.2.2 Keep and maintain a record of present and past members of the CLUB, including their names and addresses.

6.2.3 Create and approve the appointment of Standing Committees and Special Committees as provided under Article IX which, in its judgment, are necessary for the proper conduct of the affairs of the CLUB. All committees shall act in an advisory capacity and report to the Board for its approval.

6.2.4 Employ a qualified General Manager or Management Company to manage the business of the CLUB on a day-to-day basis.

6.2.5 Keep and maintain a record of all its meetings and acts and the meetings of the members.

6.2.6 Fix the qualifications, by rule or otherwise, for the admission of applicants for all types of membership and fees subject to the provisions of these Bylaws. At the Board's discretion, memberships may be repurchased and retired.

6.3 **Meetings.**

6.3.1 **Regular Meetings.** The Board shall meet regularly each month for the transaction of the business of the CLUB. If at any meeting a quorum is not present, a minority of the Directors may adjourn a meeting, but may not transact any other business.

6.3.2 **Special Meetings.** Special meetings of the Board may be called at any time by the President, by the Vice President or by any two Directors. Such meetings shall be held upon personal notice given to each Director not less than twenty four (24) hours prior to the time set for the meeting.

6.4 **Limitation on CLUB Indebtedness or Sale of Property.**

6.4.1 The Board may incur indebtedness or borrow money to the extent necessary for the proper conduct of the affairs of the CLUB and, if necessary, may encumber or lease to an outside operator real or personal property of the CLUB so long as such action is intended to further the primary purposes of the CLUB.

6.4.2 Subject to the limitations set forth in section 4.7 and 4.10, the Board may levy and collect assessments and dues upon the members made for the purpose of payments of expenses and debts incurred in the conduct of the CLUB's operation.

6.4.3 Subject to the limitation set forth in section 4.13, the Board may levy and collect a restaurant minimum for the purpose of supporting the Quail Inn while it is being operated by the CLUB.

6.4.4 At no time shall the Board incur indebtedness or encumber assets of the CLUB in excess of Five Hundred Thousand dollars (\$500,000) nor transfer or sell real or personal property of the CLUB worth more than Fifty Thousand dollars (\$50,000) without prior approval, by written ballot, of not less than sixty percent (60%) of the total number of members voting with respect to such approval.

**ARTICLE VII
OFFICERS**

7.1 **Election of Officers.**

7.1.1 The officers of the CLUB shall be a President, a Vice President, a Secretary and a Treasurer, each of whom must be a CLUB member in good standing and a member of the Board of Directors.

7.1.2 The officers of the CLUB shall be elected annually by the incoming Board of

Directors at a special meeting in the first week of January of each year. The President, or an outgoing Director designated by the President, shall conduct the election of officers. Nominations for each officer position shall be solicited from the Board and a majority vote of the total number of Directors voting will determine the elected officer. The nomination and election of officers shall be accomplished one at a time in the order of President, Vice President, Secretary and Treasurer. Such officers shall hold office for one year or until their successors are elected.

7.1.3 The elected officers shall perform the duties prescribed by the Bylaws and all other duties required to properly conduct the CLUB's business or which may be directed by the Board.

7.1.4 A vacancy in office, for any cause, shall be filled by the Board which shall elect a successor to such office within thirty (30) days of the vacancy to serve the remainder of the vacated term.

7.2 **Removal From Office.** Any officer may be removed from office prior to expiration of his term, for any cause, by the affirmative vote of five (5) Directors at any regular or special meeting of the Board or upon approval, by written ballot, of not less than sixty percent (60%) of the members voting.

7.3 **Duties of Officers.**

7.3.1 **President.** The President shall supervise and coordinate the activities of the Board in carrying out its responsibilities, and act as the point of contact between the Board and General Manager or Management Company. In addition, the President shall:

7.3.1.1 Call regular and special meetings of the Board of Directors and of members as provided by the Bylaws and preside over such meetings.

7.3.1.2 Appoint the Chairperson of all Committees with approval of the Board.

7.3.1.3 Sign all membership certificates, contracts and all other written documents binding on the CLUB after approval by the Board.

7.3.1.4 Insure that the Bylaws and such rules and regulations as may be adopted by the Board are enforced.

7.3.1.5 Be a member, ex officio, of all committees - except the Nominating Committee.

7.3.1.6 Generally discharge such other duties as may be required under the Bylaws or as directed by the Board of Directors; however, if at any time the President is unable to act, the Vice President shall perform the duties of the President and, if the Vice President is

unable to act, another member of the Board shall be appointed by a majority vote of the Board to serve as Acting President until the President is capable of acting.

7.3.1.7 In the case of a temporary absence of a General Manager or Management Company, the President shall have general supervision, direction and control of the business and affairs of the CLUB, and may delegate to other Board members the authority to supervise the various managers employed by the CLUB

7.3.2 **Vice President.** The Vice President shall perform such duties as are assigned by the President and, in the absence of the President, shall perform all the duties of the President in addition to such other powers and duties as may be prescribed by the Board of Directors or the Bylaws.

7.3.3 **Secretary.** The Secretary or Recording Secretary shall keep written minutes of all meetings of the Board of Directors and of the members. Such minutes shall state the starting time and location of such meetings, whether regular or special and, if special, how authorized, the notice given, the names of those present at meetings of the Board, the number of members present or appearing by proxy at annual and special meetings of members and the substance of the matters considered at all meetings. In addition, the Secretary shall:

7.3.3.1 In the absence of the President and Vice President at any meeting, call the same to order to permit the appointment of a Director to serve as Acting President for the purpose of conducting the meeting.

7.3.3.2 Give notice of all meetings of the Board of Directors and of members and keep and maintain safe custody of the official seal of the CLUB.

7.3.3.3 Keep and maintain a register of Membership Certificates, cancel all certificates surrendered, complete and countersign all new certificates issued, keep and maintain the necessary books relating thereto and sign all contracts and other written documents binding on the CLUB as approved and authorized by the Board.

7.3.3.4 Maintain a Seller List for pending membership sales and a Buyer List for pending buyers, each of which shall be numbered in the order of their receipt.

7.3.4 **Treasurer.** The Treasurer shall have charge of the books, records and accounts of the CLUB and shall serve as Chairman of the Finance Committee. In addition the Treasurer shall report to the Board on the current financial affairs of the CLUB at each of its regular meetings or as requested by the Board.

**ARTICLE VIII
NOMINATION AND ELECTION OF DIRECTORS**

8.1 Continuity.

8.1.1 In order to provide continuity in the management and government of the CLUB, Directors shall be elected on a staggered basis for terms of three (3) years. In order to provide the best continuity, the transition from a nine (9) to a seven (7) member Board shall occur in stages. Two new Directors shall be elected in 2005, two in 2006 and three in 2007. Annually thereafter, two (2) or three (3) new Directors shall be elected for a three (3) year term to replace those Directors whose terms of office have expired.

8.1.2 All actions taken under the provisions of Article VIII shall be in compliance with the provisions of Section 6.1.

8.2 Election Procedure.

8.2.1 The annual election of Directors shall be conducted by regular mail in November of each year. Ballots, listing in alphabetical order those candidates nominated by the Nominating Committee, shall be mailed by the Secretary to all Proprietary members in good standing no later than November 5th. A resume of each nominee, in alphabetical order, setting forth their respective backgrounds and experience shall accompany each ballot.

8.2.2 Each completed ballot will be placed in a return envelope bearing the name and signature of the voting member, sealed and returned to the CLUB.

8.2.3 The completed ballots must be returned to the CLUB office no later than midnight of the third Monday of November and all newly elected Directors shall take office at the first meeting in January.

8.2.4 Cumulative voting shall not be allowed.

8.3 Nominating Committee.

8.3.1 At its August meeting the Board of Directors, by resolution, shall appoint a Nominating Committee of five (5) Proprietary Members in good standing, one of whom shall be designated as Chairman. No member of the Board shall serve on the Committee.

8.3.2 The Committee shall nominate a slate of qualified candidates which slate shall contain a minimum of two (2) nominees for each vacancy on the Board. The names of all candidates, together with a personally approved statement of their respective experience and qualifications, shall be included with the ballots and shall also be posted by the Committee on the CLUB's bulletin board on the first day the CLUB is open following October 5th.

8.3.3 Nothing herein set forth shall preclude the nomination of other candidates by members of the CLUB provided the proposed candidates meet all requirements for election to the Board. Nomination of such candidates must be in writing, supported by the signatures of not less than twenty five (25) members in good standing, excluding the signature of the nominees, and submitted to the Chairman of the Nominating Committee not later than October 15th. Such nominees with a statement of their respective experience and qualifications shall be included with the ballots.

8.3.4 The Board shall formulate procedures that will provide a reasonable opportunity, prior to the election date, for all candidates to communicate to members their qualifications and reasons for candidacy, including a meeting of members called for that purpose. The procedures so formulated shall apply and be available to all candidates equally and without preference.

8.4 **Appointment of Election Judges.**

8.4.1 The Board of Directors shall appoint three (3) Proprietary members to act as Judges of Election, none of whom shall be a Director. The Judges shall examine all votes and ensure confidentiality, and certify the result of the election to the Board.

8.4.2 A plurality of votes shall determine the election of candidates to the Board.

8.5 **Announcement of Election Results.** Immediately after the ballots have been counted, the Judges of Election shall make a written report to the Board of Directors setting forth the number of votes cast for each candidate. The Board, upon receiving such report, shall make the results known to the membership by notice posted at once on the CLUB bulletin board, setting forth the names of the candidates receiving the most votes who will be needed to fill vacancies on the Board.

8.6 **Ties.** In the event two or more candidates received an equal number of votes and all cannot be elected to the Board, a new ballot listing only the tied candidates shall be mailed to the membership no later than November 30th. Such ballots shall be returned to the CLUB office no later than December 15th. The three Judges of Election, previously appointed, shall determine the result of this special election and report the same to the Board for publication to members in the manner set forth in section 8.5.

8.7 **Compensation.** Directors and officers of the CLUB shall serve without salary or compensation, however, approved expenses incurred in connection with CLUB affairs will be reimbursed.

8.8 **Length of Term.** Each elected Director shall serve for a term of three (3) years or until their successor has been elected and qualifies. No Director may serve for more than two (2) consecutive terms except as provided for in Section 8.10.1; however, a

Director is eligible for re-election after a lapse of one year.

8.9 **Removal of Director.**

8.9.1 A Director may be removed from office for any cause by the affirmative vote of five (5) Directors at any regular or special meeting or upon approval, by written ballot, of not less than sixty percent (60%) of the members voting.

8.9.2 A Director so removed must be replaced at once in accordance with the provisions of section 8.10.

8.10 **Filling Vacancies.**

8.10.1 The unexpired term of a Director who has resigned, become ineligible as a member, incapacitated or who has been removed from office shall be filled by the unsuccessful candidate, if available and willing, who received the highest number of votes at the last annual election. Any Director position filled in this manner or under the terms of 8.10.3 shall not be precluded from being a candidate for the Board in the next election.

8.10.2 In the event two or more such unsuccessful candidates were tied at the last annual election, a majority vote by the Directors that remain on the Board shall determine which of the candidates shall fill the vacated position.

8.10.3 If an unexpired term cannot be filled by appointment of an unsuccessful candidate from the last election, the Board, by majority vote, shall appoint a qualified member to fill the position.

**ARTICLE IX
COMMITTEES**

9.1 **Formation and General Duties.**

9.1.1 **Standing Committees.**

9.1.1.1 The Standing Committees of the CLUB shall be Finance, House & Green, Membership, Golf, Social, Communications and Long-Range Planning. If the CLUB has employees (not Management Company employees) then there shall also be a Personnel Committee.

9.1.1.2 At the Board's first regular meeting in January of each year, the President, with approval of the Board shall, except for the Finance Committee, appoint a member of the Board to act as Chairperson of each Standing Committee. Each Standing Committee shall consist of not less than three Proprietary members, including the Chairperson, all of which members shall be appointed by its respective Chairperson with approval of the Board. The members of each committee shall serve for a period of one year or until their successors are appointed.

9.1.2 **Special Committees.** The Board may establish Special Committees for such specific purposes as it may determine are needed to effectively carry out the functions and purposes of the CLUB. Each Special Committee shall be composed of as many members or Directors as the Board shall determine. Any Special Committee shall automatically be discharged upon completion of its prescribed purpose or earlier by action of the Board.

9.1.3 No committee of the CLUB shall have authority to bind the CLUB to any financial or contractual obligation until and unless the same has been approved by the Board and no committee decisions or conclusions shall be deemed final until approved by the Board.

9.1.4 Every committee shall maintain written minutes of each of its meetings and provide a copy to the Secretary and to the manager or OGC President for review by the Board.

9.1.5 The President shall be an ex-officio member of every committee, except the Nominating Committee.

9.2 **Duties of Standing Committees.**

9.2.1 **Finance Committee.** The Treasurer shall be the Chairperson of the Finance Committee. Subject to approval of the Board, the Committee shall formulate the financial policies of the CLUB and oversee the CLUB's financial affairs. In addition, the Committee shall:

9.2.1.1 Review the preliminary annual budget of all operations of the CLUB for the forthcoming year as submitted by the General Manager or Course Management Company. Present this budget with the committee's recommendations to the Board for review at its regular November meeting.

9.2.1.2 Work with the General Manager or Management Company representative to resolve any budget issues raised by the Board at its November meeting. Present a proposed annual budget for the forthcoming year to the Board for approval at its regular December meeting.

9.2.1.3 Examine and review all accounts and bills and report monthly thereon to the Board.

9.2.2 **House & Green Committee.** The House & Green Committee shall advise the General Manager or Management Company of any areas of concern of the membership with regard to the maintenance and upkeep of the CLUB facilities.

9.2.3 **Membership Committee.** The Membership Committee shall be

responsible for the acquisition and dissemination of information relating to the interests of membership. In this respect it shall:

9.2.3.1 Formulate appropriate rules for receiving and approving the sale and transfer of memberships and be responsible for the enforcement of such rules.

9.2.3.2 Cooperate with the CLUB Secretary in maintaining a continuously updated roster of members and, with approval of the Board, arrange for periodic publication of the same to the members.

9.2.3.3 Collect and maintain relevant information concerning CLUB rules, regulations, fees and membership advantages for regular dissemination to new residents, real estate brokers and prospective members.

9.2.4 **Golf Committee.** The Golf Committee shall include the elected Captains of the regular golfing activity sections (men's clubs and women's clubs) and other persons appointed by the Chairperson. Each Captain must be a Proprietary member of the CLUB. In addition, the Head Golf Professional and a designated member of the House & Green Committee shall be advisory members of the Committee. Subject to approval and direction of the Board of Directors, the Committee shall:

9.2.4.1 Approve all CLUB golfing events and schedules for each year, including those of the regular golfing activities sections, tournaments, mixers, twilights, home-and-home programs and junior activities, in coordination with the Social Committee.

9.2.4.2 The CLUB will provide membership services, including the billing and listing of members, to the golfing activities sections.

9.2.5 **Social Committee.** The Social Committee shall be responsible for the planning and execution of a program of golfing and non-golfing social activities for members and guests in cooperation with the manager or OGC President and the other committees. The Committee may authorize expenditures for music, performers, food and beverage services and decorations within budgetary limitations prescribed by the Board of Directors. The Committee shall establish and enforce rules ensuring admission to members and guests only.

9.2.6 **Communications Committee.** The Communications Committee shall manage and conduct the communications of the CLUB to its members and to the community of Oakmont in cooperation with the OGC President and General Manager or Management Company. It shall provide coordination of all Club promotions involving more than one committee.

9.2.7 **Long-Range Planning Committee.** The Long Range Planning Committee shall study and recommend long-range plans to the Board of Directors and also complete special studies as requested by the Board. The Committee shall specifically concern itself with the development and annual update of a five (5) year revolving master plan for the

CLUB's future operations, including the acquisition of resources and funds necessary for a capital expenditures budget.

9.2.8 **Personnel Committee.** If and when needed the personnel Committee shall consist of the President, Vice President and Treasurer. The Committee shall provide oversight of personnel matters of the CLUB's direct employees, including but not limited to:

9.2.8.1 Provide liaison between the OGC Board of Directors and the club managers in order to coordinate and monitor the employment practices of the club including:

- a) Wages and benefits
- b) Incentive plans and other supplementary compensation programs
- c) Employee job descriptions, performance reviews, training and disciplinary action
- d) Union contract negotiations and grievances
- e) Compliance with employment laws and regulations

9.2.8.2 The Personnel Committee shall acquire current industry compensation and benefit data for the positions employed at the CLUB. This information shall be utilized by the Committee to ensure that CLUB employees' compensation and benefits are within the range of the industry norms.

ARTICLE X MEETINGS OF MEMBERS

10.1 **Annual Meetings.** The annual meeting of members shall be held within three (3) months after the end of the fiscal year at a time and place to be fixed by the Board of Directors. Written notice of such meeting specifying the time, date and place shall be given to each member not less than ten (10) days before the meeting date. At such meetings, the President and the Treasurer shall report on the financial status of the CLUB and the general conditions of its affairs, in addition to which such other matters as may properly be brought before the meeting will be transacted.

10.2 **Special Meetings.**

10.2.1 Special meetings of members for any purpose may be called at any time by the Board of Directors or by written petition signed by not less than five percent (5%) of the voting members of the CLUB.

10.2.2 Upon receipt of a member's request for a special meeting, such meeting must be held at a date, time and place fixed by the Board not less than ten (10) nor more than thirty (30) days after receipt of the request.

10.2.3 Notice of a special meeting shall be given in the same manner as for annual meetings of members but, in addition to specifying the date, time and place of such meeting, the notice shall also state the general nature of the business to be transacted. At such meeting, no other business may be transacted.

10.3 **Adjourned Meetings.**

10.3.1 Any meeting of members, annual or special, whether or not a quorum is present, may be adjourned from time to time by the vote of a majority of the members present or represented at such meeting; however, no meeting may be adjourned for more than thirty (30) days. In the absence of a quorum, no other business may be transacted at such meeting.

10.3.2 When a meeting of members is adjourned to another time or place, notice of the new time or place need not be given if it is announced at the meeting being adjourned. If, after adjournment, a new date is fixed, ten (10) days notice of the new date must be given to each member. At any properly reconvened meeting, any business that might have been transacted at the original meeting may be transacted at the adjourned meeting.

10.4 **Quorum.**

10.4.1 The presence in person or by proxy of twenty five percent (25%) of members entitled to vote shall constitute a quorum for the purpose of transacting business.

10.4.2 A majority vote of members at a duly called meeting, at which a quorum is present, is valid for all purposes except with respect to

- (a) a proposed assessment under section 4.10
- (b) the incurring of indebtedness or sale of CLUB property under section 6.4.4
- (c) removal of an Officer under section 7.2
- (d) removal of a Director under section 8.9.1

**ARTICLE XI
VOTING**

11.1 **Voting Rights of Members.** Each Proprietary Membership, whether registered in one or more names, shall have one vote only in CLUB affairs.

11.2 **Proxies.** Every member entitled to vote shall have the right to do so either in person or by an agent authorized by written proxy.

11.2.1 The acceptable form of proxy shall be provided by the CLUB and, after execution, shall become a ballot when filed with the Secretary.

11.2.2 The voting of any proxy shall be limited to the matters stated thereon and its authority shall terminate ninety (90) days from the date it was executed.

11.2.3 Any proxy submitted must designate how the proxy shall be voted and it must be voted in that manner. Proxies without designation may not be voted, but shall be counted for the purpose of establishing a quorum.

11.3 **Voting Procedures.** Specific procedures relating to voting rules, forms of ballots and proxies, and the procedure for the counting of votes shall be adopted by the Board of Directors and shall be consistent with these Bylaws.

ARTICLE XII CLUB RECORDS AND REPORTS

12.1 **Books and Accounts.** The CLUB shall maintain adequate and correct books and accounts reflecting in detail all income and expenditures, its assets and liabilities and, generally, the condition of its financial affairs. The books and accounts shall be kept at the CLUB's principal place of business as fixed by the Board of Directors and shall be open for inspection by the Directors or by any member of the CLUB upon reasonable notice.

12.2 **Bylaws.** The original or a copy of these Bylaws as amended to date, certified by the Secretary, shall be open to inspection by any member of the CLUB upon reasonable notice.

12.3 **Annual Reports.** For each fiscal year, the Board shall make available an annual financial report and an annual operating budget, by the date of the annual meeting of members. The CLUB's financial statement for the year shall include a report thereon by an independent Certified Public Accountant.

ARTICLE XIII INDEMNIFICATION

13.1 **Liability of Directors.** The liability of the Directors of the CLUB for monetary damages shall be eliminated to the fullest extent permitted under California Law.

13.2 **Indemnification of Corporate Agents.** The CLUB shall indemnify each of its agents against expenses, judgments, fines, settlements and other amounts, actually and reasonably incurred by such person by reason of such person's having been made or having been threatened to be made a party to a proceeding by reason of the fact that the person is or was an agent of the CLUB, to the extent permitted by Section 317 of the California Corporations Code. The indemnification provided by this Section shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled or under any other Bylaw agreement, vote of shareholders or disinterested directors, or otherwise, to the extent such additional rights are authorized in the Articles of Incorporation and by applicable law.

**ARTICLE XIV
MISCELLANEOUS**

14.1 **Robert's Rules of Order.** The rules set forth in Robert's Rules of Order (Revised) shall govern all meetings of members, the Board of Directors and all Standing and Special Committees except where such Rules of Order conflict with these Bylaws or the law of the State of California.

14.2 **Fiscal Year.** The fiscal year of the CLUB shall begin on the first day of January and end with the thirty-first day of December of each year.

**ARTICLE XV
AMENDMENTS**

15.1 **Initiation of Amendments.**

15.1.1 Subject to ratification as provided in Section 15.2, these Bylaws may be amended, altered or repealed, or new Bylaws may be adopted by a majority vote of the total Directors, provided that ten (10) days written notice is given to each Director of an intention to so act and, provided further, that the proposed change is discussed at one meeting and voted on at the next regular meeting or at a special meeting of the Board to be held not less than fifteen (15) days after the discussion meeting.

15.1.2 These Bylaws may be amended, altered or repealed, or new Bylaws may be adopted upon the presentation to the CLUB Secretary of a written petition therefore signed by not less than twenty five percent (25%) of the members in good standing to initiate such change.

15.2 **Ratification.**

15.2.1 Any proposed amendment, alteration, repeal or the addition of new Bylaws, whether initiated by vote of the Board of Directors or by petition of members, shall not be effective for any purpose until ratified and agreed to by a majority of the members voting, at a special election held within thirty (30) days from the date of adoption by the Board of the resolution to amend, or within thirty (30) days from the date of presentation of the member petition to the CLUB Secretary, provided, however, that neither Section 7.2 relating to removal of an Officer of the CLUB, nor Section 8.9 relating to removal of a Director, may be amended except by an affirmative vote of not less than sixty percent (60%) of the members voting and, provided further, that Section 4.10 relating to assessments, may not be amended except by an affirmative vote of not less than seventy percent (70%) of the members entitled to voting.


15.2.2 The special election for ratification shall be conducted in the same manner as provided in these Bylaws for the election of Directors.

Amended: 1995, 1997, 2000, 2003, 2004, 2005, 2009

CERTIFICATION

The undersigned, as Secretary of THE OAKMONT GOLF CLUB, INC., a corporation, hereby certifies that the foregoing Bylaws were duly adopted by its Board of Directors on August 26, 2009. Thereafter, on October 6, 2009, the same were ratified by a majority vote, of all members of the corporation who voted, and do now constitute the Bylaws of said corporation.

Dated this 29 day of October 2009.



Frank Joyce, Secretary