

BYLAWS OF
CRANDON LAKES COUNTRY CLUB. INC.
(Last revised on June 24, 2023)

ARTICLE I
MEMBERSHIP

Members in good standing of Crandon Lakes Country Club (“CLUB”) are persons, corporations or other legal entities holding title to real property within the Crandon Lakes community who as of May 31st of any year are current on the payment of stock purchase, stock purchase plan, dues, assessments, fees and other financial obligations imposed by the CLUB. All property owners shall be members of the CLUB and are required to purchase stock issued by the CLUB, as follows:

Vacant Lot owners must purchase two (2) shares of One Hundred (\$100.00) Dollars each for a total of Two Hundred (\$200.00) Dollars;

Lots improved with a dwelling (“improved lots”) owners must purchase five (5) shares of One Hundred (\$100.00) Dollars each for a total of Five Hundred (\$500.00) Dollars;

1. Owners of vacant lots contiguous to the lot constituting the basis for stock issuance may consider such lots as one (1) for stock purchase purposes;

If a dwelling is built on any of these lots now or in the future, the owner will be required to buy stock at the then improved lot rate. The inclusion mentioned above only refers to vacant lots.

Existing members who purchase unimproved lots that are contiguous to the lots of their original purchase, are not obligated to purchase additional stock, unless the lot is not contiguous. (As amended as an addition on November 21, 1992.)

A. Lots separated from each other will be considered separate lots and require a Two Hundred (\$200.00) Dollars stock purchase for each;

B. No more than five (5) shares of stock may be voted upon at any one time by a home owner and two (2) shares by a lot owner;

C. 1. Stock ownership and obligations run with the land. Upon transfer, the CLUB will repurchase stock, at cost,. All buyers are required to assume ownership of required stock holdings;

2. In instances where the Townships of Hampton and Stillwater appropriate properties for non-payment of taxes or as a result of their other municipal functions, dues will not be assessed so long as the Township owns the property

and stock ownership shall not be required. *(As amended as an addition on November 21, 1992.)*

3. There will be a non-refundable, non-stock capital assessment for new members or existing members purchasing non-contiguous property. The amount is to be reviewed periodically by the Treasurer, and any recommendation for change shall be brought to the Board.
4. The Board shall have the authority to increase the assessment. However, a decision to decrease the assessment shall rest with the membership only. Any rate change will be effective at the beginning of the fiscal year (currently May 1).

D. CLUB members who improve a vacant lot with a dwelling are obliged to purchase additional stock to conform to improved lot requirements.

CLUB membership shall entitle all persons residing within the owners' household to the use and enjoyment of CLUB property and facilities to the same extent as members in good standing. This rule similarly applies to tenants' household members providing the owner (landlord or lessor) holds membership in good standing. However, Tenants shall not have the privilege to vote.

Membership in good standing also embraces accountability and, where applicable, liability for the conduct of household guests, invitees and/or tenants and their guests and invitees. The Board has the authority to assess penalties for violations, including fines and loss of membership privileges.

Increases in dues require approval of the BOARD and a concurring affirmative vote of a majority of the members in good standing present and voting at any special or regular CLUB meeting. Increases so voted shall be effective on May 1st of any given year.

All dues, assessments and other fees or charges shall be due and payable on May 1st of any year. Failure to pay within thirty (30) days shall subject the property owner to collection procedures and all costs involved, including late fees, collection costs and reasonable attorney's fees. Unpaid dues, assessments, fees or charges shall constitute liens against the property in question. Annual dues and assessments, as set by the Board of Directors in compliance with the By-Laws, are due and payable annually by on or before May 1 of each year.

1. If payment in full is not received by June 1 of the fiscal year CLCC shall make a final demand for payment. If the amount remains unpaid for ten (10) days, and no payment arrangement has been agreed to with the Board of Directors or its designee, the property owner's account shall be deemed delinquent. Any delinquent account shall be charged a late payment charge 1.5% per month, which shall be automatically levied and applied to the unpaid balance for each month dues and assessments and any accrued late payment charges remain unpaid, unless otherwise agreed to by the Board of Directors or it's designee.

2. Any delinquent account may be referred to CLCC's attorney to proceed with collection actions. All costs and/or attorney's fees associated with collection actions will be assessed to the delinquent account. If a delinquent account is referred to an attorney's office, an attorney fee in the amount of 1/3 of the outstanding dues, assessments and late payment charges due will be automatically assessed to the delinquent account, in addition to all court and/or recording costs and fees. All payment arrangements must be made with the attorney, once the account is referred to collections.

3. CLCC reserves all rights to take any and all action against a delinquent property owner, including but not limited to, filing a claim of lien, filing an action in court, and/or suspension of privileges for use of CLCC's properties and services. Membership privileges will not be granted in CLCC upon re-sale or other transfer of title until all dues, assessments, initiation fees, late payment charges and attorney's fees in arrears are paid in full.

4. A claim of lien may be filed against the property of the delinquent property owner, which shall include all dues and assessments, accrued late payment charges and/or other charges, including attorney's fees in the amount of 1/3 the total amount due and costs of collection, A discharge of lien will be filed when the delinquent amount is satisfied.

5. The Board of Directors may grant relief to property owners in arrears by permitting said property owner to enter into an approved payment plan, at the discretion of the Board of Directors or its subcommittee, when the exceptional circumstances of the delinquent property owner merits such relief. However, once the account has been referred to an attorney, all payment plan arrangements must be made through the attorney, consistent with their policies.

(As amended on June 2018)

CLUB members shall furnish to the Secretary an address to which all notices and documents prescribed by the Bylaws may be sent and the same shall be held to have been duly sent to or served upon a member when mailed to or otherwise delivered to that address.

ARTICLE II BOARD OF DIRECTORS

The Board of Directors is the legislative and policy making body of the Club. Management of the CLUB's affairs is entrusted to the Officers as directed by the BOARD. The BOARD may act in all instances on behalf of the Club, unless specifically reserved to the membership.

It shall be the BOARD's duty to oversee the performance and responsibilities of the Officers and Committees, more particularly outlined in Article III and Article IV herein and in accordance

with the purposes of the CLUB, as set forth in its Articles of Incorporation, Constitution, Statutes, Bylaws and Rules and Regulations, all within budgetary limitations.

- A. The Board shall consist of the thirteen (13) nominees receiving the highest number of votes. They may also serve as Trustees of CLAPO, but may not serve as officers of both CLCC and CLAPO simultaneously. *(As amended on June 21, 2008)*
- B. Four (4) of these nominees may be elected by the BOARD as Officers. They shall be the President, Vice-President, Treasurer and Secretary.

In the event a Director will not or cannot serve, by reason of resignation, death, or failure to maintain reasonable qualifications, including maintaining good standing, or after removal by a vote of members, the BOARD may appoint any member who is a stockholder and member in good standing, to fill the position by vote of a plurality of the members of the BOARD until the next election. These persons can be re-elected as Officers provided each term of office is no longer than one (1) year. *(As amended as an addition on July 10, 1993, and further amended on June 21, 2008)*

BOARD members must be stockholders and members in good standing.

Board members shall be elected for two (2) year terms, and shall not be prohibited from serving successive terms. At the annual meeting the membership shall elect necessary directors for a regular term (Approximately 4-5).

A Nominating Committee, selected by the President, shall propose BOARD candidates for election. Nominations are **not** permitted from the floor of such meeting. *(As amended on June 18, 2011)*

Voting for BOARD candidates shall be by secret ballot cast in person or by absentee ballot signed by members in good standing only and received at least two (2) days prior to the election. *(As amended on June 21, 2008)*

No more than one (1) member of the same household can serve on the BOARD at the same time. In the event that more than one (1) family member of the same household runs for election and both are elected, one must decline the Directorship. In the event neither wishes to decline, the President's decision will be final. This will not affect the person declining from filling a subsequent BOARD vacancy, provided a family member of the same household is not serving on the BOARD at the time the vacancy occur.

The President is designated as the Chairman of the BOARD and shall preside at all BOARD meetings. When presiding, his status is non-voting, except in case of a tie.

A Quorum shall be established for the transaction of club business. The number constituting a quorum shall be (5).

The BOARD shall, subject to the provisions of the Constitution and Bylaws, have the duty and responsibility to govern the CLUB and to conduct and control all business affairs, enforce the Bylaws and Rules and Regulations, formulate general policy, implement procedure thereof, oversee collection and disbursement of all monies, provide financial planning, and, in general, adhere to all aspects of good and proper management.

Deficit financing is prohibited. When a deficit is incurred without the approval of the stockholders, said deficit is to be provided for within two (2) fiscal years following the time the deficit was incurred. *(As amended on October 19, 1991.)*

Budgetary limitations are to be strictly adhered to. However, expenditures not exceeding Five Hundred (\$500.00) Dollars and considered of an emergency nature, may be authorized by the President without regard to budget limitations, provided CLUB funds are available for that particular emergency. Such expenditures are to be reported at the next official meeting of the BOARD following the date of the action.

Pending adoption of the annual budget, the BOARD is authorized to expend necessary funds based on the prior year's budget on a month to month basis. That is, without a shareholder approved budget, expenditures for the current fiscal year's month cannot exceed expenditures budgeted in the prior fiscal year's month OR the current year's fiscal month actual revenue collected, whichever is LOWER.

In keeping with the foregoing, the BOARD shall issue, adopt, amend and enforce Rules and Regulations consistent with its powers of management of CLUB properties. These Rules and Regulations shall be an attachment to the Bylaws.

Each Director is expected to serve on one or more CLUB Committees during their term of office.

BOARD members absent from three (3) regular consecutive BOARD meetings without good cause shall be automatically terminated. *(As amended on November 21, 1992.)*

Officer or other BOARD vacancies which occur for any reason shall be filled Until the next election. Notice of vacancies will be sent out to the stockholders by the President via emails and message board asking for interested individuals to submit a brief resume to fill the vacancy. The Board of Directors will review each candidate's resume. A majority vote of the BOARD members will decide who is awarded the vacant spot. Any vacancies taking place after the April BOARD meeting will not be filled until election time at the June Shareholders Meeting. *(As amended on June 18, 2011)*

Minutes of BOARD meetings shall be made available to members in good standing upon request.
(As amended on June 21, 2008)

ARTICLE III
OFFICERS

The Officers of the CLUB shall be:

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|----|----------------|----|---------------------|
| A. | President | C. | Executive Secretary |
| B. | Vice-President | D. | Treasurer |

Officers shall be elected by vote of a plurality of the members of the BOARD for a term of two (2) years and shall not be prohibited from serving successive terms. All Officers are to serve without compensation except in special instances approved by the BOARD. Each is to be bonded in an amount to be determined by the BOARD.

A. The President shall:

1. Preside at all regular and special meetings of the CLUB and BOARD;
2. Subject to BOARD approval, carry out all requisite management duties and also appoint standing and special committees. The President shall be an ex-officio member of all committees;
3. Be one of four (4) authorized signatories. The other signatories shall be the Vice-President, the Executive Secretary and the Treasurer. On transactions of One Thousand (\$1000.00) Dollars or more, two (2) signatories shall be required, otherwise one (1) signatory is sufficient. All funds not needed for current operation shall be invested in liquid instruments with approval of the Finance Committee. *(As amended on June 18, 2011)*
4. To probate execute all contracts and obligations approved by the Board; Together with the Secretary, is authorized to sign all formal papers and documents executed in the name of the CLUB that are non-debt-incurring or otherwise financial in nature;
5. Hire counsel or outside auditor to serve at the pleasure of the BOARD at compensation approved by the BOARD;
6. Appoint assistants to the Officers or BOARD as required.

B. The Vice-President shall:

1. Generally assist the President in the conduct of all CLUB activities and shall function as President in the President's absence or disqualification;
2. Where required, be one of four (4) authorized signatories. (*As amended on October 19, 1991*)

C. The Executive Secretary shall:

1. Have custody and control of all CLUB records pertaining to incoming and outgoing correspondence;
2. Generally function as administrative assistant to the President;
3. Maintain membership lists and keep updated files on individual CLUB standing as advised by the Treasurer;
4. Notify the CLUB membership, in writing or in person, of all regular or special CLUB meetings, such notification to set forth in sufficient detail the anticipated agenda; (*As amended on October 19, 1991*)
5. Where required, be one of four (4) authorized signatories. (*As amended on October 19, 1991*)
6. A Recording Secretary shall report to the Executive Secretary, attend all general and special meetings of the CLUB and the BOARD and keep minutes thereof. Where feasible, attend and keep minutes of committee and sub-committee meetings.

D. The Treasurer shall in addition to observing internal control procedures adopted by the BOARD, responsibly in business like fashion:

1. a. Transact the CLUB's financial business at the direction of the BOARD and/or the President;
- b. Receive and disburse all CLUB monies in accordance with generally accepted accounting procedures. All annual assessments, including Association dues collected, are to be paid to the CLUB acting on behalf of a Trustee appointed by the Bankruptcy Court, who shall first see to payment of mortgage obligations and the balance to the CLUB for its uses;

- c. See to it that accurate registers are maintained for receipts and disbursements in the CLUB's books of account, such accounts to be open to inspection by the BOARD or its designees at all times. In keeping such accounts, the Treasurer shall see that all monies derived from assessments or for other special purposes shall be accounted for separate and apart from general funds; *(As amended on October 19, 1991)*
- d. See to it that bills for dues, assessments or other fees to the membership are mailed on a timely basis; and accounts of individual members of monies collected and due the CLUB are maintained, which may include late charges from the date of delinquency, legal and any other costs that the CLUB may have incurred with respect to collection procedures. Be one of four (4) authorized signatories to any checks or withdrawals on CLUB accounts as required by the BOARD. The other signatory will be either the President, Vice-President or Executive Secretary; *(As amended on October 19, 1991)*
2. Submit at all BOARD meetings detailed reports on all ongoing regular and special financial activities, as required by the BOARD.
3. Maintain Petty Cash and bank accounts or financial investments as designated by the BOARD. The Petty Cash fund is set at Four Hundred (\$400.00) Dollars. Itemized reports of disbursements from Petty Cash, with supporting vouchers, must be submitted to the President or Vice-President for approval before replenishment from general funds; *(As amended on October 19, 1991)*
4. See that fixed obligations, as required by the court or otherwise, such as mortgages, taxes, other loans and maintenance of CLUB property, shall be paid before all other expenditures.
5. The CLUB has a fireproof safe and keeps important documents, such as deeds and financial records, in the CLUB office.
6. Incidental income from fees or fund-raising events shall be applied only to maintenance and operation of lawful CLUB activities.
7. All books of account are subject to annual audit to be presented to the membership.
8. Be bonded in an amount not less than the CLUB's anticipated annual gross income plus the value of the CLUB's investments other than real property, on January 1st of each year.

ARTICLE IV
COMMITTEES

There shall be the following Standing Committees and such other Special Committees as the President, with BOARD approval, deems necessary.

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|----------------|-------------------|
| A. Maintenance | F. Beautification |
| B. Beach | G. Finance |
| C. Recreation | H. Court |
| D. Lakes | I. Welcome |
| E. Bylaws | J. Lake Resource |

(As amended on October 19, 1991)

Committee members shall be appointed by the President subject to the approval of the BOARD. In compliance with the meetings provisions of these Bylaws minutes shall be kept of all Committee meetings. Copies of such minutes shall be furnished to the President.

Committee chairpersons are responsible for notifying the President or their designee of the time, place and agenda of all Committee meetings.

The President or his designee shall review the security log on a monthly basis and report such review to the BOARD at the next ensuing meeting.

Committees shall submit reports of activities at BOARD and, where appropriate, general membership meetings. A budget, setting forth program needs for administration of individual Committee affairs for each fiscal year, shall be presented at the annual April BOARD meeting. The Committee chairpersons are accountable for the funds approved for their use and shall report accordingly to the BOARD.

The Bylaws Committee shall interpret all Rules and Regulations governing the CLUB's affairs.

In the event of indecision by the Bylaws Committee, all questions of interpretation of the Bylaws or Rules and Regulations shall be resolved by majority vote of the BOARD.

Individual Committee duties shall be determined by the BOARD.

ARTICLE V
MEETINGS

- A. Board Meetings The monthly Board of Directors meeting schedule containing the time, date and location of the meetings will be established yearly and posted within seven (7) days of the Annual Meeting at which elections are held.. and shall be posted throughout the year at a location accessible at all times to all members. . All meetings where a binding vote is to be taken will be open to the all members. . In addition to the annual posted meeting schedule, adequate notice of Board Meetings of at least seven (7) days shall be given to all members by posting it in at least one place on the property open to all members at all times, by posting on the website or newsletter, or by personally providing it via mail or email. Agenda items, to the extent known, will be included.

The Board may have a closed session at the end of the meetings and exclude members for the following matters: (1) those in which disclosure would constitute an unwarranted invasion of individual privacy; (2) pending or anticipated litigation or contract negotiations; (3) those matters involving employment, promotion, discipline or dismissal of an employee or officer of the CLUB; or (4) those matters falling within the attorney-client privilege, to the extent that confidentiality is required in order for the attorney to exercise his or her ethical duties as a lawyer. In the event a vote is required, it shall be taken at an open meeting in a manner that does not disclose confidences.

When a meeting of the BOARD is required to deal with matters of such urgency and importance that delay for the purposes of providing notice to the members may result in substantial harm to the interests of the CLUB, notice of such a meeting will be deemed adequate if provided as soon as possible by posting as above.

(As amended on October 27, 2012)

- B. Stockholder's Meetings:

The Summer Stockholder's Meeting and elections for Crandon Lakes Country Club, Inc. will be held in the month of June. The date will be determined by a vote of the Board of Directors at a monthly Board meeting. *(As amended on June 23, 2018)*

The Spring Stockholder's Meeting for Crandon Lakes Country Club, Inc. Upcoming fiscal year's budget presentation and approval will be held in the month of March. The Club's fiscal year commences May 1st and continues through the ensuing April 30th. The date will be determined by a vote of the Board of Directors at a monthly Board meeting. *(As amended on June 23, 2018)*

For the Spring Stockholder's Meetings, written notice of date, time, place and, where feasible, proposed business of special interest, shall be mailed to members in good standing

at date of mailing. Mailing or electronic notice shall be at least fourteen (14) days before the meeting.

When authorized by the BOARD, a special meeting of the Stockholders shall be called by the President.

Majority vote of members in good standing present at stockholders meetings and of those eligible by virtue of absentee ballot shall be deemed the act of the CLUB.

Eligible members present at meetings can continue to do business until adjournment, notwithstanding the withdrawal of enough members to leave less than a quorum.

Only members in good standing are eligible to vote at Stockholder meetings. The order of business at BOARD, Committee and membership meetings shall generally adhere to the following format:

- A. Call to order
- B. Roll call
- C. Secretary's report of minutes of previous meeting
- D. Treasurer's report
- E. President's report
- F. Committee reports
- G. Unfinished business
- H. New business
- I. Election of Officers and/or BOARD members
- J. Adjournment

Robert's Rules of Order-Revised shall govern the conduct of all meetings where not inconsistent with the CLUB's Bylaws.

ARTICLE VI
ELECTIONS

The CLUB will provide a written notice calling for nominations to all members between thirty (30) and sixty (60) days before the mailing of the notice of the Summer Stockholder's Meeting where elections will be held, informing members of the right to nominate themselves or other members in good standing for candidates for the BOARD. The notice shall specify the process and deadline for submitting nominations.

Written notice of the Summer Stockholder's Meeting where elections will be held shall be sent to all members at least fourteen (14) days prior to the meeting, by personal delivery, mail or electronically. This notice shall include a copy of the ballot for the elections, listing all candidates alphabetically and including space for write-in candidates. Nominations may not be made from the floor at the time of the election. The process for obtaining an absentee ballot shall be included. *(As amended on June 21, 2008)*

Absentee ballots must be received by the Secretary at least two (2) days prior to date of election.

Voting is by secret ballot. The highest numbers of votes cast for candidates determine election.

The President shall appoint tellers to tally ballots of all members voting. Tellers will sign an oath of office. Upon closing of the polls, the tellers shall report the results to the presiding officer, and make a written report of the results of the voting, including the resolution of any challenge, question or matter determined by them; this report shall be filed with the minutes of the meeting. No candidate for BOARD membership shall be appointed a teller.

No more than five (5) shares of stock for any improved property and any two (2) shares for any vacant lot owner shall be voted. Owners of one or more improved lots and one or more non-contiguous vacant lots may vote once for an improved property and once for a non-contiguous lot. Thus, the maximum number of votes for any member in good standing is seven (7). *(As amended on June 21, 2008)*

Candidates must be property owners and members in good standing.

Successful candidates assume their duties on the ensuing July 1st.

ARTICLE VII
INDEMNIFICATION

All members of the BOARD, and all Officers thereof, shall be indemnified to the fullest extent now or hereafter permitted by law in connection with any actual or threatened action or proceeding (including civil, criminal, administrative or investigative proceedings) arising out of their service to the CLUB or to another organization at the CLUB's request. Persons

who are not Directors or Officers of the CLUB, but who are employees or agents thereof acting within the scope of their employment, shall be similarly indemnified in respect of such service. The provisions of this section shall be applicable to actions or proceedings commenced after the adoption hereof, whether arising from acts or omissions occurring before or after the adoption hereof, and also to persons who have ceased to be BOARD members, Officers or employees and shall inure to the benefit of their heirs, executors and administrators.

ARTICLE VIII
AMENDMENTS TO BY-LAWS

The By-Laws of the CLUB may be amended, supplemented or repealed at any regular or special meeting of the stockholders of the CLUB by a vote of two-thirds (2/3) of all of Stockholders voting at such meeting, either in person or by absentee ballot, provided that such proposed amendment, supplement or repeal shall have been first submitted to the Board of Directors and approved by a majority vote of the whole Board, and provided also that a copy of such proposed amendment, supplement or repeal shall have been mailed or emailed to each Stockholder for consideration at least fourteen (14) days prior to the date of such meeting. The amendments shall be provided to all stockholders and recorded in the County Clerk's office.

ARTICLE IX
GENERAL

Pursuant to the Rules and Regulations, the CLUB provides a policy for a fair and efficient procedure for the resolution of disputes between individual owners and the association, and between owners, which shall be readily available as an alternative to litigation.

No real property shall be sold, mortgaged or otherwise encumbered, except by affirmative concurring vote of two-thirds (2/3) of the BOARD. Personal property, valued at not more than Five Hundred (\$500.00) Dollars, may be disposed of by authority of the President and Treasurer. Disposition of the properties shall be reported to the BOARD.

Everyone using the LAKES and other CLUB facilities for any purpose does so at own risk in all respects, including but not limited to, going out on the LAKES when frozen.

Tenants are permitted access to all CLUB facilities provided the property owner has satisfied all financial obligations to the CLUB. The tenants and also property owners must adhere to the provisions of the Rules and Regulations of the CLUB. Members shall be responsible for the violation of the Club's By-Laws, Rules and Regulations by Tenants, and are subject to violations fines as provided for in the Rules and Regulations.

Non-members trespassing on CLUB and/or individually owned properties without authority shall be subject to civil or criminal penalties applicable to such trespass. Invitees or guests on

CLUB and/or individually owned properties shall be subject to the Club's By-Laws, Rules and Regulations. Members shall be responsible for their guest or invitee and their violation of the Club's By-Laws, Rules and Regulation and are subject to violations fines as provided for in the Rules and Regulations.

All Rules and Regulations prescribed by the BOARD are incorporated in these Bylaws, thereby having the same force and effect as any provision herein.

ARTICLE IX DEFINITIONS

(As amended as an addition on October 19, 1991, and again on June 21, 2008)

For the purpose of clarification of the usage of certain words and phrases within these Bylaws, the following are defined in greater detail.

Family—parents and their children, both natural and adopted; the children of the same parents; descendants of one common ancestor; spouses of said children, both natural and adopted.

Member—an individual in a society, group, etc., and, more particularly herein, a home owner or lot owner in the CRANDON LAKES COUNTRY CLUB, INC.

Family Member—incorporating the above definitions. However, if more than one family member owns separate parcels of land and are in separate households and thereby have separate voting powers, as indicated in Article VI, fifth paragraph supra, as "home owners" or "lot owners", such family members shall be considered in the same manner as other home owners and lot owners with the same privileges and responsibilities. Family members within the same household within the same parcel of land are limited to the voting powers, as indicated in said Article VI, fifth paragraph supra, and the enjoyment of such privileges, as indicated in Article I, fourth paragraph supra, for "immediate family".

Absentee ballot—a writing sent in by mail to the CLUB as an absentee CLUB member in good standing, indicating his/her vote at elections and/or such approval or disapproval of proposed changes to the Constitution and/or Bylaws of the CLUB.

All reference to the "Court" herein denotes the United States Bankruptcy Court, District of New Jersey.