

ARTICLE I

NAME

The name of the Corporation shall be CONEWANGO VALLEY COUNTRY CLUB.

ARTICLE II

SEAL

The corporate seal of the Corporation shall have inscribed thereon
CONEWANGO VALLEY COUNTRY CLUB, WARREN, PENNSYLVANIA,
INCORPORATED 1916 SEAL.

ARTICLE III

MEMBERSHIPS

Voting Members

Section 1. Active voting members shall be divided into categories of family (2 members), individual (1 member), or family and friend (2 members) defined as follows:

A family membership provides membership privileges to a husband, wife and their children as defined below.

An individual membership provides membership privileges to an individual and his / her children as defined below.

A family and friend membership provides membership privileges to an individual and a person of the opposite sex designated each year and their children as defined below.

Children are defined as the members' children under twenty-one (21) years of age and also their children over twenty-one (21) years of age who are attending accredited colleges full time or a member of the armed forces of the U.S.A. on active duty.

Such voting members and their children and spouse of individual members shall be entitled to the privileges of their classification of membership as defined in the standing rules. Such members shall be responsible for dues, fees, minimums, and assessments as specified in the standing rules, subject to adherence to the bylaws.

The above classifications apply to golf and social memberships.

Voting memberships own a share of stock as specified in the Charter,

There is a limit of 625 active golf memberships. The Board of Directors will establish the appropriate level of social memberships.

Non Voting Members

Section 2. Active non-voting membership classifications are subject to Board of Director approval and definitions. Membership classifications, privileges, dues, fees, and minimums shall be specified in the Standing Rules.

Section 3. An active voting member, on written notice to the Secretary, may become a nonvoting nonresident member or a nonvoting part-time member, provided the qualifications of the requested membership category are met.

Section 4. Non-resident members who change their residence to within the fifty (50) mile radius of Conewango Valley Country Club (CVCC) will be required to change their membership to an active voting membership and shall submit a written application for active membership to the Secretary. Such application shall thereupon be treated and acted upon in the same manner as other candidates for active membership, except that such application need not be posted upon the bulletin board of the clubhouse.

Section 5. All candidates for membership must be proposed for membership in writing on a current application form by an active member in good standing, who is personally acquainted with the applicant.

The application for membership form shall be filed with the Membership Chairperson and shall be posted upon the bulletin board of the clubhouse at least ten (10) days before board approval.

The Board of Directors shall receive, consider and treat confidentially all communications in reference to the persons proposed, and shall vote upon each name separately. A majority vote of those present at any regular meeting of the Board of Directors is necessary for approval of an application for membership.

A candidate whose membership application has been rejected in accordance with the By-Laws may not re-apply until the next calendar year.

Children of active members upon reaching the age of twenty-one (21) years of age and husbands and wives of individual members may become active members upon filing an application of membership with the secretary and payment of dues without the formality of an application being posted upon the bulletin board or voted on by the Board of Directors, and shall not be barred from active membership by reason of the membership limit being reached.

Application of children of active club members must be made within six (6) months after reaching the age of twenty-one (21), or termination of studies in an accredited college or upon discharge from the armed forces of the U.S.A., providing that school attendance and armed forces services were immediately successive to 21st birthday.

Although these By-Laws limits active voting membership to 625 adult members, the Board of Directors, at its discretion, may hold the membership to a lower level or limit a particular type of membership category to ensure that the overcrowding of various facilities does not impair the convenience of their use or quality of service.

Section 6. In the event that the limit of total active golf members set by the Board of Directors is reached, the Secretary will maintain a waiting list. The order of precedence on the waiting list will be the date the application of membership is filed with the Secretary. The Secretary shall acknowledge receipt of the application for membership and placement on the waiting list to the applicant in writing. When membership vacancies occur, the application of membership will be processed as Set forth in Section 5 of this article in their order of precedence.

Section 7. All resignations shall be made in writing to the Membership Chairperson who shall lay them before the Board of Directors at its next meeting. No resignations shall be accepted from any member in arrears to the club.

Section 8. The club shall employ no member in any of the above membership categories, except the business-industrial category.

ARTICLE IV

DUES AND FEES

Section 1. The Board of Directors shall fix dues for current expenses from time to time, as the financial conditions of the club require. The Board of Directors may not vary the dues by more than ten percent (10%) in any given year without the approval of the majority of the active voting membership present at the annual meeting or a special meeting of the active voting membership as defined in Article X.

Section 2. The Board of Directors shall also have the power to assess the membership for capital improvements or to remain solvent except that no assessment without approval of the membership shall be for a period longer than five years nor in an amount each year more than 50% of the annual dues of the members being assessed. Assessments per various classifications of memberships shall be in proportion to the varying dues of each such type of membership. "Approval of the membership" shall mean approval by the majority of the active voting members who are present in person or by proxy and entitled to vote thereon at a regular or special meeting of which at least ten days notice shall have been given as provided in Article X, section 1 and 2.

Section 3. New members shall be defined as members who have not been a member of CVCC at any time during the previous three years. Returning members are those members who have been a member of CVCC at some time during the previous three years. New members, joining the club after July 15 of any year, shall pay dues for that year of one-half (1/2) of the regular annual dues and are responsible for minimums beginning with the month of July. . New members do not pay assessments in their first year of membership. Returning members, with the exception of those that were members in the prior year, may join the club after July 15 of any year, pay dues for that year of one-half (1/2) of the regular annual dues and are responsible for minimums beginning in the month of July. Anyone who was a member during the prior year will be required to pay full dues to maintain their membership. Returning members will be responsible for all assessments levied during the year. A returning member is not to be considered a new member for assessment or other dues incentive purposes.

Section 4. The Board of Directors shall determine all facility use fees, monthly minimum fees, and may suspend or reinstate the initiation fee or establish an activation fee.

Section 5. Collection of any indebtedness to the club shall be in accordance with such regulations as the Board of Directors may determine and shall be applied uniformly to every member.

ARTICLE V

DIRECTORS

Section 1. The Board of Directors shall consist of nine (9) members chosen from the full active membership of the club, who shall be elected at the annual meeting of the active voting membership. They shall be the President, Vice President, Secretary, Treasurer, and five (5) other members.

Section 2. The term of the office' shall be three (3) years. Three (3) members shall be elected every year. No director shall serve more than two (2) consecutive terms but may be re-elected after a one (1) year break in service. The term of office commences upon election.

Section 3. A nominating committee of five (5) members, one of whom shall be a member of the Board of Directors, shall be appointed by the Board of Directors not less than thirty (30) days before the annual meeting. Such nominating committee shall nominate candidates to fill vacancies occurring on the Board of Directors at the next annual meeting, shall notify the Secretary of such nominations, and cause the same to be posted on the bulletin board of the club at least two (2) weeks prior to the annual meeting.

Any ten (10) members may nominate a different candidate or ticket for the Board of Directors by posting the names of the candidates so nominated, over the signatures of the members making such nominations upon the bulletin board of the club, and furnishing the Secretary of the club a copy thereof, at least seven (7) days before the annual meeting.

Section 4. Voting for directors at the annual meeting of the club shall be by ballot, either in person or by proxy, and shall be conducted by three (3) judges appointed by the President at the meeting.

Section 5. Active members who are entitled to vote at the annual meeting or a special meeting of the membership of the club, but are absent from such meetings, may vote by proxy at such meetings. Such proxies, in due form, must be registered and filed with the Secretary of the club before the meeting for which they are given.

Section 6. The officers of the club shall consist of a President, Vice President, Secretary, and Treasurer elected from the Board of Directors of the club.

The President shall be elected by ballot at a duly convened meeting of the Board of Directors held during their organizational meeting held during a recess of the annual meeting. The President shall take office immediately. Within thirty (30) days of his election, the President shall convene a meeting of the Board of Directors to elect a Vice President, Treasurer and Secretary. The membership will be notified by mail of the election results. All officers will serve terms per Article V, Section 2.

Section 7. The Board of Directors shall have the authority to fill any vacancy that may occur on the Board during the club year for the balance of that director's tenure.

Section 8. Board members may be removed for absences of four per year by a vote of 2/3 of the Board of Directors.

Section 9. The Board of Directors shall have general charge, management and control of the affairs, funds, property, and records of the corporation subject to the Charter and the By-Laws. The Board shall have the power to make, or authorize to be made, all contracts, purchases, and payments that they deem necessary or proper for the construction, operation and maintenance of the club. The Board of Directors shall have the authority to borrow such short-term working funds and long-term funds as are necessary for the operation and betterment the club, but at no time should the working capital line of credit exceed \$150,000 and in no fiscal year shall they borrow long-term funds in excess of \$100,000 without the approval of the majority of the active voting members who are present in person or by proxy and entitled to vote thereon at a regular or special meeting of which at least ten (10) days notice shall be given as provided in Article X, Sections 1 and 2. They shall have the power to make rules and regulations for the club, to affix penalties for violations of the rules, to enforce or remit the same, and to appoint such committees and define their duties, as they may deem necessary. Subject to the By-Laws, they shall control the expenses and charges of the club. They may employ such managers as they deem expedient, and may fix their salaries and define their duties, arranging these duties so that they assist and cooperate with the various committees.

The Board of Directors shall have the power to elect new members to the club and to accept resignations as therefore provided. They shall, two-thirds (2/3) concurring, for a cause deemed sufficient to them, have the power to suspend or expel any members of the club. They shall receive and redress complaints.

Section 10. Five (5) members shall constitute a quorum.

Section 11. Regular meetings of the Board of Directors shall be held at least once each month. Special meetings shall be called by the President upon written application to him of four (4) members of the Board. Special meetings shall be held at the call of the President.

Section 12. The Board of Directors shall determine all membership classifications for all members, the privileges and eligibility therein. Every such determination shall be made by a three-fourth (3/4) vote of all members of the Board of Directors.

ARTICLE VI

PRESIDENT AND VICE PRESIDENT

Section 1. The President shall preside at all meetings of the corporation and of the Board of Directors, and shall be ex officio member of all committees, and shall have general oversight of the affairs of the club. The President shall sign all written contracts and obligations. The President shall, at the beginning of the fiscal year, consult with and advise the chairman of the various committees as to their duties for the ensuing year. The President shall give notice of all meetings of the corporation and the Board Of Directors.

Section 2. The Vice President shall assist in the discharge of the President's duties and act in the capacity of President when the President is absent.

ARTICLE VII

SECRETARY

Section 1. The Secretary shall keep the minutes of all meetings of the corporation and the Board of Directors. He or she shall conduct the correspondence, and keep the membership records of the club including a list of the active members and their classifications, and shall furnish the Treasurer with names of all additional persons admitted to membership and notify such persons of their admission. He or she shall notify the Treasurer of all resignations and expulsions. The seals of the corporation are to be kept by the Secretary.

ARTICVLE VIII

TREASURER

Section 1. The Treasurer shall collect all fees and funds due the club and keep the accounts. Under the direction of the Board of Directors, he or she shall disburse funds. He or she shall borrow such funds as may be necessary as provided in Article V, Section 9. He or she shall sign all written contracts and obligations and affix thereto the corporate seal. He or she shall report at every annual meeting, and more often if required, on the state of the funds. Two (2) persons appointed by the Board shall audit his accounts

ARTICLE IX

COMMITTEES

Section 1. The President, with the approval of the Board of Directors, shall appoint such committees as are necessary for the proper functioning of the club and they are not limited to the committees designated in this Article.

Section 2. The grounds committee and/or chairman, subject to the Board of Directors, shall have control of the grounds and the employment of such help and the purchase of such supplies and equipment as may be necessary for the maintenance and improvement of the grounds.

Section 3. The house committee and/or chairman, subject to the Board of Directors, shall have control of the clubhouse, and the employment of such help and the purchase of such supplies and equipment as may be necessary for the proper maintenance, improvement and operation of the clubhouse. They have control of the catering and tap room and shall act advisory to the entertainment committee.

Section 4. The entertainment committee and/or chairman, subject to the Board of Directors, and the house committee shall arrange for, prepare and have charge of all entertainment of the club, except golf, swimming and tennis events and matches. They shall purchase the supplies needed, engage and help make charges therefore and collect the same.

Section 5. The membership committee and/or chairman, subject to the Board of Directors, shall consider all applicants for membership before they are posted upon the club bulletin board, and report to the Board of Directors their recommendations before they are balloted upon.

Section 6. The chairman of the grounds committee, chairman of the men's golf committee, and chairman of the women's golf committee will make recommendations to the golf professional and superintendent of grounds (greens keeper) concerning all local rules and regulations defining boundaries, penalties and other questions pertaining to golf playing, with the final determination made by the golf professional.

ARTICLE X

MEETINGS

Section 1. The annual meeting of the active members shall be held at the clubhouse within the first thirty-one (31) days of October on a date set by the Board of Directors. Special meetings may be called by the Board of Directors at any time and shall be called by the President at the written request of ten (10) active members. Any such request shall state the object for which the meeting is desired, and no subject, not so stated, shall be considered.

Section 2. At least ten (10) days prior to the annual meeting, the Secretary shall send written or printed notice of the annual meeting by mail to every active voting member. A notice of special meetings shall be given in the same manner and shall set forth the object of which the meeting is called.

Section 3. At all meetings of the corporation, thirty percent (30%) of the active voting members represented either in person or by proxy shall constitute a quorum.

Section 4. The fiscal year shall be twelve (12) months beginning on January 1 to December 31.

Section 5. Order of business at all meetings, both of the corporation and the Board of Directors, shall be:

1. Determine if a quorum is present
2. Reading of minutes
3. Report of officers
4. Report of committees
5. Unfinished business
6. Election of directors and officers (annual meeting only)
7. New business

ARTICLE XI

GUESTS

Section 1. A visitor's registration book shall be maintained by the club and the names of all visitors, with the name of the member introducing them, together with the date of introduction, shall be entered therein.

ARTICLE XII

AMENDMENTS OF THE BY-LAWS

Section 1. These By-Laws may be amended from time to time at any regular or special meeting of the active membership of which at least ten (10) days notice shall have been given as provided in Article X, Sections 1 and 2.

ARTICLE XIII

RULES AND POLICIES

Rules of the club shall be promulgated by the Board of Directors; shall be reviewed annually; and these rules with any charges shall be posted in the clubhouse and other appropriate places by May 1st of each year, or within 15 days after any change.

ARTICLE XIV

LIABILITY AND INDEMNIFICATION

Section 1. General Rule. A director shall not be personally liable for monetary damages as director for an action taken, or any failure to take any action, unless:

- (a) the director has breached or failed to perform the duties of director in accordance with the standard of conduct contained in Section 5712 of the Pennsylvania Non-Profit Corporation Law of 1988 (the "Act") and any amendments and successor acts thereto; and
- (b) the breach or failure to perform constitutes self-dealing, willful misconduct or recklessness; provided, however, the foregoing provisions (subsections (a) and (b)) shall not apply to (a) the responsibility or liability of a director pursuant to any criminal statute or (b) the liability of a director for the payment of taxes pursuant to local, state or federal law.

Section 2. Indemnification. The Corporation shall indemnify any officer or director who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, (and whether or not by, or

in the right of, the Corporation) by reason of the fact that such person is or was a representative of the Corporation, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred in connection with such action or proceeding if such person acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interests of the Corporation, and with respect to any criminal proceeding, had no reason to believe such conduct was illegal, provided, however, that no persons shall be entitled to indemnification pursuant to this Article in any instance in which the action or failure to take action giving rise to the claim for indemnification is determined by a court to have constituted willful misconduct or recklessness; and provided, further, however, in instances of a claim by or in the right of the Corporation, indemnification shall not be made under this section in respect of any claim, issue or matter as to which the person has been adjudged to be liable to the Corporation unless and only to the extent that the court of common pleas of the judicial district embracing the county in which the registered office of the Corporation is located or the court in which the action was brought determines upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses that the court of common pleas or other court shall deem proper.

Section 3. Procedure. Unless ordered by a court, any indemnification under Section 2 or otherwise permitted by law shall be made by the Corporation only as authorized in the specific case upon a determination that indemnification is proper in the circumstances because he or she has met the applicable standard of conduct set forth under that section. Such determination shall be made.

- (a) by the Board of Directors by a majority vote of a quorum consisting of directors who were not parties to the action or proceeding; or
- (b) if such a quorum is not obtainable or if obtainable and a majority vote of a quorum of disinterested directors so directs, by independent legal counsel in a written opinion.

Section 4. Advancement of Expenses. Expenses incurred by a person entitled to indemnification pursuant to this Article or otherwise permitted by law in defending a civil or criminal action, suit or proceeding shall, in any case required by Section 2, and may, in any other case, be paid by the Corporation in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of such person to repay the amount so advanced if it shall ultimately be determined that such person is not entitled to be indemnified by the Corporation.

Section 5. Continuing Right to Indemnification. The indemnification and advancement of expenses provided pursuant to this Article shall continue as to any person who has ceased to be an officer or director (or employee or representative) of the Corporation and shall inure to the benefit of the heirs, executors and administrators of such person.

Section 6. Statement of Intention. The foregoing liability and indemnification provisions are intended to be the maximum allowed by applicable law for directors, officers, employees, committee members and agents of the corporation. They shall constitute a contract between the corporation and each of its directors, officers, employees, committee members or agents. They

shall not be deemed exclusive of any other rights to which any director, officer, employee, committee member or agent may be entitled in any capacity as a matter of law or under any bylaw, agreement, vote of the members or directors, or otherwise. If authorized by the Board of Directors, the corporation may purchase and maintain insurance on behalf of any such person to the full extent permitted by applicable law.