

By-Laws As Amended on October 21, 2020

Article I – Pine Knolls Company

Section I – Name

- 1) The name of the corporation shall be the Pine Knolls Company and for designation purposes is referred to in these By-Laws as the Club.

Sections II – Location

- 1) The office of the Club shall be located on the real estate owned by the Club in Marion County, Iowa; but nothing contained in these By-Laws shall prevent the holding of meetings or the transaction of any business pertinent to this Club at some other place.

Section III – Object

- 1) The purpose for which the Club is formed is not to make a profit but to own, establish, and maintain a social organization with Clubhouse and Golf Course and such other recreational facilities as may from time to time be deemed necessary by the Directors of the Club.

Section IV – Fiscal Year

- 1) The fiscal year of the Club shall be identical with the calendar year.

Article II – Board of Directors

Section I – Organization

- 1) The entire management of the Club, its affairs, properties, and assets are vested in the Board of Directors consisting of nine members of the Club.
- 2) For designation purposes, the Board of Directors will hereinafter be referred to as the Board.

Section II – Powers

- 1) All decisions of the Board shall be by majority vote of the Directors present except where otherwise provided.
- 2) In addition to any and all powers conferred upon the Board by law, and by the Articles of Incorporation of the corporation, these By-Laws without in any manner or degree abrogating, limiting, or modifying any such power, grant to the Board the following authority:
 - a. To set forth the terms and conditions upon which a person may be accepted to membership.
 - b. To hear and determine changes made against any member, full and final authority being granted to reprimand or expel any member.
 - c. To elect from its members a President, Vice President, Secretary, and Treasurer annually at its first meeting after the annual meeting in each year, as prescribed by Articles of Incorporation.
 - d. To appoint a nominating committee to select and recommend names of members to be posted as nominees for Directors.
 - e. To authorize the President to appoint such standing and other committees as in their judgement are necessary for the proper management of the Club.

- f. To determine annual dues for different classes of members.
- g. To make, alter, or amend Club rules.
- h. To make or authorize the purchase of materials or supplies and to contract for whatever may be reasonably required in the operation and maintenance of the Club.
- i. To direct the President to call special meetings of the Club.
- j. To enter into a lease, or leases of Clubhouse or parking area.

Article III – Officers

Section I – Titles

- 1) The officers of the Club shall be a President, Vice President, a Secretary, and a Treasurer to be elected by the Board of Directors.
- 2) One person may hold two offices at the discretion of the Board.

Section II – Duties of President

- 1) The President shall be chief executive officer of the Corporation, performing any and all legal duties under the Articles of Incorporation and incident to the corporate office of President.
- 2) The President shall preside at all meetings of the Club and of the Board of Directors.
- 3) The President may call special meetings of the Club, as he/she deems appropriate.
- 4) The President, with the consent and approval of the Board of Directors, shall appoint all committees. He/she shall be an ex-officio member of all committees.
- 5) The President shall make annual reports to the Directors and members at the annual meeting.

Section III – Duties of Vice President

- 1) In the absence of the President, the Vice President shall perform all his/her duties.

Section IV – Duties of Secretary

- 1) The Secretary shall perform any and all legal duties under the Articles of Incorporation incident to the corporate
- 2) office of secretary.
- 3) The Secretary shall be custodian of all written documents and property belonging to the Club.
- 4) The Secretary shall sign or countersign all such instruments as may require his/her signature as a corporate officer of the Club.
- 5) The Secretary shall issue or cause to be issued all notices of all meetings of Directors and shall keep the minutes and records thereof.
- 6) The Secretary shall be responsible for posting all Club notices as designed by the Board.
- 7) The Secretary shall perform all other duties that the Board of Directors shall assign to him/her.

Section V – Duties of Treasurer

- 1) The Treasurer shall perform any and all legal duties under the Articles of Incorporation and incident to the corporate office of Treasurer.
- 2) The Treasurer shall sign or countersign all instruments as may require his/her signature as a corporate officer.

- 3) The Treasurer shall have the custody of all Club funds and deposit the same in a depository as designated by the Board.
- 4) The Treasurer shall disburse all Club funds as authorized by the Board and shall keep proper vouchers for all sums disbursed.
- 5) The Treasurer upon request by the Board shall submit to the Board complete information as to the financial condition of the Club.
- 6) The Treasurer shall perform all such duties as may be assigned to him/her by the Board of Directors.
- 7) The Treasurer shall collect fees and dues from members.
- 8) The Treasurer shall prepare and have available at the Annual Meeting the official financial statement for the preceding fiscal year.
- 9) The Treasurer shall maintain records of Stock sales and shall issue stock certificates to members when stock is fully paid.
- 10) The Treasurer may assign to an employee of the Pine Knolls Company financial operation of the Clubhouse. A separate account will be kept for the Clubhouse operation and the employee will report directly to the Board.

Article IV – Committees

Section I – Standing Committees

- 1) The Standing Committees may be as follows: Finance Committee, House Committee, Grounds Committee, Membership Committee, Entertainment Committee, and Sports Committee.

Section II – Duties and Responsibilities

- 1) The Finance Committee shall have general supervision of the financial affairs and formulate the budget for the coming year, and at the direction of the Board shall provide information on future budgeting and capital improvements.
- 2) The House Committee shall have full charge of the Clubhouse and Locker Room, unless Clubhouse is leased, and then the House Committee will act as liaison between the Lessee and the Board.
- 3) The Grounds Committee shall supervise the Golf Course and yards.
- 4) The Membership Committee shall give to the Board, a method or methods of increasing membership and ideas on implementation of these methods.
- 5) The Entertainment Committee shall have full charge of all Club's entertainment, and if Clubhouse is leased, the Entertainment Committee will work with Lessee concerning entertainment programs.

Article V - Elections

Section I – Directors

- 1) The election of nine members constituting of the Board of Directors shall be held at the annual meeting of the Club and shall be by ballot. The voting shall be conducted, and the ballots counted by two tellers appointed by the President for that purpose, neither of whom shall be a member of the Board.
- 2) At the first election, three Directors shall be elected to serve for one year, three for two years, and three for three years. Thereafter at each annual meeting three Directors shall be elected for a term of three years.
- 3) The Board shall, thirty days preceding the Annual Meeting, appoint a Nominating Committee. Such Committee shall nominate three voting members of the Club as candidates for Directors. The lists so named shall be mailed to each current member of the Club by the Secretary at least ten days before the Annual Meeting. Other voting members may be nominated for Directors by nomination and second from the floor at the Annual Meeting.
- 4) Directors may not be employees or immediate family members of an employee, effective November 1, 2020. Any employees elected prior to 2021 are grandfathered in and may continue to serve.

Section II – Officers

- 1) At the first regular meeting after each annual meeting of members, the Board shall elect from its own members, a President, a Vice President, a Secretary, and a Treasurer who shall hold office for one year, and until their respective successors are elected.
- 2) If there is a vacancy on the Board within the first two years of a term, there will be a special election. If the vacancy is in the final year of a term, the Board of Directors shall appoint a member to fill the Board position.

Article VI – Meetings

Section I – Annual Club Meetings

- 1) The Annual Meeting of the Club shall be held in the Clubhouse or at such other place as is designated by the Board. The meeting will be on the third Wednesday in October of each year and will be for the purpose of electing directors and transacting such other business as may be brought before the meeting. Notice of the annual meeting shall be mailed by the Secretary to each member at least 10 days before the date of the meeting.
- 2) At the Annual Meeting, the Treasurer will have available the official financial statement for the preceding fiscal year.

Section II – Regular Board Meetings

- 1) Regular meeting of the Board of Directors shall be held monthly at such place as the President shall designate and on such dates as shall be designated by the Board.

Section III – Special Board Meetings

- 1) Special meetings of the Board of Directors shall be held on call of the President.

Section IV – Quorum of Club Meetings

- 1) A quorum at any meeting of the Board of Directors shall consist of 50% of the current Board plus one (1).

Section V – Quorum of Board Meetings

- 1) A quorum at any meeting of the Board of Directors shall consist of five (5) Directors.

Section VI – Attendance at Meetings

- 1) A Director who misses three meetings in a year will be removed from the Board unless there are prior approved circumstances.

Article VII – Membership

Section I – Classes

- 1) The Board may determine yearly as to how many types of membership and as to classification of each membership as they deem appropriate.

Section II – Dues

- 1) The annual dues for each class of membership shall be prescribed by the Board. All dues shall be current before a member is entitled to any privileges of the Club.

Section III – Guests

- 1) All out-of-town guests playing golf shall pay a green fee to be determined by the Board of Directors.
- 2) A resident of Knoxville (anyone with a Knoxville address) may be entitled to guest privileges as determined by the Board of Directors.

Article VIII – By-Law Amendments

Section I – Procedure for Amending

- 1) These By-Laws may be amended by a two-thirds vote of the current paid members represented in person or by proxy at any meeting of the Club.

Article IX – Creation and use of Capital Improvement Fund

Section 1 – Sale of Stock

- 1) Any and all proceeds from the sale of capital stock of the Pine Knolls Company shall be used for: first, retirement of debt, and second, making permanent improvements on the Clubhouse and grounds, with the time of drawing against this fund left to the discretion of the Board.
- 2) In the event of any resale of stock, the Board of Directors shall have the right of refusal.

Section 2 – Capital Improvement Fund

- 1) All cell tower income goes into the fund.
- 2) All donations from members go to this fund unless the donation is being made toward a specific project that will take place within 180 days of the donation.
- 3) 10% of Net Ebitda cash flow increase will go into the fund.

Section 3 – Use of Fund

- 1) Improvements and repairs to the course that exceed \$1,500. (Improvements and repairs that are not typically an annual course item. Those would be from operations fund.)
- 2) Equipment down payments. This account can fund up to 20% of the purchase price.
- 3) Maintain a minimum of \$5,000. This account is not to be used for operational funds.
- 4) Anything outside of these uses needs Board approval and immediate communication to all members.