

**HAWTHORNE COUNTRY CLUB
OF
CHARLES COUNTY, MARYLAND
INCORPORATED**

CONSTITUTION AND BYLAWS

La Plata, Maryland

Revised: December 16, 2018

CONSTITUTION

Section I

Name

The Corporation name of the association is Hawthorne Country Club of Charles County, Maryland, Inc., but is hereinafter referred to as the Hawthorne Country Club or Club.

Section II

Purpose

The object of the Club is the encouragement of athletic sports and exercise and the promotion of social intercourse by the establishment and maintenance of facilities for such sports and social gatherings and for the entertainment of the Club members and their guests. The Club is not formed to make a profit.

Section III

Administration

The entire administration of the Club shall be vested in a Board of Governors consisting of nine (9) members who shall elect from the Board members a President, Vice President, Secretary and Treasurer as hereinafter provided.

Section IV

Membership

The Club shall be composed of three (3) classes of membership effective December 1, 2006. Members will have rights and privileges as set forth in the Bylaws. Each stockholding member, as defined in the Bylaws, shall own

one (1) share of nontransferable stock in the Club, which shall be registered in that member's name and which will represent no more than one (1) member. The Board of Governors has the authority to extend various membership privileges, that were in place prior to this effective date.

Section V

Eligibility to Vote and Hold Office

Stockholding members in good standing are entitled to vote and hold office. For that purpose, a member in good standing may surrender his or her voting right to that member's spouse thereby permitting that spouse the right to hold office in the Club and vote that member's vote.

Section VI

Board of Governors

The Club shall have a President, Vice President, Secretary, Treasurer and Board of Governors. The Board of Governors shall be elected by a plurality of the votes cast by the members of the Club in good standing at each annual meeting of the Club as hereinafter provided.

Each member who is the registered holder of one (1) share of capital stock of the Club shall be entitled to one (1) vote regardless of the number of shares of capital stock registered in his or her name. A stockholder ceasing to be a member of the Club shall not be entitled to vote on the capital stock registered in his or her name from and after the time he or she ceases to be a member.

The Board of Governors shall consist of nine (9) members. The regular term of office shall be three (3) years. In the event of a vacancy on the Board, the Board of Governors will appoint a member to serve until the next annual meeting of the Club when a successor shall be elected to serve for the remainder of the unexpired term.

The President, Vice President, Treasurer and Secretary shall be elected by the Board of Governors from its membership at the next regular meeting of the Board of Governors after the annual meeting of the members of the Club, and each shall serve for one (1) year. If a vacancy occurs in one (1) of these offices, the Board of Governors shall elect a member from the Board of Governors to fill the unexpired term of the vacant office.

Any member of the Board of Governors maybe removed therefrom by a vote of two thirds of the whole Board or two thirds or more of the votes cast by the members. Any action taken on the part of the Board of Governors maybe overruled by two-thirds or more of the votes cast by the membership. Voting under such circumstances shall be conducted only at a meeting in each instance which has been specially called for that purpose with a quorum being present.

Section VII

Nomination and Election

At least two (2) months prior to the regular annual meeting of the Club, the President shall appoint a Nominating Committee of five (5) members only two (2) of whom shall be members of the Board, and it shall be the duty of the Secretary of the Club forthwith to notify each member of his or her appointment and to post the names of said Committee within ten (10) days thereafter.

It shall be the duty of said Nominating Committee to name a ticket of members to serve on the Board of Governors for three (3) years each. The terms of office will not expire in the same year. Two (2) members of the Board's term will expire in one (1) year, two (2) more in the next and three (3) in the next year. The names of those nominated shall be delivered to the Club Secretary and then posted thirty (30) days prior to the annual Club meeting.

Any ten (10) or more members of the Club, not members of the Nominating Committee, may submit nominations for the Board of Governors. All such nominations must be in writing and signed by the persons who make such nominations and shall be delivered to and posted by the Secretary of the Club at least two (2) weeks prior to the annual meeting at which the vote is to be taken.

An official ballot of all legally nominated candidates shall be prepared by the Secretary of the Club and posted at the Clubhouse and also mailed to each member of the Club at least seven (7) days prior to the annual meeting at which such ballot is to be voted. Notice as to the time and place of the next annual meeting and the time and place of the polls for voting shall accompany each ballot mailed.

Each stockholding member voting shall place a mark on the official ballot opposite the names of the candidates of his or her choice and shall in person or by mail deliver said official ballot to the judges of elections, a body of three (3) appointed by the President from the voting members, not members of the Board of Governors, who shall inspect and count the votes and report the results to the Club membership at the annual meeting in session.

Members in good standing and those specially designated in accordance with Section V of the Constitution shall have the privilege of voting, and the Secretary of the Club shall furnish the judges of elections a list of all such persons in good standing prior to the opening of the voting polls. No vote shall be counted unless cast with an official ballot marked and delivered in the manner prescribed.

The Board of Governors shall designate the place and hours where the polls will be open during the day on which the election is held.

Section VIII

Committees

The Board of Governors will create such committees as it deems necessary to manage the Club.

Section IX

New Members

Candidates for membership in the Club shall be elected or excluded by the Board of Governors by ballot. Every candidate shall be proposed by a member and seconded by another member in a letter addressed to the Secretary, which shall be signed by the candidate. The name, occupation and residence of each candidate and the names of his or her proposer and seconder shall be posted in a place provided therefore in the Clubhouse at least fourteen (14) days before the balloting shall take place. No balloting shall be valid unless five (5) of the Board of Governors shall be present, and two (2) dissenting votes shall exclude a candidate.

Section X

Resignation

Any member may resign from the Club upon payment of all dues and indebtedness to the Club by delivery of his or her resignation in writing to the Secretary, but such resignation shall not become effective until accepted by the Board of Governors. The Club shall stand ready for a period of one (1) year from the time of a member's resignation to buyback from that former member his or her stock in the Club at a price of \$100.00. Stock certificates not repurchased by the Club within a twelve month period after the member's resignation will become void.

Section XI

Fees, Dues and Assessments

The Board of Governors may fix, increase or decrease fees and dues of the members. However, any increase in dues requires at least forty-five (45) days written notice in advance of the effective date of such dues increase. All dues shall be paid monthly in advance and all forms of indebtedness shall be paid within a 30-day period of billing, unless otherwise specified by the Board of Governors.

When the dues or any indebtedness of a member shall remain unpaid for a period of thirty (30) days after the closing date, an interest charge of 2.0 percent shall be levied and a late fee of \$25.00. If such indebtedness exceeds thirty (30) days past the closing date, a written notice of such will be given to the member and the name of such member shall be posted in the Clubhouse. If such indebtedness is not liquidated within thirty (30) days of notice and posting, the delinquent member is automatically suspended and shall forfeit the privileges of the Club until reinstated.

A member thus suspended shall be automatically reinstated by making prompt payment of his or her indebtedness, including all charges, dues and assessments that occurred during or prior to said suspension.

If the delinquent member shall fail to pay all indebtedness to the Club after thirty (30) days from the date of suspension, that member shall be brought before the Board of Governors at the next monthly meeting of the Board and shall be subject to expulsion from the Club at the discretion of the Governors.

Returned Check Fee - \$25.00, per check Court Filing Fee - \$50.00, per filing

The Board of Governors shall create no indebtedness which will require an assessment against the membership or which will create a mortgage or deed of trust lien against the real property of the Hawthorne Country Club of Charles County, Maryland, without the prior approval of the membership. In addition, any assessment not included in the approved annual budget and distributed by the Board, must be approved by the membership in a special meeting.

Section XII

Club Meetings

There shall be an annual meeting of the members of the Club on the first Saturday after the first Monday of November of each year at the Clubhouse or at such place and at such hour as the Board of Governors may

appoint and at least fifteen (15) days-notice thereof shall be mailed to each member at his or last known address.

The Board of Governors may call a special meeting of the members by giving fifteen (15) days-notice by mail. They shall also immediately call a special business meeting of the members at the written request of ten (10) members or 20% of the stock holdings members of the Club, whichever is greater, by giving like notice. The notice of each special business meeting of the Club shall state the object or objects for which it is called and no other business shall come before the meeting.

Section XIII

Quorum and Proxy

For the purpose of convening a membership meeting, a quorum shall consist of one-third of the members of the Club present in person or by proxy. Thereafter, any action of the membership shall be conducted as if a quorum were present. For the purpose of vote tabulation as required by this Constitution, proxies shall be counted. A quorum of the Board of Governors shall consist of five (5) Governors personally present.

Section XIV

Alteration of Constitution

The Constitution of the Club may be amended by a vote of two-thirds of the votes cast, a quorum being present, at any annual meeting or special meeting provided due notice of the proposed changes shall have been sent to each member of the Club at least fifteen (15) days before such meeting.

Section XV

Bylaws

The Board of Governors subject to the provisions of this Constitution shall make such Bylaws and rules for the Club as it may deem necessary and proper and may amend or alter the same. Such new Bylaws, amendments or alterations by the Board of Governors shall be posted in the Clubhouse as described in the Bylaws.

Section XVI

Censure, Suspension and Expulsion

Any member infringing the Constitution, Bylaws, Rules or Regulations of the Club or conducting himself or herself in an unseemly manner or prejudicial to the welfare, intent or character of the Club, may be temporarily suspended from the privileges of the Club by the Board of Governors.

Section XVII

Fiscal Year

The fiscal year of the Club will begin January 1st and end the following December 31st.

BYLAWS

Board of Governors

The Board of Governors shall have the general management and control of the Club and its properties subject to the Constitution.

The Board shall authorize all purchases and payments, set charges and fees, authorize employment and dismissal of personnel, authorize the execution of all contracts it may deem necessary and proper for the welfare of the Club and prepare a report of the conditions of the Club for each annual meeting.

The Board shall make such rules and regulations for the Club facilities and grounds and for the admission of guests to the privileges of the Club, as it may find expedient from time to time and as shall be consistent with the Constitution. It shall redress with its power all complaints which maybe properly called to its attention.

The Board, upon a two thirds vote of the whole Board, may amend or alter the Bylaws as authorized by Section XV of the Constitution. Such new Bylaws or amendments shall be posted in the Clubhouse for a period of 14 days. After such changes have been posted, they shall become effective at the end of the posting period.

Special meetings shall be held upon request of three (3) members of the Board. The Secretary shall send out notices at least four (4) days before any regular or special meeting notifying the members thereof.

The Board shall meet each month unless otherwise provided.

As a minimum, the Board shall publish and distribute a bi-monthly newsletter to the membership. Committee members should be listed therein as well as actions taken by the Board or committees.

The approved minutes of all Board meetings shall be available for review in the office by equity members during normal business hours.

As a minimum, the Board shall publish and distribute quarterly financial reports to the membership. The report should contain the Club's income and expenses by quarter or more frequently as the Board deems appropriate. The report shall contain a comparison of actual financials compared to the approved budget.

President and Vice President

The President or in his absence the Vice President shall preside over all members and Board meetings and shall, with the Secretary, sign all written contracts and obligations of the Club. The President and Vice President shall perform such other duties as maybe incumbent upon their offices or required of them by the Bylaws or the Board. They shall be ex-officio members of all committees.

Secretary

The Secretary shall keep the minutes of all meetings of the Club and of the Board, shall issue notice of all meetings, conduct the correspondence of the Club and keep its records. The Secretary with the President and Vice President, as the case maybe, shall sign all written contracts and obligations of the Club and shall perform such other duties as maybe required of him or her by the Bylaws and the Board.

Treasurer

The Treasurer shall receive and care for all funds belonging to the Club and payout the same only on order of the Board of Governors. The Treasurer shall keep an account of dues and other charges against the members and send out statements to each member indebted to the Club and, by order of the Board, shall post the names of all delinquent members in one (1) or more conspicuous places in the Clubhouse. The Treasurer shall further keep an account of all monies received, specify on what account paid, and shall make full and detailed reports at the annual Membership meetings, special member meetings and Board meetings when called upon to do so. Accounts shall be audited annually by competent auditors appointed for that purpose by the President who shall certify to their correctness.

Checks and Notes

All checks or demands for money and notes of the Club shall be signed by such officer and officers or such other person and persons as the Board of Governors may from time to time designate.

Committees

The following standing committees shall be annually appointed by the Board and shall in all respects be subject to the control and direction of the Board and shall report to the Board at its regular meetings. The President shall appoint the chairmen of the various standing committees and except for special consideration these appointments shall come from members of the Board.

Executive Committee

The Executive Committee shall consist of the President, Vice President and Treasurer, and up to two (2) other Board members appointed by the President. The Committee shall be chaired by the President and shall have the primary responsibility of developing an overall annual budget for the Club and presenting the budget to the full Board for approval at the second regular Board meeting of the fiscal year. The Executive Committee shall also deliberate and make recommendations to the Board of Directors on other assignments when tasked by the President.

Each of the below named committees shall be responsible for submitting a request for an annual operating and capital improvement budget to the Board through the Executive Committee and monitoring expense trends against the approved budget.

Grounds Committee

The Grounds Committee shall consist of at least one (1) Board member and one (1) or more Club members and shall have general charge of maintenance, care and appearance of the Club grounds, driveways, parking lots and all matters connected therewith.

Golf Committee

The Golf Committee shall consist of at least one (1) Board member and one (1) or more Club members and shall have general charge of the golf course, the golf greens, activities, tournaments and special golf events. The Committee shall adopt golf rules, subject to Board approval, and shall post the rules at a conspicuous place in the Clubhouse.

Swimming Pool/Tennis Committee

The Swimming Pool/Tennis Committee shall consist of at least one (1) Board member and one (1) or more Club members and shall have general charge of the swimming pool, tennis courts and pool/tennis activities, including special pool/tennis events. The Committee shall adopt pool and tennis court rules, subject to Board approval, and shall post them in a conspicuous place at the pool.

Membership Committee

The Membership Committee shall consist of at least one (1) Board member and one (1) or more Club members and shall have the general charge for the promotion of membership and the investigation and advertisement to the Board upon all applicants to membership in the Club.

House/Social Committee

The House/Social Committee shall consist of at least one (1) Board member and one (1) or more Club members and shall have general charge for organization, scheduling, decoration and operation of Club sponsored social functions. The Committee shall adopt house rules, subject to Board Approval, and post them at a conspicuous place in the Clubhouse.

Application for Membership

In the application for membership required by the Constitution, the proposer and seconder shall give the name, place of residence, profession or occupation of the applicant, dates of birth, as well as such information concerning his or her qualifications as they may deem proper.

The application shall be submitted to the Secretary who shall immediately notify the chairman of the Membership Committee of the applicant's name, the names of his or her proposer and seconder, and said Committee shall investigate and report upon the eligibility and desirability of such applicant to become a member of the Club. The Board shall vote upon no application for membership until the report of said Committee has been received and until the application has been posted for fourteen (14) days.

During the time when an applicant's name is considered for membership, he or she shall also be considered a nonresident and subject to guest fees until membership is approved.

Membership

In accordance with the Constitution, each voting member as described herein shall own one (1) share of capital stock which shall be registered in the stockholder's name and which shall represent no more than one (1) vote for that stock in accordance with Section V of the Constitution. To exercise voting privileges, a member must be in good standing (that is an Active Member who is not currently suspended). The Club shall be comprised of the classes of membership as determined by the Board. The Board may consider applications for membership with a minimum of fifty percent (50%) of the full applicable initiation fee. If the application is approved, any remaining initiation fee balance will be billed to the new members account in equal monthly installments over a period not to exceed one year. An annual interest rate of approximately three percent (3%) over the current prime rate will be applied to the balance due each month.

Full Membership Class - EQUITY (Types: Family, Single, Senior and Junior)

a) A Full Member and his/her immediate family, as defined in the Bylaws, shall be entitled to all privileges of the Club.

b) Initiation fees and dues, as defined in the Bylaws, will be set by the Board of Governors. Initiation fees for all classes of Membership will be determined based upon the total number of memberships at the beginning of the calendar month when the original application is received. 200 to 229 Members-\$1,000; 230-239 Members-\$1,500; 240-249; Members-\$2,000; 250 Members & Up-\$2,500. Below 200, the Board shall determine the fee, if any.

c) The initiation fee and stock purchase will be submitted by an applicant for membership with the membership application and will be receipted by the Club upon approval of the membership application.

d) Full members shall be subject to all capital improvement fees, assessments and restaurant minimums as shall be required by the Board of Governors.

Single, Senior & Junior Full Membership Class

a) Singles shall be between 35 and 64 years of age, not married and with no dependents.

b) Seniors shall be at least sixty-five (65) years of age.

c) Juniors shall be between twenty-one (21) and thirty four (34) years of age. Further, one-half (1/2) of the initiation fee for Juniors shall be submitted with the stock purchase cost along with the membership application. The remaining one-half (1/2) will be billed in equal installments over two (2) years. Upon reaching the Members 35th birthday Junior memberships will automatically revert to Full Family or Full Single memberships as the case maybe. The Junior member will then become responsible for paying the dues set by the Board of Governors for the type of membership for which they qualify. Additionally the difference in initiation fee will become due and payable as prescribed in the section entitled Changing Memberships.

d) Dues for Singles, Seniors and Juniors may be less that set for Full Family Memberships as determined by the Board.

e) Singles, Seniors and Juniors shall be subject to a percentage of all capital improvement fees, assessments and restaurant minimums as determined by the Board.

Special Membership Class

a) Shall encompass those memberships grandfathered by previous Boards and any other membership the Board deems appropriate such as Honorary, House, Swim Team, Pool, Social, Golf, etc.

b) Initiation fees, dues, capital improvement fees, assessments and restaurant minimums shall be determined by the Board.

A member wishing to change from one Class of membership to another must submit his or her request in writing to the Board of Governors for approval with the exception of moving from a Junior Membership to a Full Membership which will be required at the beginning of the next calendar month following the members 35th birthday. A member changing Classes shall be required to pay an initiation fee and capital improvement fees equal to the difference between the initiation fee and capital improvement fees currently in effect and paid

under the previous Class of membership. After a member has changed to another Class of membership, he or she must remain in that Class of membership for a minimum of one (1) year.

Proxy

As authorized by Section XIII of the Constitution, any member in good standing may use a proxy and authorize a specific member in good standing to vote or act for them. The proxy must be in writing and signed by the stockholder. The member authorized to vote by proxy for the absent stockholder may vote only on the issues specified in the meeting notice mailed out. The Secretary, at all business meetings, shall maintain a record of the number of votes each proxyholder is entitled to cast on business items.

Leave of Absence

Leaves of absence may be granted to a member in good standing for a period of one (1) year. Requests for leave must be submitted in writing to the Board of Governors. The request must be submitted prior to the first day of the month for which the leave of absence will begin. The leave must be requested for a full twelve (12) month period from the date of application. The member must request reinstatement of his/her membership in writing thirty (30) days prior to the end of the twelve (12) month leave of absence period. The member must reinstate his/her membership and pay all assessments and capital improvement fees levied during the year of absence within ninety (90) days of the expiration of the year member who experiences a change in their status. Such member shall provide written notification to of absence or be subject to initiation fees and the application process of new members. At its discretion, the Board of Governors may extend or shorten the leave of absence to any the Board detailing any change. In addition to payment of all assessments and capital improvement fees, the Board will determine the amount of dues and/or restaurant minimums payable by the member for any leave of absence less than twelve (12) full months.

Privileges

Family - A Club member shall have all privileges of that member's class of membership extended to his/her spouse or partner residing with the member, and unmarried sons and daughters under the age of twenty-one (21) and living with the member as a part of the member's household. The same shall apply to member's sons and daughters enrolled in full-time studies (defined as enrolled for twelve (12) credits during a semester). The member shall register those qualifying as full-time students each year with the Secretary. Membership privileges will continue for the calendar year in which a student ends his/her full-time enrollment.

Temporary - At the discretion of the Board of Governors, individuals temporarily living as part of a member's household who do not qualify for family privileges may be granted temporary family privileges. Such privileges may be for a specific period of time, not to exceed one (1) year, and may be subject to payment of a fixed fee at the discretion of the Board. Requests for special privileges shall be made in writing by the stockholding, sponsoring member to the Secretary for the Club for action by the Board of Governors at the next regular monthly meeting of the Board.

Initiation Fees and Dues

In accordance with the Constitution, the Board of Governors may fix or increase or decrease the initiation fees and dues for equity and non-equity classes of membership and privileges.

Upon transfer of a member from any class or membership for which an initiation fee is in effect to another class of membership for which an initiation fee is in effect, that member shall be required to pay an initiation fee equal to the difference between the initiation fee currently in effect and the initiation fee paid under the previous class of membership.

Guests

Subject to the Constitution, these Bylaws and Committee Rules, an equity member and anyone of a member's registered family may introduce to the Club persons not otherwise entitled to the Club privileges.

Each member is responsible for all debts incurred and acts committed by guests introduced by that member or that member's registered family.

Respective Committee Rules shall determine the frequency with which members may invite guests for the use of Club privileges.

Guests shall be distinguished as being either resident or nonresident.

a) Residents for the purpose of these Bylaws shall include all persons residing or engaged in business within Charles County, Maryland, or within twenty (20) miles of any boundary thereof for an aggregate of more than thirty (30) days in a calendar year.

b) Nonresidents shall include all persons not residing or engaged in business in Charles County, Maryland, or within twenty (20) miles of the boundary of Charles County, Maryland, for an aggregate of more than thirty (30) days in a calendar year.

Guest Fees - Fees for the use of facilities of the Club by guests shall be fixed by the rules of the committee having jurisdiction over the facilities involved. A guest may enjoy Club facilities for which a fee has been established only when properly registered by a member and only when accompanied by a member or an individual of a member's registered family.

Special Events - In case of tournaments or other competition, entrants may have the privilege of the Club as provided by the committee in charge.

House Rules

1) No person shall be entitled to the privileges of the Club unless a member of the Club, a member's registered family or guest in accordance with the provisions of the Bylaws of the Club.

2) Quiet, good order and decorum must be observed in all parts of the Clubhouse and premises by members, their families and guests.

3) The Club will exercise all reasonable diligence in protecting the property of members and guests, but are not insurers thereof. The Club will not be responsible for any loss of such property however caused.

4) A member is not only responsible for his or her own actions and that of his or her family, but also for any guest or guests whom he or she may introduce to the Club.

- 5) Resident and nonresident guests shall be permitted the privilege of the Club for official functions; that is, functions scheduled on the periodic Club calendar, so long as they are accompanied by the inviting member, and the function is not restricted to members only.
- 6) No member, guest or employee of the Club may bring upon the Club property any alcoholic beverage.
- 7) Liquor or beer will not be served or sold to any person under twenty-one (21) years of age.
- 8) No member or guest shall reprove Club employees. Any complaint with respect to service shall be made at once or in writing to the House Committee.
- 9) All furnishings, equipment and other property of the Club are intended to be used exclusively by the members and guests and must not be loaned or removed from the Club premises by anyone. A replacement charge will be made against members responsible for damage to Club property.
- 10) Informal attire maybe worn at all times; however, bathing suits will not be allowed inside the Clubhouse.
- 11) Members' private parties and receptions involving the use of the Club are permissible subject to each of the following conditions:
 - a) Arrangements for such functions must be made in advance with the House Committee. Said functions shall not conflict with other Club functions and shall comply with the rules stated in the party planner.
 - b) Sponsoring members shall accept full responsibility for payment to the Club of all charges and for the conduct of persons attending such parties.
 - c) In the event a party or reception is cancelled, at least three (3) days notice shall be given the House Committee, and any costs incurred to the Club will be the responsibility of the sponsoring member/renting party.
- 12) Children under twelve (12) years of age must constantly be under the direct surveillance of a parent or other responsible person.
- 13) The bringing of food and beverages on the premises by members and guests is prohibited except when authorized by the director/manager.
- 14) Animals of any kind are not allowed in any art of the Clubhouse or on the Club grounds.
- 15) Members and guests wearing steel or ceramic spikes are not permitted in the foyer, wooden deck areas, on the golf course and dining area. Members are not allowed to carry golf clubs and bags into the foyer or dining room.
- 16) These rules are subject to change by the House Committee, subject to approval by the Board, in which case the members will be promptly informed.