

Membership Bylaws
Pinewild Country Club of Pinehurst

Article I.
Name and Purpose

The name of this Club is PINEWILD COUNTRY CLUB OF PINEHURST (the "Club").

The Club is owned by Pinewild Project Limited Partnership (the "Owner"), and is currently operated by Tohato Realty USA, Inc., a North Carolina corporation ("Manager").

Article II
Membership

Section 1. Classes and Privileges

The membership shall consist of the following classes, each of which shall enjoy the full or limited privileges of the Club specified by the terms and conditions contained in these bylaws.

A. Full Privilege Membership

This membership allows the Member and immediate family to use of the Club facilities, including golf (Magnolia, Holly, Azalea and Challenge courses), clubhouse, golf practice facilities, tennis and swimming facilities when available, without payment of court, pool or green fees.

B. Club Membership

This membership allows the Member and immediate family to use of the Club facilities, including golf (Magnolia, Holly, Azalea and Challenge courses), clubhouse, golf practice facilities, tennis and swimming facilities when available. The Club Member and their immediate family shall pay the applicable green, cart fees as established by Owner/Manager from time to time.

C. Leisure Membership

This membership allows the Member and immediate family to use of the Club facilities, including golf (Magnolia, Holly, Azalea and Challenge courses), clubhouse, golf practice facilities, tennis and swimming facilities when available. The Club Member and their immediate family shall pay the applicable green, cart fees as established by Owner/Manager from time to time.

D. Non-property Owner Membership

This membership entitles a Member and immediate family not owning property at Pinewild Country Club of Pinehurst to use of the Club facilities, including golf (Magnolia, Holly, Azalea and Challenge courses), golf practice facilities, tennis, swimming and clubhouse. Classification is selected by the Member.

E. Founder Membership

Founder Membership status is conferred on all Members who activated their membership prior to June 1, 1989.

Owner reserves the right to create other classes of membership with such privileges as Owner may determine from time to time at its' discretion.

Section 2. Application for Membership

A. All applications for membership shall be made on a form supplied by the Club.

B. Each application shall include the name and address of the applicant, family and business information, signature, class of membership, and names of sponsors, where applicable. All applications shall be accompanied by an initiation fee in an amount fixed by Owner for the requested class of membership. Such fee shall be refunded to the applicant if the application for membership is not acted upon favorably.

Section 3. Screening of Invitees

A. Persons Owning Property in the Development. Any person who purchases residential property within the residential community from Owner shall automatically be eligible for membership in the Club without being subject to the evaluation process described below, if such person activates his/her membership within thirty (30) days after the closing of such purchase by submitting to the Club the membership application form as prescribed by Owner.

B. Persons Not Owning Property in the Development. The evaluation of prospective invitees shall be conducted with the intent and purpose of securing the optimum number of Members with compatible social, vocational and professional attainment from all segments of the surrounding community.

(1) Members of the Club may nominate persons to be invited to join the Club.

(2) Persons proposed for membership in the Club will be evaluated on the basis of the following criteria:

- Interest of an invitee or applicant in the use of a Club membership for business promotion and/or social purposes;
- Financial responsibility and qualification of the invitee or applicant; and
- Compatibility of an invitee or applicant with Club Members, with respect to business and social settings.

Section 4. Resignation from Membership

A. A Member may resign from the Club at any time by giving written notice to the Club. The resignation of membership privileges shall be effective upon receipt of written notice, as well as payment of the applicable dues, fees and other charges in full. All accrued dues or other charges for which he may be liable shall be paid on demand. From the date of receipt of the resignation, the Member shall no longer be liable for dues, and the benefits of membership shall no longer be available to such resigning Member.

B. In the event of a Member's death, the heirs, successors, assigns and estate of the Member shall be liable, to the extent permitted by law, for any dues accrued and charges incurred by the Member until the date of the Member's death.

C. All memberships, other than corporate memberships in any membership class, shall terminate upon the death of the deceased Member's surviving spouse. However, the estate of the spouse who was last to die, may elect to keep the membership active for up to a period of eighteen (18) months, to allow the membership to be transferred to a third party during this time. The said membership would have to be in, and remain in, "good standing", with a monthly maintenance fee payable which will be equivalent to one quarter ($\frac{1}{4}$) of the lowest monthly dues rate charged. During this "active holding period", no privileges will be assigned to the membership, and the facilities therefore may not be utilized as a member.

Upon transfer of said membership to a third party, the appropriate transfer fee will be paid, and the transferred membership will immediately revert to an active status, with the appropriate dues structure.

The death of a Member and the continued use of the membership by the surviving spouse shall not be deemed a transfer of the membership and thus shall not be in violation of the provisions of these Bylaws.

Section 5. General Conditions of Membership

A. Except as provided herein, no Member shall, by virtue of membership in the Club, be an owner or partner of the Club or have any rights to or ownership interest in any of the assets of the Club, Owner or Manager. No Member shall have any liability of any kind, solely by virtue of such membership, except for the payment of the initiation fee, dues and house accounts and for the observance of these bylaws and Club rules. The Members are not liable for the debts or other obligations of the Club, past, present, or future. No Member shall have any voice in the

management of the Club operations except as may be stated in these bylaws, as they may be amended from time to time by Owner in its sole discretion. A membership grants solely the privilege to use and enjoy the facilities of the Club in accordance with the Club's rules and regulations, as may be amended from time to time.

B. Full Privilege memberships shall pay monthly, in advance, the requisite Club dues. Club and Leisure memberships shall pay quarterly, in advance, the requisite Club dues. Club dues may be paid annually in advance. No dividends shall ever be declared or paid by the Club or Owner to any Member.

C. Each Member shall be legally and financially responsible for his/her acts or omissions as well as those of his/her immediate family. Further, each Member shall be financially responsible to pay for any indebtedness incurred by the Member, immediate family member and their guests.

D. The privileges extended to the membership by the Club are subject to these bylaws and the Club's rules and regulations, as they may be amended from time to time by the Owner/Manager.

E. Should any Member, any Member's spouse or children institute a legal proceeding against the Club and fail to obtain judgment against the Club, or should the Club institute legal action against any Member, and should the Club be successful or sustained in its position in such legal action, in whole or in part, then such Member shall be required to reimburse the Club for its legal expenses incurred, including reasonable attorneys' fees, court costs, and other expenses reasonably incurred in such proceedings.

F. Each Member shall immediately notify the Club in writing of any insolvency of the Member, or its designee in the case of corporate memberships. Failure to so notify the Club and the continued use of the Club or the membership shall constitute a fraud on the Club. Upon the insolvency of any party to the membership acceptance form, the Club, at its discretion, may terminate Club privileges to all parties covered by such membership agreement.

G. Upon the death of a Member, the membership shall be held by his or her surviving spouse. No transfer fee shall be charged if the surviving spouse decides to remarry at a later date.

H. In the event a membership in the Club is held by a married couple who subsequently are legally separated or divorced, all privileges, benefits, and obligations of the membership in the Club shall be awarded to one (1) spouse as set forth in the separation agreement or divorce decree. In the absence of a written separation agreement or divorce decree, the membership shall continue in the name of the spouse set forth on the membership application. During the pendency of divorce or separation, the Club, in its sole discretion, may suspend charging privileges of the Member, if any problem with payment of the bill should occur. The spouse who is not awarded the membership may apply for membership in the same manner as any new applicant for membership.

I. Each Member expressly agrees that all use of the Club facilities, exercise equipment, exercise machines, courts and any transportation provided by the Club is undertaken by the Member or Member's guest at his/her sole risk. Each member further agrees that the Club is not liable for any injuries or damages to any Member or guest, or the property of any member or guest. The Member agrees that the Club is not subject to any claim, demand, injury, damages, whatsoever, including, without any limitation, those damages resulting from acts or omissions of active or passive negligence on the part of the Club, its owners, officers, agents, or employees. Each Member, on behalf of his executors, administrators, heirs, assigns, and successors, does hereby expressly forever release and discharge the Club, its owners, officers, employees, agents, assigns, and successors from all such claims, demands, injuries, damages, actions, or causes of action.

J. Each Member agrees that none of the Club, Owner, Manager or Advisory Board is responsible or liable to Members or their guests for articles damaged, lost, or stolen in or about the Club, or left in lockers, or for loss or damage to any property, including, but not limited to, automobiles and the contents thereof. Any storage facilities or lockers provided to Members are offered as a convenience to them, and the Club does not guarantee the integrity of any lock. Any property remaining on the Club premises after termination of membership is deemed abandoned, and each Member relinquishes all claims to such property.

K. The obligation to pay dues is not dependent on the availability of all the Club's facilities or the frequency of use. Tournaments, repair, maintenance of facilities, and/or other occurrences may make it necessary for the Club to change hours of use or restrict the use of one (1) or more facilities or to close the Club temporarily. The Club will not reduce or suspend dues during the time when the facilities, in whole or in part, are not available.

L. Owner reserves the right, in its sole and absolute discretion, to discontinue or modify operation of any or all of the Club facilities; to sell or otherwise dispose of the Club facilities; and to make any other changes in the terms and conditions or membership or the Club facilities available for use by Members. Use of the Club facilities may be restricted or reserved from time to time as determined by Owner. The privileges of membership in the Club are subject to these bylaws and the Club's rules, as they may be amended from time to time.

Article III Disciplinary Action

Section 1. Grounds

Owner shall have the power to reprimand, suspend, expel, or otherwise discipline any Member for committing any violation of these bylaws or the rules and regulations of the Club; or for conduct unbecoming a Member; or for any offense against the best interests of the Club; or for other good and sufficient cause, including, without limitation, nonpayment of the initiation fee, dues, fees or any other amount owed to the Club. The Club at any time may restrict, suspend or terminate, for cause or causes described in the preceding paragraph, the privilege of any member, designee, immediate family member or guest to use any or all of the facilities provided at the Club. No such member or designee shall on account of any such restriction, suspension or termination be entitled to a refund of any membership initiation fee, dues, fees or other charges. During the restriction or suspension, dues, fees and other charges shall continue to accrue and shall be paid in full prior to reinstatement as a member or designee in good standing. The member, designee or immediate family member shall be notified of any proposed disciplinary action and shall be given an opportunity to be heard by the Club to show cause why the individual should not be disciplined in accordance with these rules. If the individual desires to be heard, they must provide a written request for a hearing to the General Manager within seven days after the date of the Club's notice to the individual of the proposed action. Upon receipt of the written request for a hearing, the Club shall set a time and date for such hearing, which shall in no event be less than five days after such request. Depending on the severity of the violation at the discretion of the Club, membership/use privileges of the offending member, designee or immediate family member may be suspended by the Club pending a final resolution.

Section 2. Suspension

If the balance of the house account of any Member shall become past due, Manager may, at its discretion, post within the Club the name of the Member and the fact that such Member is past due. If the balance of the house account of any Member remains unpaid for a period of ninety (90) days after billing, notice thereof shall be sent to the Member and the Member's credit and use of the Club shall be suspended indefinitely. Such notice or suspension may be included in or with the statement of account to the Member. If payment is not made within ten (10) days after the notice is deposited in the mail by Manager, such Member shall be subject to disciplinary action, including suspension without further notice to the Member, except as provided below.

Section 3. Expulsion

In the event of expulsion, the affected Member shall be notified by an authorized representative of the Club. Notice by any means, directed to the Member's last known address shall be sufficient. Such notice of expulsion may be included in or with the statement of account of the Member.

Section 4. Consequences of Suspension or Expulsion
A Member, and any immediate family member who would otherwise be allowed the privileges of such membership, shall be permanently barred from the Club in the event of expulsion (unless separate membership is obtained by other family members) or temporarily barred from the Club during the period of suspension from admittance to the Club, both under the Member's own membership and as a guest of another Member.

**Article IV.
Late Charges**

Section 1. The failure of a Member to promptly pay all dues and charges when due is to the detriment of fellow Members. All payments are due and payable upon receipt. Payments not received by the last day of the month may be assessed a delinquent charge of one and one-half percent (1.5%) per month (eighteen percent (18%) per annum) on the unpaid balance, or in the event that the maximum amount allowed by applicable law for handling past due accounts per billing period is less than eighteen percent (18%) per annum, the highest maximum rate allowed by applicable law. Payments received after the last day of any month will be credited on such Member's next monthly statement. Payments on delinquent accounts shall be applied first to reduce late charges, then to accrued dues, then to food and beverage charges, and then to any other outstanding charges.

**Article V.
Operation and Management**

Section 1. Operations
The operations of the Club and the Club facilities shall be vested in Owner, or its designee, acting through its officers, executives, agents or employees, as the case may be.

Section 2. Control
Owner is authorized and empowered to adopt and promulgate rules and regulations governing the use of the Club facilities, and every Member will be subject thereto and shall abide thereby. Owner shall have unrestricted control of the property of the Club. Owner shall have final decision in any and all matters concerning the Club. Owner shall have complete and undisputed authority in all matter directly affecting or pertaining to its financial status, including, but not limited to, the following:

- A. Initiation fees;
- B. Dues;
- C. Structure of Club memberships as to classes;
- D. Modifications to the Club facilities; and
- E. Food, beverage, golf fees, and other charges.

**Article VI.
Advisory Board**

Section 1. Qualifications
Members of the Club, in good standing", have the right to elect members of the Club to the Advisory Board.

Section 2. Activities of the Board
The Advisory Board shall be responsible for knowing the position of the members on all issues of importance, and communicating that position to Ownership.

Section 3. Committees

The Advisory Board shall be assisted by the following advisory committees; House/Social Committee, Member Relations Committee, Pool and Tennis Committee, Golf Course Committee and a Golf/Tournament Committee, and such temporary committees, as it deems necessary. All committees shall act in an advisory capacity only.

Article VII.

Owner

Section 1. Powers

All control and management of the affairs of the Club shall be vested in Owner, or its designee. Specifically, it shall have and exercise the following powers:

A. Conduct, manage and control the business of the Club and make and prescribe rules and regulations regulating from time to time the affairs and conduct of the Club.

B. Prescribe Club rules and regulations governing the use of the Club facilities by Members and guests. Owner, or its designee, may delegate such power to such officers, Committees or agents as it may select.

C. Reprimand, suspend or expel Members and impose fines or disciplinary measures upon Members, as provided herein, for any violation of these bylaws, any Club rules or regulations.

Article VII.

Definition of Terms

Section 1. Development

"Development" shall mean and refer to the Pinewild residential development surrounding the Club.

Section 2. Member

"Member" shall mean and refer to that individual who has completed a membership acceptance form and has been approved for membership in the Club and the privileges connected with such membership and is in good standing. If the membership is a family unit, the spouse and all unmarried children under the age of twenty-one (21) and without a separate source of income who are either living at home or attending school on a full-time basis shall also be called Members.

Article IX.

Amendment of Bylaws

These bylaws may be amended at any time by Owner/or Manager.

Effective Dates

These Bylaws shall be deemed effective as of the 1st day of January, 2018.