

BYLAWS

BYLAWS OF RUTLAND COMMUNITY CLUB (A Nonprofit Corporation)

ARTICLE I

Office

Section 1.01. Principal Office.

The principal office of the corporation in the State of North Dakota shall be located at Rutland, County of Sargent.

Section 1.02. Registered Office and Agent.

The corporation shall have and continuously maintain in the State of North Dakota a registered office and a registered agent whose office is identical with such registered office.

ARTICLE II

Members.

Section 2.01. Eligibility for membership.

The corporation shall have one class of members. Members may be individuals or organizations. Any legally competent person of good reputation who resides in the City of Rutland or in the surrounding trade area, applies for membership, and pays the required membership fee shall be eligible.

Section 2.02. Election of Members. Members may be elected at any meeting of the members or at any meeting of the Board of Directors (hereinafter called "the board."

Section 2.03. Voting Rights. Each member shall be entitled to one vote on each matter submitted to a vote of the members.

Section 2.04. Termination of Membership. A member may be suspended or expelled, for cause, by the vote of not less than three-fourths of the members present at a meeting of the members, provided notice of such proposed action shall have been duly given in the notice of the meeting and provided the member has been informed in writing of the charges preferred against him at least ten days before such meeting. The member shall be given an opportunity to be heard at such meeting. The members or the board, by a majority vote of those present at any regularly constituted meeting, may terminate the membership of any member who becomes ineligible for membership and may suspend or expel any member who shall be in default with respect to any financial obligation to the corporation.

Section 2.05. Resignation. Any member may resign by filing a written resignation with the secretary.

Section 2.06. Reinstatement. Upon written request signed by a former member and filed with the secretary, the board may reinstate such former member to membership upon such terms as the board may deem appropriate.

Section 2.07. Transfer of Membership. Membership in this corporation is not transferable or assignable.

Section 2.08. Membership Fees. The membership fee shall be \$2.00, or such other amount as may be fixed by the members at any annual meeting, or at any special meeting called for the purpose. No person shall attain membership before paying the treasurer the membership fee.

Section 2.09. Membership Liability for Corporations Obligation. Fully paid members shall not be liable for any debts or obligations of the corporation and shall not be subject to any assessment; but the members at any annual meeting or at any special meeting called for the purpose, may fix reasonable annual dues to become effective after not less than 30 days notice to all members of such action.

Section 2.10. Membership Minimum Number. The board will make all reasonable efforts to maintain a broad community wide membership of not less than 25 members at any time.

Section 2.11. Membership Residence. A majority of the members shall be residents of the Rutland, North Dakota, community.

ARTICLE III

Meetings of Members

Section 3.01. Annual Meeting. An annual meeting of the members shall be held at Rutland on the 1st Tuesday of the month of January each year, beginning with the year 1973, at the hour of eight o'clock, p.m., for the purpose of electing directors and for the transaction of such other business as may come before the meeting. If the date fixed for the annual meeting shall be a legal holiday in said State, such meeting shall be held on the next succeeding business day. If the election of directors shall not be held on the day designated herein for any annual meeting, or at any adjournment thereof, the board shall cause the election to be held at a special meeting of the members as soon thereafter as convenient.

Section 3.02. Special Meetings. Special meetings of the members may be called by the president, the board, or not less than one-tenth of the members.

Section 3.03. Place of Meeting. The board of directors may designate any place within corporate limits of Rutland, as the place for an annual meeting or for any special meeting called, the place of meeting shall be the registered office of the corporation in said state.

Section 3.04. Notice of Meeting. Written or printed notice stating the place, day, and hour of annual meeting of members shall be delivered either personally or by mail, to each member entitled to vote at such meeting, not less than three or more than fifty days before the date of such annual meeting, by or at the direction of the president, or the secretary, or the officers or persons calling the meeting. In case of a special meeting or when required by statute or these bylaws, the purpose or purposes for which the meeting is called shall be stated in the notice. If mailed, the notice of a meeting shall be deemed to be delivered when deposited in the United States mail addressed to the member at his address as it appears on the records of the corporation, with postage thereon prepaid. Notice of regular monthly meetings will be posted in three public places within the City of Rutland three or more days prior to the time of regular meeting.

Section 3.05. Informal Action by Members. Any action required by law to be taken at a meeting of the members, may be taken without a meeting upon written consent or approval of all the members, setting forth the action so taken.

Section 3.06. Quorum. At such a meeting a quorum shall consist of 15 members, or twice the number of directors, whichever is greater. If a quorum is not present at any meeting of members, a majority of the members present may adjourn the meeting from time to time without further notice.

ARTICLE IV

Board of Directors.

Section 4.01. General Powers. The affairs of the corporation shall be managed by its board of directors.

Section 4.02. Number, Tenure and Qualifications. The number of directors shall be five. The directors elected at the annual meeting to succeed the directors named in the Articles of Incorporation shall be elected for staggered terms of three, two, and one years. As the terms of such directors expire, their successors are elected and have qualified. Directors shall be members of the corporation and residents of the community where the housing is or will be located. Of the total number of directors, at least five must be among the leaders in such community.

Section 4.03. Regular Meetings. A regular annual meeting of the board shall be held, without other notice than these bylaws, immediately after and at the same place as the annual meeting of the members. The board may provide by resolution the time and place, within the corporate limits of Rutland, for holding of additional regular meetings of

the board without other notice than such resolution.

Section 4.04. Special Meetings. Special meetings of the board may be called by or at the request of the president and shall be called by the secretary at the request of any two directors. The authorized person or persons calling a special meeting of the board may fix any place within the corporate limits of Rutland, as the place for holding such meeting.

Section 4.05. Notice. Notice of any special meeting of the board shall be given at least two days previously thereto by written notice delivered personally, or four days notice sent by mail or telegram, to each director at his address as shown by the records of the corporation. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail in a sealed envelope so addressed, with postage thereon prepaid. If notice be given by telegram, such notice shall be deemed to be delivered when the telegram is delivered to the telegraph company. Any director may waive notice of any meeting. The attendance of a director at any meeting shall constitute a waiver of notice of such meeting, except where a director attends a meeting for the express purpose of objection to the transaction of any business because the meeting is not lawfully called or convened. The business to be transacted at the meeting need not be specified in the notice or waiver of notice of such meeting, unless specifically required by law or these bylaws.

Section 4.06. Quorum. A majority of the board shall constitute a quorum for the transaction of business at any meeting of the board; but if less than a majority of the directors are present at said meeting, a majority of the directors present may adjourn the meeting from time to time without further notice.

Section 4.07. Manner of Acting. The act of a majority of the director present at a meeting at which a quorum is present shall be the act of the board, unless the act of a greater number is required by law or by these bylaws. The board may also act by written consent or approval of all the directors of the corporation setting forth the action taken.

Section 4.08. Vacancies. Any vacancy occurring in the board shall be filled by the board until the next meeting of the members and until a successor has been elected by the members and qualified. A director elected by the members to fill a vacancy shall be elected for the unexpired term of his predecessor in office.

Section 4.09. Compensation. Directors shall not receive any compensation for their services as directors.

Section 4.10. Directors Absence from Meetings. Any director who is absent from four consecutive meetings without excuse satisfactory to the board shall be deemed to have surrendered his office as director.

Section 4.11. Directors Residuary Powers. The board shall have the powers

and duties necessary or appropriate for the administration of the affairs of the corporation. All powers of the corporation except those specifically granted or reserved to the members by law, the articles of incorporation, or these bylaws shall be vested in the board.

Section 4.12. Directors Removal from Office. A director may be removed from office, for cause, by the vote of not less than three fourths of the members present at a meeting of the members, provided notice of such proposed action shall have been duly given in the notice of the meeting and provided the director has been informed in writing of the charges preferred against him at least ten days before such meeting. The director involved shall be given an opportunity to be heard at such meeting. Any vacancy created by the removal of director shall be filled by a majority vote, which may be taken at the same meeting at which such removal takes place.

ARTICLE V

Officers.

Section 5.01. Officers. The officers of the corporation shall be a president, a vice president, a secretary, and a treasurer. The board may elect or appoint such other officers as it shall deem desirable, such officers to have the authority and perform the duties prescribed, from time to time by the board. The officers of secretary and treasurer may be combined and held by one person.

Section 5.02. Election and Term of Office.

(a) The officers of the corporation specified in Section 5.01 shall be elected from the membership of the board by the board at its annual meeting or as soon thereafter as feasible. New offices may be created and filled at any meeting of the board. Each officer shall hold office until the next annual election of directors and until his successor shall have been duly elected and shall have qualified.

(b) The term of office shall be one year. Election of officers shall take place at the annual board meeting and shall be by ballot cast by qualified directors. A plurality of votes cast shall elect.

Section 5.03. Removal. Any officer elected or appointed by the board may be removed by the board by two-thirds vote of the remaining directors whenever in its judgment the best interest of the corporation would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the officer so removed.

Section 5.04. Vacancies. A vacancy in any office because of death, resignation, removal, disqualification, or otherwise, may be filled by the board by majority vote for the unexpired portion of the term.

Section 5.05. President. The president shall be the principal executive officer of the corporation and shall in general supervise and control all the business and affairs of

the corporation. He shall preside at all meetings of the members and of the board. He may sign, with attestation of the secretary or any other proper officer of the corporation authorized by the board, any deeds, mortgages, bonds, contracts, or other instruments which the board authorizes to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the board of these bylaws or statute to some other officer or agent of the corporation and in general he shall perform all duties incident to the office of president and such other duties as may be prescribed by the board from time to time.

Section 5.06. Vice President. In the absence of the president or in the event of his inability or refusal to act, the vice president shall perform the duties of the president, and when so acting, shall have all the powers of and be subject to all the restrictions upon the president. Any vice president shall perform such other duties as from time to time may be assigned to him by the president or the board.

Section 5.07. Treasurer. The treasurer shall give a bond for the faithful discharge of his duties in such sum and with such surety or sureties as the board shall determine. He shall have charge and custody of and be responsible for all funds and securities of the corporation; receive and give receipts for moneys due and payable to the corporation from any source whatsoever; deposit all such moneys in the name of the corporation in such banks, trust companies, or other depositories as shall be selected in accordance with the provisions of Article VIII of these bylaws; and in general perform all duties incident to the office of treasurer and such other duties as from time to time be assigned to him by the president or the board.

Section 5.08. Secretary. The secretary shall keep the minutes of the meeting of the members and of the board in one or more books provided for that purpose; see that all notices are duly given in accordance with the provisions of these bylaws or as required by law; be custodian of and see that the seal of the corporation is affixed to all documents the execution of which on behalf of the corporation under its seal is duly authorized in accordance with the provisions of these bylaws; keep a register of the post office address of each member, which shall be furnished to the secretary by such member; and in general perform all duties incident to the office of secretary and such other duties as from time to time may be assigned to him by the president or the board.

ARTICLE VI

Order of Business.

Section 6.01. Order of Business. The order of business at any regular or special meeting of the members or the board shall be:

- (a) Reading and approval of any unapproved minutes.
- (b) Reports of officers and committees.

(c) Unfinished business.

(e) Adjournment.

Section 6.02. Parliamentary Procedure. On questions of parliamentary procedure not covered in these bylaws, a ruling by the president shall prevail.

ARTICLE VII

Committees.

Section 7.01. Committees of Directors. The board of directors, by resolution adopted by a majority of the directors in office, may designate one or more committees, each of which shall consist of two or more directors, which committees, to the extent provided in said resolution, shall have and exercise the authority of the board in the management of the corporation; but the designation of such committees and the delegation thereto of authority shall not operate to relieve the board, or any individual director, of any responsibility imposed upon its or him by law.

Section 7.02. Other Committees. Other committees not having and exercising the authority of the board in the management of the corporation may be designated by a resolution adopted by a majority of the directors present at a meeting at which a quorum is present. Except as otherwise provided in such resolution, members of each such committee shall be members of the corporation, and the president of the corporation shall appoint the members thereof. Any member thereof may be removed by the person or persons authorized to appoint such member whenever in their judgment the best interests of the corporation shall be served by such removal.

Section 7.03. Term of Office. Each member of a committee shall continue as such until the next annual meeting of the members of the corporation and until his successor is appointed, unless the committee shall be sooner terminated, or unless such member be removed from such committee, or unless such member shall cease to qualify as a member thereof.

Section 7.04. Chairman. One member of each committee shall be appointed chairman by the person or persons authorized to appoint the members thereof.

Section 7.05. Vacancies. Vacancies in the membership of any committee may be filled by appointments made in the same manner as provided in the case of the original appointments.

Section 7.06. Quorum. Unless otherwise provided in the resolution of the board of directors designating a committee, a majority of the whole committee shall constitute a quorum and the act of a majority of the members present at the meeting at which a quorum is present shall be the act of the committee.

Section 7.07. Rules. Each committee may adopt rules for its own government not inconsistent with these bylaws or with rules adopted by the board of directors.

ARTICLE VIII

Contracts, Checks, Deposits, and Funds

Section 8.01. Contracts. The board may authorize any officer or officers, agent or agents of the corporation, in addition to the officers so authorized by these bylaws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of corporation; and such authority may be general or confined to specific instance.

Section 8.02. Checks, Drafts, etc. All checks, drafts, or order for the payment of money, notes, or other evidences of indebtedness issued in the name of the corporation shall be signed by such officer or officers, agent or agents of the corporation, and in such manner as shall from time to time be determined by resolution of the board. In the absence of such determination by the board, such instruments shall be signed by the treasurer and countersigned by the president of the corporation.

Section 8.03. Deposits. All funds of the corporation shall be deposited from time to time to the credit of the corporation in such banks, trust companies or other depositories as the board may select.

Section 8.04. Gifts. The board may accept on behalf of the corporation any contribution, gift, bequest, or devise for the general purposes or for any special purpose of the corporation.

ARTICLE X

Books and Records.

The corporation shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its members, the board, and committees having any of the authority of the board of directors, and shall keep at the registered or principal office a record giving the names and addresses of the members. All books and records of the corporation may be inspected by any member, or his agent or attorney, for any proper purposes at any reasonable time. The board shall cause an audit of the records of the corporation to be made each year by a competent auditor.

ARTICLE XI

Fiscal Year.

The fiscal year of the corporation shall begin on the first day of January and end on the last day of December in each year.

ARTICLE XII

Seal.

The board shall provide a corporate seal, which shall be in the form of a circle and shall have inscribed thereon the name of the corporation and the words, "Corporate Seal."

ARTICLE XIII

Waiver of Notice.

Whenever any notice is required to be given under the provisions of the statutes of said State or the articles or incorporation or the bylaws of the corporation, a waiver thereof in writing signed by the person and persons entitled thereto, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

ARTICLE XIV

Repeal or amendment of Bylaws.

Section 14.01. These bylaws may be repealed or amended by a majority vote of the members present at any annual meeting of the members, or at any special meeting of the members called for such purpose, at which a quorum is present: provided, however, no such action shall change the purposes of the corporation so as to impair its rights and powers under the laws of said State, or to waive any requirement of bond or any provision for the safety and security of the property and funds of the corporation or its members or to deprive any member without his express assent of rights, privileges, or immunities then existing. Notice of any amendment to be offered at any meeting shall be given not less than 10 or more than 50 days before such meeting and shall set forth such amendment.

KNOW ALL MEN BY THESE PRESENTS: That the undersigned secretary of the corporation identified in the foregoing bylaws does hereby certify that the foregoing bylaws were duly adopted by the Board of Directors of said corporation, as bylaws of said corporation, on the _____ day of _____, 19____, at a duly called and constituted meeting of the Board of Directors, and that they do now constitute the bylaws of said corporation.

Earl W. Anderson
Secretary