

BY-LAWS
OF
MONTEVIDEO COUNTRY CLUB
D/B/A THE CROSSINGS AT MONTEVIDEO

ARTICLE I. OFFICES

The principal offices of the corporation in the State of Minnesota shall be located at Montevideo, Chippewa County, Minnesota 56265.

ARTICLE II. MEMBERSHIPS

Section 1. Shareholders.

A. No individual shall become a shareholder of this corporation until his or her application shall have been approved by the Board of Directors, and a minimum of one share of stock has been purchased. Any shareholder may purchase additional investments in the corporation in increments of \$100.00, provided, however, that no individual shareholder may purchase an investment or investments in excess of \$5,000.00 (50 shares), and no single family unit may purchase an investment or investments in excess of \$10,000.00 (100 shares).

B. Upon approval by the Board of Directors, and upon purchase of stock, a shareholder shall be entitled to vote at all shareholder meetings. Irrespective of the amount of his or her investment, no individual shareholder shall be entitled to more than one vote and no single family unit shall be entitled to more than two votes. Each shareholder shall receive a certificate of stock and shall be entitled to exercise such

rights and privileges as may from time to time be granted by the corporation to shareholders, subject, however, to such rules and regulation as may be established by these By-laws or by resolution of the Board of Directors.

C. Certificates representing shareholders shall be in such form as shall be determined by the Board of Directors, and in accordance with the laws of the State of Minnesota. Such certificates shall be signed by the President and Secretary, shall be consecutively numbered or otherwise identified and shall indicate the amount of the investment of such shareholder. The name and address of the person to whom the shares represented thereby is issued, shall be entered on the corporate membership books of the corporation. All certificates surrendered to the corporation shall be cancelled and no new certificates shall be issued until the former certificates shall have been surrendered and cancelled, except that in case of a lost, destroyed or mutilated certificate a new one may be issued therefor on such terms and indemnity to the corporation as the Board of Directors may prescribe. Transfer of stock in the corporation shall not be allowed without the express approval of the Board of Directors, and any transfer shall be made on the corporate membership books of the corporation upon such terms and conditions as the Board of Directors may establish.

D. To the extent that in the sole discretion of the Board of Directors there are sufficient funds available and the business activities of the corporation would not be adversely

affected, shares of stock may be redeemed by the corporation at par value in the following situations:

- (1) Death of a shareholder;
- (2) The permanent moving of a shareholder away from the Montevideo area as such area shall be determined by the Board of Directors; or
- (3) Economic hardship of a shareholder.

E. Any shareholder who shall fail to pay the annual membership in any given year in the manner established by the Board of Directors, shall be stricken from the active membership upon the giving by the corporation of written notice advising said shareholder that if all dues, current and delinquent, are not paid to the corporation in full with three (3) months from the date of mailing said written notice, his or her membership shall be cancelled and stricken from the membership book of the corporation. If the shareholder goes three (3) years without paying annual dues, his or her stock shall be cancelled, upon written notice to the shareholder.

F. For good cause shown by a shareholder, the Board of Directors of the corporation may, in its discretion, suspend application of subsection E of Section 1 of this Article upon application made to the Board of Directors by said shareholder.

Section 2. General Members.

A. General Members of the corporation shall pay yearly dues in the amount approved by the shareholders as described in Article III., Section 1 below.

B. The types and amount of dues payable to the corporation of memberships available to General Members shall be at the discretion and direction of the Board of Directors.

ARTICLE III. DUES AND FEES

Section 1. Dues. The annual membership (dues) amount shall be established for the following year at the annual shareholders meeting. Such membership shall be payable at such time or times as the Board of Directors shall establish. No membership shall be subject to general or special assessment and no member shall have personal liability for any act, debt, liability or obligation of the corporation.

Section 2. Fees. Privilege to use the facilities of the Montevideo Country Club, d/b/a The Crossings at Montevideo, may be extended to individuals who are not members of the corporation upon payment of such fees and upon compliance with such rules and regulations regarding said use privileges as may from time to time be established by resolution of the Board of Directors.

ARTICLE IV. SHAREHOLDER MEETINGS

Section 1. Annual Meeting. The annual meeting of the shareholders shall be held on the last Sunday in the month of January beginning with the year 2012, at a time and place to be fixed by the Board of Directors, for the purpose of electing directors and for the transaction of such other business as may come before the meeting. If the election of directors shall not be held on the day designated herein for any annual meeting of the shareholders, or at any adjournment thereof, the Board of

Directors shall cause the election to be held at a special meeting of the shareholders as soon thereafter as conveniently may be.

Section 2. Special Meetings. Special meetings of the shareholders, for any purpose or purposes, may be called by the President upon the written request of fifty (50) shareholders of the corporation entitled to vote at the meeting or ten percent (10%) of such shareholders, whichever is less.

Section 3. Place of Meeting. The Board of Directors may designate any place, within the State of Minnesota, as the place of meeting for any annual meeting or for any special meeting called by the Board of Directors. A waiver of notice signed by all shareholders entitled to vote at a meeting may designate any place, within the United States, as the place for the holding of such a meeting. If no designation is made, or if a special meeting be otherwise called, the place of meeting shall be the registered office of the corporation in the State of Minnesota.

Section 4. Notice of Meeting. Written or printed notice stating the place, day and hour of the meeting, and, in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than five (5) nor more than thirty (30) days before the date of any meeting other than an adjourned meeting, either personally, by mail, or by e-mail, by or at the direction of the President, or the Secretary, or the officer or persons calling the meeting, to each shareholder of record entitled to vote at such meeting. If

mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the shareholder at his or her address as it appears on the stock transfer books of the corporation, with postage prepaid thereon.

Section 5. Waiver of Notice. Any notice of meeting may be waived. A waiver of notice by a shareholder entitled to notice is effective whether given before, at, or after the meeting, and whether given in writing, orally, or by attendance. Attendance by a shareholder at a meeting is a waiver of notice of that meeting, except where the shareholder objects at the beginning of the meeting to the transaction of business because the meeting is not lawfully called or convened, or objects before a vote on an item of business because the item may not lawfully be considered at that meeting and does not participate in the consideration of the item at that meeting.

Section 6. Closing of Transfer Books or Fixing of Record Date. For the purpose of determining shareholders entitled to notice of or to vote at any meeting of the corporate members or any adjournment thereof, or in order to make a determination of shareholders for any other purpose, the Board of Directors of the corporation may provide that the shareholder membership books shall be closed for a stated period but not to exceed in any case thirty (30) days. If the shareholder books shall be closed for the purpose of determining shareholders entitled to vote or to notice of a meeting of shareholder, such books shall be closed for at least ten (10) days immediately preceding such meeting.

In lieu of closing the shareholder books, the Board of Directors may fix in advance a date as the record date for any such determination of shareholders, such date in any case to be not more than thirty (30) days, and in case of a meeting of shareholders, not less than ten (10) days prior to the date on which the particular action, requiring such determination of shareholders, is to be taken. If the shareholder books are not closed and no record date is fixed for the determination of shareholders entitled to notice of or to vote at a meeting of shareholders, the date on which the notice of the meeting is mailed shall be the record date for such determination of shareholders. When a determination of shareholders has been made as provided in this section, such determination shall apply to any adjournment thereof except where the determination has been made through the closing of the shareholder books and the stated period closing has expired.

Section 7. Quorum. Ten percent (10%) of the active shareholders of the corporation entitled to vote, represented in person or by proxy, shall constitute a quorum at a meeting of the corporate members. If less than ten percent (10%) of the shareholders are represented at a meeting, a majority of the shareholders so represented may adjourn the meeting from time to time without further notice. At such adjourned meeting at which a quorum shall be present or represented, any business may be transacted which might have been transacted at the meeting as originally notified. The shareholders present at a duly

organized meeting may continue to transact business until adjournment, notwithstanding the withdrawal of enough shareholders to leave less than a quorum.

Section 8. Voting. Each shareholder entitled to vote shall be entitled to one vote upon each matter submitted to a vote at a meeting of the shareholders and, unless otherwise provided by statute, the Articles of Incorporation or these By-laws, a majority vote of the shareholders present and entitled to vote shall be the act of the members.

Section 9. Informal Action by Shareholders. Any action required or permitted to be taken at a meeting of the shareholders may be taken without a meeting if a consent in writing, setting for the action so taken, shall be signed by a majority of all of those shareholders entitled to vote with respect to the subject matter thereof.

ARTICLE V. BOARD OF DIRECTORS

Section 1. General Powers. Subject to the provisions of any shareholder agreement, the business and affairs of the corporation shall be managed by its Board of Directors.

Section 2. Number, Tenure and Qualifications. The number of directors of the corporation shall be seven (7). Each director shall hold office for a term of three (3) years from the date of his or her election and until his or her successor shall have been elected and qualified. Directors shall be residents of the State of Minnesota and shall be shareholders of the corporation.

Section 3. Regular Meetings. A regular meeting of the Board of Directors shall be held without other notice than this By-law within ten (10) days after the annual meeting of shareholders. The Board of Directors may provide, by resolution, the time and place, within or outside the State of Minnesota, for the holding of additional regular meetings without other notice than such resolution, provided, however, that the Board of Directors shall meet at least once during every calendar month of the year.

Section 4. Special Meetings. Special meetings of the Board of Directors may be called by or at the request of the President or any two (2) directors. The person or persons authorized to call special meetings of the Board of Directors may fix the place which may be in any state, territory or district of the United States of America or any foreign country, as the place for holding any special meeting of the Board of Directors called by them.

Section 5. Notice. Notice of any special meeting shall be given at least two (2) days previously thereto by written notice delivered personally or mailed to each director at his or her business address or by e-mail. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail so addressed, with postage prepaid thereon. If notice be given by e-mail, such notice shall be deemed to be delivered when the e-mail is delivered to the shareholder. Any director may waive notice of any meeting and his or her presence at a meeting of the

Board of Directors shall constitute such waiver. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board of Directors need be specified in the notice of such meeting.

Section 6. Quorum. Four (4) members of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board of Directors. If a quorum is present when a duly called or held meeting is convened, the directors present may continue to transact business until adjournment, even though the withdrawal of directors originally present leaves less than the proportion or number otherwise required for a quorum.

Section 7. Manner of Acting. The act of the majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, and any action which may be taken at a meeting of the Board of Directors may be taken by unanimous action of the directors in writing without a formal meeting thereof.

Section 8. Vacancies. Any vacancy occurring in the Board of Directors may be filled by the affirmative vote of a majority of the remaining directors. A director elected to fill a vacancy shall be elected for the unexpired term of his or her predecessor in office, if it is more than three (3) months to the date of the next annual meeting. Any directorship to be filled by reason of an increase in the number of directors shall be filled by election at an annual meeting or at a special meeting of

shareholders called for that purpose.

Section 9. Compensation. Except as otherwise determined by a resolution passed by the Board of Directors by not less than a majority vote, no director shall be paid any compensation for attending a meeting of the board, but he may be reimbursed for actual expenses incurred by him for and on behalf of the corporation after such expenses are approved by the Board.

Section 10. Conflict, Procedure When Conflict Arises. A contract or other transaction between a corporation and one or more of its directors, or between a corporation and an organization in or of which one or more of its directors are directors, officers, or legal representatives or have a material financial interest, is not void or voidable because the director or directors or the other organizations are parties or because the director or directors are present at the meeting of the shareholders or the board or a committee at which the contract or transaction is authorized, approved, or ratified, if:

A) The contract or transaction was, and the person asserting the validity of the contract or transaction sustains the burden of establishing that the contract or transaction was, fair and reasonable as to the corporation at the time it was authorized, approved, or ratified; and

B) The material facts as to the contract or transaction and as to the director's or directors' interest are fully disclosed or known to the board or a committee, and the board or committee authorizes, approves, or ratifies the contract or transaction in

good faith by a majority of the board or committee, but the interested director or directors shall not be counted in determining the presence of a quorum and shall not vote.

Section 11. Presumption of Assent. A director of the corporation who is present at a meeting of the Board of Directors at which action on any corporation matter is taken shall be presumed to have assented to the action taken unless his or her dissent shall be entered in the minutes of the meeting or unless such director shall file a written dissent to such action with the person acting as the secretary of the meeting before the adjournment thereof or shall forward such dissent to the Secretary of the corporation immediately after the adjournment of the meeting. Such right to dissent shall not apply to a director who voted in favor of such action.

ARTICLE VI. OFFICERS

Section 1. Number and Title. The officers of the corporation shall be a President, a Vice President, and a Secretary, each of whom shall be elected by the Board of Directors. Such other officers and assistant officers as may be deemed necessary may be elected or appointed by the Board of Directors. Any two (2) or more offices may be held by the same person, except the offices of President and Secretary. No person shall be elected to or hold office in the corporation unless such person shall be a shareholder of the corporation.

Section 2. Election and Term of Office. The officers of the corporation to be elected by the Board of Directors shall be elected annually by the Board of Directors at the first meeting of the Board of Directors held after each annual meeting of the shareholders. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as conveniently may be. Each officer shall hold office until their successors are elected and qualified, or until his or her death, resignation or removal in the manner hereinafter provided.

Section 3. Removal. Any officer or agent elected or appointed by the Board of Directors may be removed by the Board of 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 person so removed.

Section 4. Vacancies. A vacancy in any office because of death, resignation, removal, disqualification, or otherwise, may be filled by the Board of Directors for the unexpired portion of the term.

Section 5. President. The President shall be the principal executive officer of the corporation and, subject to the control of the Board of Directors, shall in general supervise and control all of the business and affairs of the corporation. He or she shall, when present, preside at all meetings of the shareholders and of the Board of Directors. The president may sign, with the Secretary or any other proper officer or agent of the corporation

thereunto authorized by the Board of Directors, certificates for shares of the corporation, any deeds, mortgages, bonds, contracts, or other instruments which the Board of Directors has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these By-laws to some other officer or agent of the corporation, or shall be required by law to be otherwise signed, or executed, and in general shall perform all duties incident to the office of the President and such other duties as may be prescribed by the Board of Directors from time to time.

Section 5. The Vice President. In the absence of the President or in the event of his or her death, or inability or refusal to act, the Vice President shall perform the duties of the President, and when so acting, shall have all the power of and be subject to all the restrictions upon the President. The Vice President may sign, with the Secretary, certificates for shares of the corporation, and shall perform such other duties as from time to time may be assigned to him by the President or the Board of Directors.

Section 6. The Secretary. The Secretary shall:

- (a) Keep the minutes of the shareholders' meetings and of the Board of Directors' meetings in one or more books provided for that purpose;
- (b) See that all notices are duly given in accordance with the provisions of these By-laws and as required by law;
- (c) Be custodian of the corporate records and of the seal

of the corporation 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;

- (d) Keep a register of the post office address of each shareholder which shall be furnished to the Secretary by such shareholders;
- (e) Sign with the President or the Vice President certificates for shares of the corporation, the issuance of which shall have been authorized by resolution of the Board of Directors;
- (f) Have general charge of the stock transfer book of the corporation;
- (g) In general perform all duties incident to the office of the Secretary and such other duties as from time to time may be assigned to him or her by the President or by the Board of Directors.

Section 7. The General Manager. If required by the Board of Directors, the General Manager shall give a bond for the faithful discharge of his duties in such sum and with such surety or sureties as the Board of Directors 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 money due and payable to the corporation from any source whatsoever, and deposit all such moneys in the name of the corporation in such banks, savings and loan associations, or

other depositories as shall be selected by the Board of Directors.

ARTICLE VII. CONTRACTS, LOANS, CHECKS AND DEPOSITS

Section 1. Contracts. The Board of Directors may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the corporation, and such authority may be general or confined to specific instances.

Section 2. Loans. No loans shall be contracted on behalf of the corporation and no evidence of indebtedness shall be issued in its name unless authorized by a resolution of the Board of Directors. Such authority may be general or confined to specific instances.

Section 3. Checks, Drafts, etc. All checks, drafts, or other orders 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 of Directors.

Section 4. Deposits. All funds of the corporation not otherwise employed shall be deposited from time to time to the credit of the corporation in such banks, savings and loan association, or other depositories as the Board of Directors may elect.

Section 5. Bills. All bills and claims against the corporation in excess of \$1,000.00, other than those for daily

maintenance of the corporation, shall be approved by the Board of Directors, and when so approved shall be paid by the General Manager out of corporate funds.

ARTICLE VIII. COMMITTEES

The Board of Directors may from time to time by resolution establish such committees together with such rules and regulations concerning the makeup and activities of such committees as they may deem necessary. Such committees derive their authority from the Board of Directors and will provide regular reports and obtain Board approval for expenditure of funds.

ARTICLE IX. FISCAL YEAR

The fiscal year of the corporation shall begin the 1st day of January and end the 31st day of December of each year.

ARTICLE X. SEAL

The Board of Directors may provide a corporate seal which shall be circular in form and shall have inscribed thereon the name of the corporation and the state of incorporation and words "Corporate Seal".

ARTICLE XI. WAIVER OF NOTICE.

Whenever any notice is required to be given to any shareholder or director of the corporation under the provisions of these By-laws or under the provisions of the Articles of Incorporation or under the provisions of the laws of the State of Minnesota, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time

stated therein shall be deemed equivalent to the giving of such notice.

ARTICLE XII. AMENDMENTS

These By-laws may be altered, amended, or repealed and new By-laws may be adopted by the Board of Directors at any regular or special meeting of the Board of Directors or by the shareholders at any regularly called meeting of the shareholders, provided, however, that where the Articles of Incorporation or the laws of the State of Minnesota require approval or action by the shareholders, any amendments adopted by the Board of Directors shall be subject to such approval or action by the shareholders.

Adopted this _____ day of _____, 2012.

LaVonne Sundlee
Secretary

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