



WOODLAKE
COUNTRY CLUB

Operating Rules and Regulations

ARTICLE 1.

NAME AND PURPOSE

These are the Operating Rules and Regulations adopted by ATLANTIC NATIONAL CAPITAL LLC(the "Operator"), the Operator of WOODLAKE COUNTRY CLUB (the "Club"), to govern Members, their memberships in the Club, and other matters as specified herein. The Operator in its discretion at any time may establish additional Operating Rules and Regulations and may modify or rescind existing Operating Rules and Regulations set forth herein. Decisions made by the Operator regarding the interpretation and application of these Operating Rules and Regulations shall be final and binding on all Persons using the Club Facilities. The words used herein shall have the same meaning as set forth in the Bylaws for the Club (the "Bylaws"), as they may be amended from time to time, unless the context shall require otherwise.

ARTICLE 2.

GENERAL

2.1 Hours of Operation.

The Operator reserves the right to establish, amend, or modify the hours of operation of the Club, and any component or individual facility thereof.

2.2 Conduct.

a. All Members, Family members, and guests shall abide by all of the Bylaws and these Operating Rules and Regulations.

b. Any Member, Family member, or guest who conducts himself or herself in an unbecoming manner or who knowingly violates any Club policy or rule may be denied service by the Club and/or be sanctioned as provided in the Bylaws and these Operating Rules and Regulations.

c. Due consideration of the rights and comforts of others shall be given at all times by Members, Family members, and guests while on the Facilities.

d. Members, Designees and their respective Family members and guests shall not reprimand or discipline any employee or send any employee off the Club Facilities for any reason. Harassment, sexual or otherwise, of employees of the Club, is not permitted and will not be tolerated. Sexual harassment includes, without limitation, unwelcome sexual advances, verbal or physical conduct of a sexual or similarly offensive nature, offensive comments, jokes, innuendoes and other sexually oriented statements and/or any other conduct statements or action which creates a hostile environment.

e. The Club's hours of operation will be established and published by the Club considering the season of the year and other circumstances.

f. All food and beverages consumed at the Facilities must be furnished by the Club and may be consumed only in areas designated by the Club.

g. Cigarette, cigar or pipe smoking is not permitted in the clubhouse at any time, except in designated areas, if any.

h. No firearms or other weapons of any kind are permitted on or about the Club Facilities at any time.

i. Absolutely no fireworks are permitted at the Facilities or adjacent areas unless part of a fireworks exhibit organized and conducted or sanctioned by the Club.

j. No Member shall use or furnish the membership list of addresses for the purposes of solicitations or any other commercial purpose.

2.3 Members' Accounts

a. Food and beverage charges, purchases, equipment rentals, and other charges incurred by a Member, Family member, or guest may be billed to the responsible Member's Club Account as determined by the club.

b. All expenses, including costs and attorneys' fees, incurred by the Club for checks returned by the Member's bank or a guest's bank shall be borne by the responsible Member.

c. Any Member desiring cancellation of any service must do so by written notice to the Club. The Member shall continue to be charged and shall be obligated to pay for any service provided prior to receipt of written notice of cancellation. No cancellation of service shall be retroactive.

2.4 Club Equipment

a. No property or furniture of the Club shall be removed from the room or other area in which it is placed without the prior approval of the Club.

b. No property of the Club shall be loaned or removed from the Facilities without prior written permission from the Club.

c. A Member shall be responsible for damage to Club property by the Member, his or her Family, or their guests. All repair or replacement costs may be charged to the responsible Member.

2.5 Unauthorized Entry

Maintenance and equipment buildings and other service areas are off limits to Members, Family members, and guests, unless accompanied by an authorized employee of the club.

2.6 Alcoholic Beverages

No alcoholic beverages shall be brought onto or removed from the Facilities by Members, Family members, or guests, nor shall any alcoholic beverages be served or consumed at the Facilities in violation of North Carolina law.

2.7 Traffic and Parking

a. Vehicles shall be parked only in appropriate parking spaces and in strict observance of any traffic regulations that may be established by the Club. Vehicles which are parked in reserved, restricted, or unmarked areas may be removed at the expense of the responsible Member.

b. Recreational vehicles (“RVs”), and mopeds, mini-bikes, all-terrain vehicles, and other unlicensed motorized vehicles are not permitted at the Facilities without the permission of the Club. Motorcycles and bicycles shall be restricted to parking areas only and are subject to the same rules and regulations as other vehicles. Only Club provided Club golf carts and golf course maintenance vehicles shall be permitted on the golf courses.

2.8 Solicitation

a. No advertisement, solicitation, petition, or notice shall be posted at the Facilities without prior approval of the Club.

b. No business activity or solicitation of any kind shall be conducted at the Facilities without prior approval of the Club.

2.9 Pets

No dogs or other pets (with the exception of seeing eye dogs) are allowed at the Facilities, except under special circumstances with prior authorization of the Club. A Member is responsible for any damage or injury caused by an animal owned by, or brought upon the Facilities by such Member, his or her Family, or their guests. Any animal which is brought onto the Facilities shall be kept on a leash or otherwise under control at all times.

2.10 Prohibited Activities

The Club shall have the right and power to prohibit any games, sports, or other activities which it may, in its determination, consider harmful to the interests of the general membership and/or the Club. Prohibited activities include, without limitation, skating, rollerblading, and skateboarding.

2.11 Personal Property

Each Member, Family member, or guest is responsible for his or her own personal property. The Club is not responsible for lost property or articles stolen from anywhere on the Club premises and specifically disclaims any such responsibility. Personal property left by any person on the Club premises and not claimed within thirty (30) days may be disposed of by the Club without notice.

2.12 Guest Privileges

All Members shall be entitled to limited guest privileges, subject to the provisions hereof, Membership Bylaws, payment of applicable guest fees and charges, and subject to such additional rules and regulations as are established from time to time by the Club. Members and Family members shall be required to register their guests, either in person, by telephone, or by facsimile, prior to using the Facilities. Guest privileges may be denied, withdrawn, or revoked at any time for reasons considered sufficient in the discretion of the Club.

Except as otherwise provided herein or permitted by the Club, in its discretion, no guest shall use the Facilities unless accompanied by the Member or Family member of whom he or she is a guest. Guest fees and other charges incurred by the guest which are not paid by such guest shall be billed to the sponsoring Member's Club Account. Guests will be entitled to use the Facilities only in accordance with the privileges of the category of membership held by the sponsoring Member.

2.13 Family Privileges

a. The Club reserves the right to cancel the privileges of any Family member for failing to abide by the terms and conditions of the Bylaws and these Operating Rules and Regulations, as may be amended from time to time.

b. Persons under twelve (12) years of age must be accompanied by a parent or other adult who will assume responsibility for the former's safety and behavior while at the Facilities, unless otherwise approved by the Club.

c. Persons under the applicable drinking ages are not allowed in any bar area unless accompanied by a parent.

d. A Member shall be responsible for the conduct of his or her Family at all times while at the Facilities.

2.14 Parties/Reservations

Certain facilities of the Club may be available for private parties from time to time. Arrangements for private parties or special parties for Members or Member-sponsored groups should be made through the appropriate Club employee, in advance. If an unusual number of people are involved and/or whenever special service of any kind is desired, the Club shall establish guidelines regarding notice, operations, additional services, and hours. No performance by entertainers will be permitted at the Facilities without the permission of the Club.

2.15 Liability

Members, Family members, and guests shall use the Facilities at their own risk and shall assume sole responsibility for their personal property. The Operator, its partners, officers, employees, representatives, and agents shall not be held liable for personal injury to any Person, nor for loss or damage to personal property used or stored at the facilities, whether in lockers or elsewhere. Each Member shall be legally and financially responsible for his or her acts or omissions, as well as those of his or her Family and their guests. Each Member shall indemnify and hold the Operator, and its partners, officers, employees,

representatives, and agents harmless from any loss, cost, claim, injury, or damage incurred by the Member, his or her Family or their guests, or arising out of the conduct of the Member, his or her Family or their guests. In any legal action arising out of any event operated, organized, arranged, or sponsored by the Club, the prevailing party shall be entitled to be reimbursed by the non-prevailing party for all costs and expenses incurred by it, including court costs, attorneys' fees, travel, and other costs, through all trial and appellate proceedings.

2.16 Reservations and Cancellations

a. Dinner reservations are required for use of the food facilities as determined by the Club. The courtesy of providing notice of necessary changes or cancellations is requested no later than 3:00 p.m. on the day of the reservation.

b. For all functions of the Club held in the dining rooms of the Club, tables will be assigned on a first-call, first-choice basis.

c. Reservations for dining will be held for only fifteen (15) minutes after the reserved time.

2.17 Attire

It is expected that Members and their Family members will choose to dress in a fashion benefitting the surroundings and atmosphere provided in the setting of the Club. It is also expected that Members and their Family members will advise their guests of the dress requirements. From time to time, exceptions to the dress rules may be made, as published by the Club.

2.18 Club Services and Activities

a. The Club reserves the right to sponsor various social, cultural and recreational events at which time use by Members and their Family members may be restricted.

b. The Club may sponsor various social, cultural, and recreational events in which all Members and their Family members may be invited to participate. Activities will be publicized in a monthly bulletin of the Club.

c. Reservations are required for most social events of the Club and are taken on a first-come, first-served basis by preregistering with the appropriate personnel of the Club. Cancellation of reservations after any published deadline for cancellation may result in the Member being charged a fee as determined by the Club.

d. The Club wishes to encourage the use of the clubhouse facilities by Members for private parties. A Member must make a reservation with the appropriate Club employee for available dates and arrangements and must assume full responsibility for the party and for the conduct of such Member's guests in accordance with the Bylaws and these Operating Rules and Regulations.

e. The Club may require the advance payment of a security deposit by the Member who assumes responsibility for a private party. The Member sponsoring the party shall be responsible for any damage caused by the installation and removal of party décor.

2.19 Where applicable, references to the “Club” shall mean the management of the Club as appointed by Operator.

ARTICLE 3.

GOLF RULES

3.1 Registration

All golfers must register at the golf shop and pay all applicable guest and cart fees before beginning play. Members are responsible for the payment of fees incurred on account of their guests.

3.2 Reservations

a. The hours of golf course play, practice range hours, and golf shop hours will be posted in the golf shop and are subject to change, as determined at the discretion of the Club, and depending on golf course and weather conditions. Double starting times may be in effect. The golf course superintendent, in consultation with the golf course professional, shall determine when the golf course is playable and such decision shall be final and binding on all Persons using the golf course. No golf course play shall be permitted during any period that the course is closed.

b. Members may reserve starting times in advance by calling the Club during golf shop hours in accordance with the terms set forth for particular Member’s membership category as set forth in the Bylaws. Names of all players are required for starting time reservations. All starting times shall be assigned on a first-come, first-served basis.

c. Failure to check in and register at least ten (10) minutes prior to a reserved starting time may result in revocation of the starting time. Players late for their starting time will lose their right to the starting time and shall begin play only at the discretion of the golf professional.

d. The golf shop shall be notified of all cancellations at least twenty-four (24) hours prior to the scheduled starting time. Failure to so notify the golf shop may result in a cancellation fee being charged to the account of the responsible Member equal to the amount of the fee charged for golf cart use.

e. No more than one (1) starting time may be reserved by the same Member, or a Member of his or her Family per day. No more than one (1) starting time may be reserved on behalf of the same membership per day. In addition, the Operator reserves the right, in its sole and absolute discretion, to implement the “prime time” policy set forth in the Bylaws.

f. No group of five (5) or more Persons shall be permitted to play without permission from the golf staff. Twosomes and singles will be grouped with other players, if available, and, if necessary, at the times determined by the golf staff. Singles may not reserve starting times.

g. The Club may designate certain playing times for players eighteen (18) years old or younger.

h. U.S.G.A. rules govern play, subject to the local rules. Local rules may be amended or superseded at any time by the Golf Professional or the applicable Tournament Committee.

3.3 Local Golf Course Rules

Local golf course rules shall be posted in the golf shop. Members are responsible for familiarizing themselves with said rules. Compliance with local rules is mandatory for all players.

3.4 Tournaments and Clinics

a. The Club reserves the right to make the golf course and practice range available for tournaments and clinics, at which time use by non-participants may be restricted.

b. Except during special events, only members of the golf professional staff are permitted to render golf instruction at the Club. Lessons should be scheduled through the golf professional. Lessons not canceled at least twenty-four (24) hours in advance may be subject to charge.

c. No golf tournaments of any kind shall be permitted unless approved in advance by the Club.

3.5 Equipment and Attire

a. Every player must have a set of golf clubs and a golf bag. No sharing of clubs shall be permitted.

b. Proper attire is required for all players. For men, shirts with collars and sleeves, slacks and golf shorts with a minimum six inch (6") inseam are considered proper attire. For women, dresses, blouses, slacks and golf shorts with a minimum six inch (6") inseam are considered proper attire. Tee shirts, tank tops, halter tops, jeans, cutoffs, sweatpants, tennis or other athletic shorts, and bathing suits are not permitted.

c. No metal spikes may be worn on the golf course and practice areas. Only soft spike or spikeless golf shoes or other approved shoes shall be worn on the golf course and practice areas. Any shoes other than golf shoes must be approved by the golf professional staff.

3.6 Golf Cart Use

a. Golf carts shall be assigned at the golf shop at the time of registration. Players may be allowed to walk and carry their clubs at the discretion of the Club.

b. No vehicles other than golf course maintenance vehicles and golf carts provided by the club shall be permitted on the golf course.

c. Golf carts are restricted to use on the golf course and practice areas. No golf carts owned by the Club shall be removed from the Facilities at any time.

d. Persons sixteen (16) years and seventeen (17) years of age may operate golf carts provided they hold a valid North Carolina driver's license and written parental approval. Persons eighteen (18) years of age or older may operate a golf cart provided they have a valid automobile driver's license.

- e. No more than two (2) persons and two (2) sets of golf clubs are permitted on golf carts.
- f. Golf cart paths are to be used where provided, especially near tees and greens. The Club reserves the right to impose restrictions on the use of golf carts on the golf course from time to time, including restricting golf carts to the golf cart paths only or imposing the 90-degree rule. When the “cart path only” sign or any other golf cart directional signs are posted, they must be strictly followed.
- g. Except on golf cart paths, a golf cart is not to be operated within thirty (30) feet of a green, a tee or a bunker, and shall never be driven through a hazard.
- h. Soft areas on fairways should be avoided, especially after rains. Use the golf cart paths or the rough whenever possible.
- i. Golf carts are operated at the risk of the operator. Cost of repairs to a golf cart which is damaged by a Member, Designee or by their respective Family members or guests, shall be charged to the Member and/or Designee. Members and Designees using a golf cart shall be held fully responsible for any and all damages, including damages to the golf cart, that are caused by the misuse of the golf cart by the Member, Designee or their respective Family members or guests, and the Member and/or Designee shall reimburse the club for any and all damages the Club may sustain by reason of misuse.
- j. A Member or Designee using a golf cart accepts and assumes all responsibility connected with the operation of the golf cart. Each Member and Designee also expressly agrees to indemnify, defend and hold harmless the Club, and its employees, affiliates, representatives and agents, from all damages, whether direct or consequential, arising from or related to the use and operation of a golf cart by the Member, Designee or their respective Family members or guests.
- k. Golf carts are to be returned to the staging area.
- l. Violation of these golf cart rules may result in loss of golf cart privileges and/or playing privileges.

3.7 Driving Range

- a. Range balls are for use on the driving range only and are not permitted to be used on the golf course.
- b. Range balls are available at the golf shop.
- c. Balls must be hit from designated areas only. No hitting is permitted from the rough or sides of the driving range.
- d. Proper golf attire is required at all times on the driving range.
- e. When practicing, Members are to use the driving range only. Under no circumstances are the regular tees, greens, or fairways to be used as practice areas.
- f. The driving range will close one (1) hour before dark unless otherwise posted.

3.8 Handicaps

Handicaps are computed under the supervision of the golf professional in accordance with current USGA recommendations. The golf committee, if any, or the golf professional, will keep and record accurate records of scores turned in for full rounds played.

3.9 Golf Course Play

a. All non-golf activities on the golf course and cart paths are prohibited including, but not limited to, jogging, bicycling, skating, rollerblading, and walking of dogs. No fishing is permitted from the golf course or adjacent areas unless approved in advance by the Club. The cost of repairing any damage to the golf course resulting from such prohibited activity shall be charged to the responsible Member's Club Account.

b. All play shall start at the number one tee unless permission to start elsewhere is obtained in advance from the appropriate Club employee. All players must check in with the starter. Under no circumstances shall players start play from residences.

c. Ball hawking is not permitted on the course at any time.

d. No wading into water hazards shall be permitted. Balls may be retrieved only from banks of water hazards.

e. No player shall have more than one (1) ball in play at any time.

f. All players shall repair ball marks on greens, replace divots, and smooth sand traps before moving to the next tee.

g. All players shall maintain a reasonable rate of play. The Club encourages a pace of play by its Members so that under normal circumstances, a round of golf may be completed in four (4) hours and twenty minutes or less, including any time stopping between nines. If a foursome or other group of players fails to keep their place on the golf course, the group may be asked to skip one or more holes. If a foursome or other group is searching for a lost ball, the group should allow the following group to play through. No more than five (5) minutes may be used to search for lost balls. The Club may monitor the pace of play through the efforts of a marshal during the hours of play.

h. Golf carts should not be parked in front of the green or in other areas that will impede the rate of play.

i. When play of a hole is completed, Members shall leave the green promptly, and proceed to the next tee without delay. Members shall do the scoring for the completed hole while the others in the group are playing from the next tee.

j. Practice is not allowed on the golf course. The practice facilities should be used for all practice. The Club reserves the right to require instruction for the Members who are beginners or inexperienced, prior to allowing them to use the golf courses. The intent of the Club is to assist the Members in obtaining a level of skill and knowledge which will enhance the enjoyment of the game for them as well as the other Members.

k. "Course closed" and "hole closed" signs are to be adhered to without exception.

l. The rules of golf adopted by the United States Golf Association (the "USGA") shall govern all play except as modified by the rules set forth herein. Violation of any golf rule will result in a disciplinary letter written to the player by the Club.

m. Players shall observe the rules of golf etiquette as adopted by the USGA at all times.

n. All players are responsible for their own safety during hazardous weather conditions and play at their own risk. Players who elect to continue to play during hazardous weather conditions do so at their sole election and at their own risk, and agree to indemnify the Club Operator, Management Company, and the Club from any action as a result of their continued play. Under no circumstances shall the Operator or the Club be held liable for failing to warn players of hazardous weather conditions or the need to cease play.

3.10 Guest Playing Privileges

a. Guest play will be subject to approval of the Club. No Person who has been expelled from membership in the Club, and no Member or Family member whose playing privileges have been suspended by the Club shall be permitted to play as a guest of the Member.

b. All guests must register in the golf shop prior to play. All guests must be accompanied by a Member when playing on the golf course, unless the sponsoring Member has obtained prior approval from the Club.

c. A guest of a Member may only play golf six (6) times in any one (1) calendar year at the Club's accompanied guest rate, either as the guest of said Member or as the guest of any other Member.

d. All "no shows" or cancellations not received within twenty-four (24) hours of play may be subject to a charge on the sponsoring Member's Club Account equal to the fees charged for guest play and golf cart use.

ARTICLE 4.

FOOD AND BEVERAGE

4.1 Service Hours

The service hours of the different food and beverage departments shall be published in the Club newsletter and may be changed, as determined in the discretion of the Club.

4.2 Banquets and Special Functions

a. The food and beverage manager should be contacted for information and reservations regarding banquets and special functions.

b. All reservations for banquets and special functions require a deposit payment.

c. The number of guests attending must be guaranteed in accordance with the terms and provisions contained in the contract for the banquet or special event.

d. The food and beverage staff will prepare five percent (5%) more than the guaranteed quantity in case of extra attendance. The hosting Member is required to pay the guaranteed quantity cost as well as the cost of any additional service rendered above this quantity guarantee. Payment must be made in full in cash, by check, or by credit card on the day of, or first business day following, the function. Any direct billing to the hosting Member's Club Account must be approved in advance by the Club food and beverage manager.

e. All food and beverage charges are subject to a service charge and to applicable sales tax.

4.3 Cancellation Policy

A Member who cancels a reservation less than seventy-two (72) hours prior to the schedule time of the event will be obligated to pay all costs of the event.

4.4 Member Restrictions

a. Members are not permitted in the kitchen or behind the bar.

b. No food or beverage is to be consumed at the Facilities unless purchased from the Club, unless approved in advance by the Club.

4.5 Liquor

Liquor law violations are not permitted at the Facilities. It is illegal for any Person to bring alcoholic beverages onto the Facilities for the purpose of consumption or storage. It is also illegal to remove alcoholic beverages from the Facilities. The Club, in its discretion, may refuse to serve alcoholic beverages to any Member, Family member, or guest for any reason. Minors may not purchase or consume alcoholic beverages anywhere at the Facilities.

4.6 Service Fee

For the convenience of all Members, a service fee, as determined by the Club, may be added to monthly member statements, in lieu of requesting gratuities on all food and beverage sales. In November, it is customary to send a letter from the Club providing an opportunity for Members to contribute to a voluntary Holiday Fund for all employees of the Club, along with a suggested contribution which shall be added to each Member's bill. This Holiday Fund provides the membership with the opportunity to show appreciation to Club employees during the holiday season. Club management shall be responsible for the distribution of these funds.

ARTICLE 5.

POOL RULES

6.1 Check-In/Guests

Members may be asked to present identification at the check-in desk and must register guests before

entering the swimming pool areas. Members who bring children of other Club Members must present both families' membership cards. A guest may not use the Club's facilities more than six (6) times per year and must be accompanied by a Member. Each membership may not bring more than three (3) guests per day without approval of the General Manager or Membership Director. Payment of additional fees may be required.

6.2. Safety Rules.

All persons using the swimming pools must abide by the pool safety rules as set out in these Rules and Regulations and as posted in the pool areas.

6.3 Dress.

Appropriate swimming attire is required and may only be worn in the pool areas; cutoffs are prohibited. Those present to supervise children may wear casual attire with rubber soled shoes. Cover-up attire and footwear must be worn to and from the swimming pool areas. Swimmers must shower before entering the pool to remove suntan oils or lotions. Swimmers must remove all hairpins and clips, etc., before entering the pool or cover their heads with bathing caps.

6.4. Conduct.

Conduct at the swimming pools must be such so as to furnish the greatest pleasure for the greatest number of participants. The manager on duty and lifeguards, if any, have authority to enforce all swimming rules and regulations. Anyone who exhibits behavior which is detrimental to the Members will be asked to leave the premises. Running, scuffling, snapping of towels, horseplay or tag games around the swimming pool decks or immediate areas is prohibited. Throwing footballs, Frisbees, tennis balls, etc., in the swimming pool areas is not allowed. Conversations with a lifeguard on duty, if any, must be limited to matters pertaining to pool safety.

6.5. Risk.

USE OF THE POOL FACILITIES AT ANY TIME IS AT THE USER'S OWN RISK.

6.6 Children.

Children who do not swim and children under twelve (12) years of age must be accompanied by a parent or other supervising adult who will stay with the child(ren) while in all swimming pool areas and be responsible for them at all times. Otherwise, children under twelve (12) years of age are not allowed in any swimming pool area. Children wearing diapers are not permitted in the pool.

ARTICLE 6.

FITNESS CENTER RULES (RESERVED)

ARTICLE 7.

TENNIS & PICKLEBALL RULES (RESERVED)

ARTICLE 8.

LAKE AND MARINA RULES (RESERVED)

ARTICLE 9.

REVOCAATION

5.1 Revocation

A membership may be revoked and the rights of any Person or Persons entitled to use the Club may be terminated in accordance with the Bylaws or for any of the following reasons:

- a. Commission of any felony or misdemeanor theft at the Facilities;
- b. Ninety-day delinquency;
- c. Default under payment terms of the Member's Initiation Fee promissory note or other financing statement;
- d. Willful destruction of the Operator's, or a staff's, Member's, Family member's, or guest's property;
- e. Physical or gross verbal abuse of staff, Members, Family members or guests;
- f. Continued and repeated violations of these Operating Rules and Regulations; and
- g. Following suspension, if a Member or Family member again violates the rule that led to the previous suspension within twelve (12) months of the infraction, or if the Member or Family member violates any other rule that would result in suspension within twelve (12) months of the infraction.