

**IN THE CIRCUIT COURT OF THE 15th JUDICIAL
CIRCUIT IN AND FOR PALM BEACH COUNTY, FLORIDA**

CASE NO.

JASON GOLDBERG, and JENNIFER GOLDBERG,
his wife, COLE GOLDBERG, BLAKE GOLDBERG,
and JASON GOLDBERG as Parent and Natural
Guardian of J.G, a minor,

Plaintiffs,

v.

BROKEN SOUND CLUB, INC., a Florida not-for-profit
corporation,

Defendant.

COMPLAINT

Plaintiffs, Jason Goldberg, his wife, Jennifer Goldberg, their two sons, Cole Goldberg and Blake Goldberg, and Jason Goldberg on behalf of his minor daughter, J.G., sue the sue Defendant, Broken Sound Club, Inc., ("the Club") and as grounds therefor state:

1. This is an action for violation of F.S. §617.0607, defamation, breach of fiduciary duty, and declaratory relief that that exceeds \$50,000.00.
2. Jason and Jennifer Goldberg have owned a home, and have resided in, the Broken Sound community in Boca Raton, Florida since September 1995.
3. The Goldbergs have three children: Cole Goldberg and Blake Goldberg who are of age and reside with the Goldbergs, and one daughter, J.G., who resides with the Goldbergs.
4. The defendant Club is a not-for-profit corporation with a principal place of business located at 2401 Willow Springs Drive, Boca Raton, FL 33496.

5. According to its amended and restated bylaws, attached hereto as Exhibit "A" the nature and purpose of the Club is "to own and operate a private country club for the recreation, pleasure and benefit of its members and guests."

6. According to Article IV of the Club's amended and restated bylaws the Club is governed by an elected Board of Governors (the "Board").

7. At all times material the Board members were acting in the course and scope of their employment with the Club, were acting in furtherance of the Club's business, and were performing the kind of conduct they were employed to perform.

8. Since September 1995 when they became members of the Broken Sound community, the Goldbergs and their three children have enjoyed the Club's recreational and social facilities such as the Pool Bistro and Bar, the Moonstone Spa, the Old Course, the Fitness Center, and the Main Club as part of a mandatory country club.

9. The Goldbergs' two boys each had a club membership card and when either the Goldbergs themselves or their two sons used the Club's recreational and social facilities, the Club billed the Goldbergs and their two sons separately as if they each had their own membership.

10. At all times material the Club employed the following persons as servers, bartenders, or managers in the Club-owned restaurant known as Zest:

- Emilia Craciun
- Laura Zangor
- Paul Mochinu
- Lawrence McConnell II
- Alpar Barta
- Chef Roni
- Daniel Lane
- Elias Bensimon

11. At all times material the above-named Zest staff were acting in the course and scope of their employment with the Club, were acting in furtherance of the Club's business, and were performing the kind of conduct they were employed to perform.

12. On April 21, 2023, the Goldbergs had an 8:00 p.m. reservation to meet their guests, Matan Morag and Aura Ramirez, for dinner at Zest.

13. Although the Goldbergs arrived on time for their reservation, they were told that their table wasn't ready and their guests had not yet arrived, and Zest restaurant and bar was packed. Accordingly, on recommendation of the Zest hostess, they decided to go to the Club-owned bar called Cirq which was adjacent to Zest.

14. At Cirq the Goldbergs – who waited almost twenty-five minutes for their drinks to arrive – received one drink each as attested to in the attached bar chit marked as Exhibit "B."

15. The Goldbergs had not consumed any alcohol in the hours before they received a drink at Cirq.

16. At approximately 8:26 p.m. the Goldbergs headed back to Zest with their drinks in hand, to see if their table was ready, but were told again that their table was not ready.

17. The Goldbergs' guests arrived shortly thereafter and because of the long wait for a table, the Zest hostess offered the party a complimentary drink.

18. The drink offered by the hostess was the first and only drinks that the Goldberg's guests had that evening.

19. At approximately 9:00 p.m. the Goldbergs and their guests were finally seated and the server assigned to the table was club staff member Emilia Craciun.
20. Knowing that Zest was very busy, and the service at the club is generally slow, Mr. Goldberg asked for another drink, which was his last drink of the night.
21. Although Zest is a Japanese restaurant, Ms. Craciun told the Goldbergs and their guests that the restaurant wasn't serving Miso soup, salad with ginger dressing, or seaweed salad after these items were requested by Mrs. Goldberg.
22. Making light of the fact that Zest didn't have on the menu what would appear to be staples of a Japanese restaurant, the Goldbergs' guest, Matan Morag, made the innocuous comment that "Maybe we have to go to Japan to get a meal."
23. Then when guest Aura Ramirez was reading the menu, she noticed a sushi roll called a "Sexy Mama" and "Sexy Fatty" and other rolls with unusual names and mentioned the choices aloud in Craciun's presence.
24. Craciun, apparently not appreciating the humor in the guests' statements made directly to the table, did not further wait or serve the Goldbergs' table, nor did she ask another server to tend the table, nor did she speak to her manager to address any concern that she may have had so he could intervene and address it properly.
25. After Craciun abandoned the Goldbergs' table their food sat at the sushi bar so long that Zest Chef Roni asked another server, Laura Zangor, to deliver the food.
26. When Laura Zangor arrived to deliver the sushi, Matan Morag asked for a second drink, but Zangor snapped at him stating loudly, "I am NOT your server!" to

which Morag replied, "That's not nice, that's bad service" and Zangor stormed away.

27. Returning to the table a few minutes after this exchange, Zangor snidely said to the Goldbergs and their guests that "The Bar is closed for YOU... but NOT for them" as she pointed to members at another table causing a scene.

28. Thereafter, to justify their own disrespectful behavior, the Zest staff closed ranks and circulated a lie (started by Craciun and Zangor) that the Goldbergs and their guests were intoxicated and rude.

29. The staff then colluded to slow-walk the Goldberg table's dinner requests.

30. Among those who were led to believe the lie, initiated by Craciun and Zangor, were bartenders Alpar Barta and Lawrence McConnell II, restaurant captain Paul Mochinu, Zest manager Elias Bensimon, server Daniel Lane, and Chef Roni.

31. At one point, bartender McConnell approached the Goldberg table, and in the presence of other Club members, guests, and staff, blurted out in a loud and obnoxious manner, the false and/or defamatory statement (referring to the Goldbergs and their guests), "You are all drunk and you're all slurring your words."

32. Like McConnell, manager Elias Bensimon, as he was approaching (at Mr. Goldberg's request) the Goldberg table, said in a loud and demeaning voice overhead by members, guests, and Zest staff, "My waitress said that you're all drunk and we cannot serve you...if she says you're drunk you're drunk."

33. Bensimon took no independent inquiry to confirm the waitress claim that the Goldbergs and guests were drunk.

34. At the time of the statements made by McConnell and Bensimon, neither the Goldbergs nor their two guests were intoxicated, nor at any time thereafter.

35. To his credit, Chef Roni, saw that wait staff had effectively abandoned the Goldbergs' table, and later in the Zest lobby apologized to the Goldbergs' guests for the staff's treatment of them, and said that he was making up special sushi rolls for them to make up for the staffs' behavior; on the other hand, Chef Roni perpetuated the lie about the Goldbergs being intoxicated when – without having any firsthand knowledge - he told the Goldbergs' guests that the Goldbergs had too many drinks at Cirq.

36. Vexed by their mistreatment at the hands of Zest staff, the Goldbergs and their guests left the restaurant at approximately 9:40 p.m. before they ever finished their dinners or drinks.

37. When he got home from Zest that night, Mr. Goldberg sent an email to Greg Devino, the Club's General Manager and Chief Operating Officer, requesting a personal meeting with him to report the misconduct of the Zest staff. (See attached Exhibit "C")

38. The Goldbergs met with Devino on May 3, 2023 during which time Devino admitted that protocols were not followed by Zest staff on the night of April 21, 2023 and that he did not want the Board of Governors be apprised of this matter.

39. Yet on May 12, 2023, Devino co-signed a Grievance/Incident Statement attaching unsworn statements, which themselves contain fabrications, hearsay, and lack of personal knowledge by Zest staff, perpetuating the lie that the Goldbergs were intoxicated and rude on the night of April 21, 2023. (Exhibit "D")

40. Attached to Devino's grievance statement was a report written days or weeks later but dated April 21, 2023 – by the server, Emilia Craciun, who wrote, among other false and defamatory statements, the following:

- That Mr. Goldberg and his guest Matan Morag said to her when she delivered the drink and sushi rolls, "You're a sexy mama" when she referred to the drink (not the roll) as named "Sexy Momma."
- That the bartenders told her "They were not going to serve them anymore" because "they look drunk already."
- That Zangor responded to Morag by stating, "she [Laura] said [to guest], very friendly and politely that unfortunately she is not their server..."

41. Attached to Devino's grievance statement was a report written days or weeks later but dated April 21, 2023, by the server Laura Zangor, who wrote, among other false and defamatory statements, the following:

- That the Goldberg table was giving Craciun a hard time and said to her "this is unacceptable not having items that they are requesting" and "that we should have gone to Japan and learn [sic] the proper way of a Japanese restaurant."
- That the Goldbergs had a couple of drinks at Cirq.
- That the Goldbergs demanded preferential treatment at the Cirq bar at nights end, after departing Zest with the intent to portray members as obnoxious entitled individuals.
- That the Goldbergs told the Cirq bartender that "We are members and you guys should do what we say" when we asked for a drink after leaving Zest.
- That the Goldbergs were "talking bad to other members at Cirq."
- That Jason Goldberg said, "Why the fuck didn't you keep your mouth shut ... and had to ruined our night."

- That Jason Goldberg said to a member named Berkoff, "This is what I fucking want."
- "Mrs. [sic] looked at me and said, 'who the fuck are you?' WTF."

42. Attached to Devino's grievance statement was a report written days or weeks later but dated April 21, 2023, by bartender, Alpar Barta, who wrote, among other false and defamatory statements, the following even though he had no firsthand knowledge:

- That the comments coming from the Goldberg table were "borderline insulting."

43. Attached to Devino's grievance statement was a report written days or weeks later but dated April 21, 2023, by restaurant Captain, Paul Mochinu, who wrote, among other false and defamatory statements, the following:

- That he [Goldberg] said "the service is shit."
- That member said to Laura Zangor, "Who the fuck do you think you are?"
- "We [the Goldbergs] are members and the staff need to do what we say."

44. Attached to Devino's grievance statement was a report written May 11, 2023, at 12:24 a.m. (twenty days after the April 21, 2023 incident) by manager Elias Bensimon, who wrote, among other false and defamatory statements, the following:

- The Goldbergs were "disrespectful and demeaning towards our staff following the consumption of two drinks at our restaurant."

- "...[W]e stopped serving them alcohol, which unfortunately triggered more erratic actions and verbal harassment directed at our staff and myself."
- "Mr. Goldberg appeared as though he was on the verge of physically attacking and assaulting [Zangor], as he invaded her personal space as he was leaving."

45. Attached to Devino's grievance statement was a report written days or weeks later but dated April 21, 2023, by bartender, Lawrence "Mac" McConnell, who wrote, among other false and defamatory statements, the following:

- "Members [the Goldbergs] were cut-off due to safety and concern of staff."
- "The members repeated that 'The Bitch' chose to stop serving them. They were speaking about there [sic] server like that."

46. Attached to Devino's grievance statement was a report written days or weeks later but dated April 21, 2023, by server, Daniel Lane, who wrote, among other false and defamatory statements, the following:

- The "Goldbergs and guests acted very inappropriate, aggressive, and ill-mannered. Got aggressive when bartenders/manager refused to serve more alcohol."

47. On or about May 10, 2023, the Club's Grievance Committee heard from the parties regarding the grievance incident against the Goldbergs.

48. While the Goldbergs had an opportunity to state their case against imposition of any disciplinary measure, the Grievance Committee arbitrarily and in bad faith, accepted the above-referenced perjured, unsworn, and lack of first-hand knowledge

written statements submitted by Zest staff over the Goldbergs' and their guests' testimony.

49. Evidence that Zest staff would later perjure themselves in submitting their handwritten statements is the fact that upon departing the restaurant that evening, the Goldbergs had a long conversation with Zest manager Elias Bensimon who apologized to the Goldbergs on how they were treated and invited them to return for a complimentary meal to atone for the behavior of his staff.

50. Despite Greg Devino and Elias Bensimon apologizing for the behavior of Zest staff, on June 12, 2023, the Club's Grievance Committee determined that the Goldbergs' and their children's membership rights should be suspended for one year and that the Goldbergs issue written apologies to Zest staff, the Board of Governors, and the Broken Sound membership. (Exhibit "E")

51. Although, on July 5, 2023 the Goldbergs were given the right to appeal the Grievance Committee's determination, on August 15, 2023, the Club's Board of Governors rubbed-stamped that determination and upheld the Goldbergs' and their children's suspension of membership rights for one year. (Exhibit "F")

52. Venue is proper in Palm Beach County because this is where the cause of action accrued.

53. The Goldbergs and their children have satisfied all conditions precedent, or they have been waived.

**COUNT I - VIOLATION OF FLORIDA STATUTE §617.0607 ON BEHALF OF
JASON GOLDBERG AND JENNIFER GOLDBERG AGAINST
BROKEN SOUND BOARD OF GOVERNORS**

54. Paragraphs 1 through 53 are realleged and incorporated as previously pled.

55. F.S. §617.0607(1) states that "A member of a corporation may not be expelled or suspended, and a membership in the corporation may not be terminated or suspended, except pursuant to a procedure that is fair and reasonable and is carried out in good faith."

56. F.S. §617.0607(2) states that "Any written notice given by mail must be delivered by certified mail or first-class mail to the last address of the member shown on the records of the corporation."

57. The Board's rubber-stamping of the Grievance Committee determination to suspend the Goldbergs' and their children's membership rights for one year and order that the Goldbergs write apology letters to the Zest staff, the Board itself, and the general membership of the Club, is arbitrary and capricious, and is not in good faith as it relies primarily on perjured, unsworn, and lack of first-hand knowledge testimony from Zest staff.

58. The testimony proffered by Zest staff to the Grievance Committee that the Goldbergs were intoxicated and rude in Zest on the night of April 21, 2023 is false and was given only to protect staffs' respective jobs at the Club as they knew they were rude and disrespectful to the Goldbergs and their guests, and that they had committed fireable offenses of Club rules.

59. The Board's approval of the suspension of the Goldbergs' membership rights and demand that they issue apologies is void because the Board's notice to the Goldbergs was not delivered via certified mail or first-class mail; rather the notice was emailed to the Goldbergs.

60. As a result of the Board's violation of the provisions of F.S. §617.0607, Jason and Jennifer Goldberg have suffered shame and humiliation, embarrassment, loss

of reputation, mental pain and suffering, are forced to continue to pay Club membership dues despite being banned from using the Club's recreational and social facilities. These losses are either permanent or continuing and the Goldbergs will suffer these losses in the future.

Wherefore, plaintiffs, Jason Goldberg and Jennifer Goldberg, demand judgment against the defendant Broken Sound Club, immediate reinstatement as members of the Club, reimbursement of membership dues for the time period their membership has been suspended, costs, attorney's fees under any applicable statute, and such other relief as the court deems proper.

COUNT II - VIOLATION OF FLORIDA STATUTE §617.0607 ON BEHALF OF COLE GOLDBERG, BLAKE GOLDBERG, AND JASON GOLDBERG as parent and natural guardian of J.G.

61. Paragraphs 1 through 53 are realleged and incorporated as previously pled.

62. The Goldbergs' two boys, Cole Goldberg and Blake Goldberg, and their minor daughter, J.G., are deemed members through their parents' membership.

63. The Goldbergs' two boys, Cole Goldberg and Blake Goldberg, and their minor daughter, J.G., were not involved in the incident that occurred at Zest on the night of April 21, 2023.

64. Article XV of the Club's bylaws, sub-headed, "Discipline" requires that before any discipline may be imposed against a member that member "shall be notified of such proposed action and shall be given an opportunity to be heard by the Board of Governors to show cause why such Member should not be sanctioned...."

65. F.S. §617.0607(1) states that "A member of a corporation may not be expelled or suspended, and a membership in the corporation may not be

terminated or suspended, except pursuant to a procedure that is fair and reasonable and is carried out in good faith.

66. F.S. §617.0607(2) states that "Any written notice given by mail must be delivered by certified mail or first-class mail to the last address of the member shown on the records of the corporation."

67. At no time did either the Grievance Committee or the Board notify [REDACTED], or Jason Goldberg on behalf of J.G. via certified mail or first-class mail that their membership rights were being suspended.

68. Cole Goldberg, Blake Goldberg, and Jason Goldberg on behalf of J.G. were denied due process before their membership rights in the Club were suspended.

69. Furthermore, the Board's rubber-stamping of the Grievance Committee determination to suspend the children's membership rights for one year was arbitrary and capricious and was not in good faith as it blames the children for the alleged wrongdoing of their parents.

70. The Board's approval of the suspension of the Goldbergs' membership rights and demand that they issue apologies is void because the Board's notice to the Goldbergs was not delivered via certified mail or first-class mail; rather the notice was emailed to the Goldbergs.

71. As a result of the Board's violation of F.S. §617.0607 Cole Goldberg, Blake Goldberg, and Jason Goldberg on behalf of J.G., have suffered shame and humiliation, embarrassment, loss of reputation, mental pain and suffering, and loss of enjoyment in life in not being able to use the Club's recreational and social facilities. These losses are either permanent or continuing and the Goldbergs will suffer these losses in the future.

Wherefore, plaintiffs, Cole Goldberg, Blake Goldberg, and Jason Goldberg on behalf of J.G., demand judgment against the defendant Broken Sound Club, immediate reinstatement as members of the Club, costs, attorney's fees under any applicable statute, and such other relief as the court deems proper.

COUNT III - VICARIOUS LIABILITY OF BOARD FOR SLANDER OF JASON AND JENNIFER GOLDBERG BY ELIAS BENSIMON

72. Paragraphs 1 through 53 are realleged and incorporated as previously pled.

73. Bensimon's statement, whether negligently or intentionally made, referring to the Goldbergs, and overhead by club members, guests and staff that, "My waitress said that you're all drunk and we cannot serve you...if she says you're drunk you're drunk" is false and tends to expose the Goldbergs to hatred, ridicule, and contempt among a substantial and respectable minority of the community, or otherwise tend to injure the Goldbergs in their business, reputations and occupations.

74. As a result of Bensimon's negligent or intentional statement, Jason and Jennifer Goldberg have suffered shame and humiliation, mental pain and suffering and loss of reputation. These losses are either permanent or continuing and the Goldbergs will suffer these losses in the future.

Wherefore, plaintiffs, Jason Goldberg and Jennifer Goldberg, demand judgment against defendant Broken Sound Club, costs, attorney's fees under any applicable statute, and such other relief as the court deems proper.

COUNT IV - VICARIOUS LIABILITY OF BOARD FOR LIBEL PER SE OF JASON GOLDBERG BY ELIAS BENSIMON

75. Paragraphs 1 through 53 are realleged and incorporated as previously pled.

76. Bensimon's written report wherein he states that "Mr. Goldberg appeared as though he was on the verge of physically attacking and assaulting [Laura Zangor], as he invaded her personal space" is false and malicious and impliedly accuses Jason Goldberg of a crime.

77. This written statement was disseminated to the Grievance Committee, the Board, and on information and belief, many Club members, and served as a basis for suspending Jason Goldberg's membership.

78. Bensimon's statement is a false and malicious statement and was done intentionally and willfully and without qualified privilege or good motives.

79. As a result of Bensimon's intentional and willful written publication of the above false and malicious statements Jason Goldberg has suffered shame and humiliation, mental pain and suffering and loss of reputation. These losses are either permanent or continuing and Goldberg will suffer these losses in the future.

COUNT V – VICARIOUS LIABILITY OF BOARD FOR SLANDER OF JASON AND JENNIFER GOLDBERG BY LAWRENCE McCONNELL II

80. Paragraphs 1 through 53 are realleged and incorporated as previously pled.

81. McConnell's statement, whether negligently or intentionally made, referring to the Goldbergs, and overheard by club members, guests and staff that, "You are all drunk and you're all slurring your words" was false when made and tends to expose the Goldbergs to hatred, ridicule, and contempt among a substantial and respectable minority of the community, or otherwise tends to injure the Goldbergs in their business, reputations and occupations.

82. As a result of McConnell's negligent or intentional statement Jason and Jennifer Goldberg have suffered shame and humiliation, mental pain and

suffering and loss of reputation. These losses are either permanent or continuing and the Goldbergs will suffer these losses in the future.

Wherefore, plaintiffs, Jason Goldberg and Jennifer Goldberg, demand judgment against defendant Broken Sound Club, costs, attorney's fees under any applicable statute, and such other relief as the court deems proper.

COUNT VI - VICARIOUS LIABILITY OF BOARD FOR LIBEL PER SE OF JASON GOLDBERG AND JENNIFER GOLDBERG BY LAWRENCE McCONNELL II

83. Paragraphs 1 through 53 are realleged and incorporated as previously pled.

84. McConnell's written statement wherein - referring to the Goldbergs - he states, "Members were cut-off due to safety and concern of staff" and "Due to safety concerns we no longer feel safe serving you anymore alcohol" are false and malicious and impliedly accuses Jason and Jennifer Goldberg of the crime of assault.

85. This written statement was reviewed by several members of the Club community and served as a basis for suspending the Goldberg's membership.

86. McConnell statement is false and malicious statement and was done intentionally and willfully and without qualified privilege or good motives.

87. As a result of McConnell's intentional and willful written publication of these false and malicious statements the Goldbergs have suffered shame and humiliation, mental pain and suffering and loss of reputation. These losses are either permanent or continuing and the Goldbergs will suffer these losses in the future.

Wherefore, plaintiffs, Jason Goldberg and Jennifer Goldberg, demand judgment against defendant Broken Sound Club, costs, attorney's fees under any applicable statute, and such other relief as the court deems proper.

COUNT VII – VICARIOUS LIABILITY OF BOARD FOR LIBEL PER SE OF JASON AND JENNIFER GOLDBERG BY ALPAR BARTA

88. Paragraphs 1 through 53 are realleged and incorporated as previously pled.

89. Barta's written statements that Jason Goldberg "confronted [Laura Zangor]" and "cornered her" and that "staff and management felt insulted and threatened" and that "many of us did not feel safe serving them and me personally would not feel safe serving them" are false and malicious statements and impliedly accuse Jason and Jennifer Goldberg of the crime of assault.

90. These written statements were disseminated to the Grievance Committee, the Board, and on information and belief, many Club members and served as a basis for suspending the Goldberg's membership.

91. Barta's statements are false and malicious and were made intentionally and willfully and without qualified privilege or good motives.

92. As a result of Barta's intentional and willful written publication of these false and malicious statements the Goldbergs have suffered shame and humiliation, mental pain and suffering and loss of reputation. These losses are either permanent or continuing and the Goldbergs will suffer these losses in the future.

Wherefore, plaintiffs, Jason Goldberg and Jennifer Goldberg, demand judgment against defendant Broken Sound Club, costs, attorney's fees under any applicable statute, and such other relief as the court deems proper.

COUNT VIII – VICARIOUS LIABILITY FOR BOARD’S BREACH OF FIDUCIARY DUTY TO JASON AND JENNIFER GOLDBERG

93. Paragraphs 1 through 53 are realleged and incorporated as previously pled.

94. Article VI, subparagraph “I.” of the Club’s bylaws, provides that the Board must abide by the Code of Conduct set forth in the General Club Rules and Regulations which are contained in Article VI, Section 2.1 of the Rules. (See attached Exhibit “G”)

95. The Code of Conduct attached hereto as Exhibit “H” in turns provides that,

Each member of the Broken Sound Club, Inc. (the “Club”) Board of Governors (the “Board”) is a fiduciary and is responsible to maintain the highest level of trust and confidence. Board members must endeavor to protect the reputation of the Board for honesty, fairness, and integrity. At all times, Board members must conduct themselves in compliance with all Club bylaws and rules, comply with all laws pertaining to Club activity and governance, take no advantage of their positions as Board members in relation to Club activities, and, in a highly ethical manner, maintain the credibility and respect of the Club, its associates and the membership they represent.

96. The Board breached this fiduciary duty when, in rubber-stamping the Grievance Committee’s determination of suspension, the Board relied on the perjured, unsworn and lack of first-hand knowledge statements of Zest staff which falsely accuse the Goldbergs of being intoxicated and rude, and committed the crime of assault.

97. The Board further breached this fiduciary duty when – in violation of F.S. §617.0607(2) - it failed to deliver the membership suspension notice to the Goldbergs by certified mail or first-class mail.

98. As a result of the Board’s breach of fiduciary duty, Jason and Jennifer Goldberg have suffered shame and humiliation, embarrassment, loss of reputation, mental pain and suffering, and are forced to continue to pay Club membership dues

despite being banned from using the Club's recreational and social facilities. These losses are either permanent or continuing and the Goldbergs will suffer these losses in the future.

Wherefore, plaintiffs, Jason Goldberg and Jennifer Goldberg, demand judgment against the defendant Broken Sound Club, immediate reinstatement as members of the Club, reimbursement of membership dues for the time period their membership has been suspended, costs, attorney's fees under any applicable statute, and such other relief as the court deems proper.

COUNT IX – VICARIOUS LIABILITY OF THE CLUB FOR BOARD'S INTENTIONAL INFLICTION OF EMOTIONAL DISTRESS TO JASON GOLDBERG AND JENNIFER GOLDBERG

99. Paragraphs 1 through 53 are realleged and incorporated as previously pled.

100. The Board's approval of the Grievance Committee's determination to suspend the Goldbergs' membership for one year and require them to write apology letters to the Zest staff, the Board of Governors, and to the general membership based on the perjured, unsworn and lack of first-hand knowledge statements by Zest staff, was intentional or reckless in that the Board knew or should have known that the Goldbergs would likely suffer emotional distress as a result.

101. The Board's reliance on perjured, unsworn and lack of firsthand knowledge statements by Zest staff was outrageous, goes beyond all bounds of decency, and is odious and utterly intolerable in a civilized community.

102. As a result of the Board's approval of the Grievance Committee's determination to suspend the Goldbergs' membership for one year and require them to write apology letter, the Goldbergs have suffered severe emotional

distress, shame and humiliation, embarrassment, loss of reputation, mental pain and suffering.

Wherefore, plaintiffs, Jason Goldberg and Jennifer Goldberg, demand judgment against the defendant Broken Sound Club, costs, attorney's fees under any applicable statute, and such other relief as the court deems proper.

COUNT X – DECLARATORY JUDGMENT RELIEF REQUESTED BY COLE GOLDBERG, BLAKE GOLDBERG, and JASON GOLDBERG on behalf of J.G.

103. Paragraphs 1 through 53 are realleged and incorporated as previously pled.

104. This is an action for declaratory relief brought pursuant to Section 86.041 of the Florida Statutes.

105. Article XV, subsection 1 of the Club's bylaws sub-headed "Suspension" states as follows:

In the case of a Member-Member or Staff-Member grievance, any such Member shall be notified of such proposed sanction and shall be given an opportunity to be heard by the Board of Governors to show cause why such Member should not be sanctioned in accordance with this Article.

106. Prior to the April 21, 2023 incident at Zest which resulted in their parents' suspension from the Club, Cole Goldberg, Blake Goldberg and their minor sister, J.G., used and enjoyed the Club's recreational and social facilities, and the two boys continue to maintain a separate member account number, even though bills to the two boys and their parents were consolidated by the Club for ease of accounting.

107. The Goldberg children are in doubt as to their rights under Article XV of the bylaws because this provision is not clear on whether the membership of a "family member" who is not accused of wrongdoing may be suspended based on the alleged wrongdoing of a Member of the same family.

Wherefore, plaintiffs Cole Goldberg, Blake Goldberg, and Jason Goldberg on behalf of his daughter, J.G. respectfully request the court to declare their rights on the specific issue of whether they, as the Goldbergs' children who are not accused of violation of Club rules, are automatically suspended as a result of their parents' alleged violation of the rules.

THE GOLDBERGS DEMAND A TRIAL BY JURY

DATED this 6th day of January 2024

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BY: /s/ Thomas M. Bates
Thomas M. Bates
Fla. Bar No 851422
Counsel for Plaintiffs

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EXHIBIT "A"

NOT A CERTIFIED COPY

Broken Sound Club, Inc.

Bylaws

Restated June 7, 2017

Amended through July 7, 2023

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BROKEN SOUND CLUB, INC.

BYLAWS

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**AMENDED AND RESTATED
BYLAWS OF BROKEN SOUND CLUB, INC.**

ARTICLE I - PURPOSE OF CLUB

The nature and purpose of Broken Sound Club, Inc. (hereinafter referred to as the "Club") is to own and operate a private country club for the recreation, pleasure and benefit of its Members and their guests.

ARTICLE II - CLUB EMBLEM

The emblem of the Club shall be of a style and design to be approved by the Board of Governors from time to time.

ARTICLE III - MEMBERS MEETING

1. Annual Meeting

An Annual Meeting of the Members of the Club (hereinafter referred to as the Annual Meeting) shall be held for the purposes of receiving reports of officers and others, to elect Governors, and for such other business as may properly be brought before the meeting.

2. Date and Place of Annual Meeting

Each Annual Meeting shall be held at such time and place in Palm Beach or Broward Counties, Florida, as the Board of Governors may designate.

3. Special Meeting

Special meetings of the Members may be called by the President, a majority of the members of the Board of Governors or by the written request of ten percent (10%) or more of the voting Members of the Club. Such request shall be submitted to the President who shall call a special meeting within thirty (30) days of the date of receipt of such request.

4. Notices

The Secretary shall not give less than ten (10) days nor more than sixty (60) days prior notice by mail, prepaid, to all voting Members of the Club, stating the time, place and purpose of any special meeting. Such notice may also be provided electronically (such as by e-mail) to those Members who consent to electronic notice in writing. Notice of any such meeting shall be posted at the clubhouses on the date of its mailing to the Members.

5. Quorum

The presence, either in person, or by ballot, of members having more than fifty (50%) percent of the votes then entitled to be cast (taking into account the weighted votes as provided in Article X, Section 5(a) of these Bylaws) shall constitute a quorum at any meeting of the members. For purposes of this Section, the members entitled to vote shall be those members who are Members in Good Standing, as defined in these Bylaws and in the General Rules and Regulations.

6. Voting Percentage

Except where otherwise provided herein, the vote required for passage of any motion will be a majority of the votes cast by the Members of the Club at any duly called and constituted Annual or special meeting of the Members of the Club at which a quorum of the voting Members has been established.

ARTICLE IV - BOARD OF GOVERNORS

1. Numbers and Qualifications

The government and administration of the affairs and the property of the Club shall be vested in a Board of Governors. The number of governors may be fifteen (15) or less but shall number at least three (3). The number of Governors on the Board of Governors to be elected at the next upcoming Annual Meeting and Election of Governors shall be determined by the Board of Governors at the meeting described in Section 2(a) below. To qualify and stand for election as a Governor of Broken Sound, all Governors must satisfy the conditions of these Bylaws, as well as meet all additional requirements and criteria as set forth within the "Election Rules" contained in the Club's Corporate Rules and Regulations, as they may each be amended from time to time.

Pursuant to this Paragraph, to qualify, a Governor must: (i) be a voting Member in Good Standing of the Club for at least thirty (30) months prior to the final date for submission of his or her resume application as a candidate; (ii) shall have served on a Club Committee for a minimum of two (2) years anytime within the five (5) years prior to the final date for submission of his or her resume application as a candidate, or, must have previously served on the Board of Governors; and (iii) not have been suspended by the Club, for any reason whatsoever, for an aggregate total of more than thirty (30) days within the five (5) year period prior to the final date for submission of his or her resume application as a candidate.

Notwithstanding the foregoing, a spouse of a voting Member shall also be eligible to serve as a Governor so long as he or she has been a permanent resident with the voting Member for at least thirty (30) months prior to the final date for submission of his or her resume application as a candidate, and has otherwise met all of the additional qualifications set forth in this Section 1 and in the Election Rules of the Club as same may be amended from time to time.

Additional governor candidate information and requirements, as well as criteria for elections and campaigning, are set forth within the "Election Rules" attached as Exhibit I to Broken Sound Club, Inc.'s Corporate Rules & Regulations. All members, candidates, and Governors of the Club are subject to said additional Rules.

Each Governor shall serve for a term of three (3) years; provided, however, if at the time of the election one (1) or more seats on the Board are vacant for any reason other than the expiration of a term, then the member(s) receiving the next highest number of votes shall serve only for the remaining term(s) of the vacant seat(s), as provided in Section 3, Paragraph (d) below. A Governor may not serve more than nine (9) total years on the Board of Governors, except as provided in Paragraph 3(e) of this Article IV. An elected member of the Old Course Committee may not serve on the Board of Governors at the same time. Any member of the Broken Sound Master Association Board of Directors may not serve on the Board of Governors at the same time.

2. Nominating and Election Procedures

- a. At a meeting of the Board of Governors held not more than one hundred and fifty (150), nor less than sixty (60) days before the Annual Meeting, the President shall appoint a Nominating and Election Committee consisting of the entire Board of Governors other than those who may be seeking re-election to the Board of Governors. This Committee shall have the power to govern all nomination and election procedures.
- b. The Committee shall elect one or two of its number, other than the President, to serve as Chairperson and/or Co-Chairperson of the Committee.
- c. At least twenty-one (21) days prior to the Members Annual Meeting, the Nominating Committee shall announce the names of members, or other eligible persons, who satisfy the requirements of Article IV, Section 1 above to run for the Board of Governors.

3. Elections

- a. There shall be no cumulative voting.
- b. Voting shall be cast by electronic ballot. The Board shall make reasonable accommodations for any person who is unable to vote electronically due to a disability, medical condition, or other reason determined by the Board to render a member not capable of casting an electronic vote. The Board may adopt general Club Rules and Regulations regarding electronic voting, including accommodations for members unable to vote electronically.
- c. The number of vacancies on the Board of Governors shall be determined by subtracting from the number of Governors fixed by the Board, the number of Governors who will continue on the Board during the following year.

- d. At the Annual Meeting, candidates, equal to the number of vacancies established in Paragraph (c) above, shall be declared elected in descending order of the number of votes each received. If vacancies are for varying terms, the candidates with the highest number of votes shall be placed in vacancies with the longest terms, in descending order of the number of votes each candidate received.
- e. In between elections, if there are any vacancies on the Board of Governors for varying terms, the President, subject to the approval of two thirds (2/3) of the Members of the Board of Governors, may select a Club Member, or other eligible person, in good standing (who may be a former Board Member), who satisfies the requirements of Article IV, Section 1 above, to fill a position on the Board, until the next Annual Meeting; thereupon, a newly elected Governor shall be elected to serve out the remaining balance of the unexpired term vacated by the previous Governor. In addition to the foregoing, the President, subject to the approval of two thirds (2/3) of the Members of the Board of Governors, may select a Club Member, or other eligible person, in good standing (who may be a former Board member) who satisfies the requirements of Article IV, Section 1 above, to fill a position on the Board for the balance of the unexpired term remaining.

ARTICLE V - MEETINGS OF BOARD OF GOVERNORS

1. Annual Meeting

Each year the Board of Governors shall hold an organizational meeting within ten (10) days after the Annual Meeting of the Membership.

2. Duties at Organizational Meeting

The Board of Governors shall, at the organizational meeting of the Board of Governors, elect officers for the coming year.

3. Quorum

A majority of the Board of Governors shall constitute a quorum at any meeting for the transaction of business.

4. Meetings

The Board of Governors shall have a minimum of six (6) regular meetings in each year, inclusive of the Annual meeting. Governors may participate in meetings of the Board by teleconference or other electronic means.

If the President of the Board of Governors certifies that the Board has used reasonable efforts to secure attendance at the meeting but has been unable to do so and that the action contemplated requires a prompt decision, Governors may vote by teleconference or other electronic means, on the condition that any such votes be ratified and confirmed at the next scheduled Board of Governors meeting.

ARTICLE VI - POWERS OF THE BOARD OF GOVERNORS

1. Management of the Club

The Board of Governors shall exercise all powers of the Club and perform all acts and deeds necessary to carry out the purposes of the Club. Among the purposes of the Club is to organize, acquire, own, equip, maintain and operate the Club for the pleasure and recreation of its Members, and in connection therewith, to maintain the recreational facilities of the Club in a manner in which the Board of Governors deems necessary and advisable. To carry out such purpose, the Club shall be empowered to do and perform all such other acts and things as are allowed by the laws of the State of Florida with respect to corporations not-for-profit, as those laws now exist or as they may be amended from time to time.

2. Duties and Powers

The Board of Governors shall:

- a. Elect the officers of the Club;
- b. Approve the chairperson(s) and membership of Committees pursuant to Article IX;
- c. Have the power to fill vacancies on the Board of Governors due to death, resignation, inability to perform duties, ineligibility, or otherwise, until the next election of Governors by the Members, or for the balance of the unexpired term remaining as provided in Article IV, Section 3(e) hereof;
- d. Appoint and establish the duties and responsibilities of the General Manager;
- e. Adopt, alter, amend or repeal the General Club Rules and Regulations and Operating Rules and Regulations governing Club operations and use of the Club and all its facilities by Members and their guests;
- f. Determine the amount of dues, fees and other charges, including Capital Contributions. Member dues for a given fiscal year will be set by adjusting the prior year's dues amount equally so that the total amount projected to be raised by Member dues is equal to or greater than the amount so required by the budget for that fiscal year;
- g. Have the power to replace any governor who shall fail to attend fifty percent (50%) of the regular Board meetings in any twelve (12) month consecutive period;
- h. Have the power to prepare and amend budgets; to expend funds to the extent of the amount in the Club's treasury or owed to the Club, in an amount to be determined by the Board of Governors from time to time to be necessary to meet the annual operating expenses of the Club and the maintenance, repair or replacement of the Club facilities; to make contracts, borrow money and incur indebtedness; and, to cause promissory notes, bonds, mortgages or other evidences of indebtedness to be executed and issued;
- i. Have the power to exchange rights to use the Club's facilities with members of other country clubs;

- j. Adopt, alter, amend or repeal General Club Rules and Regulations and Operating Rules of the Club regarding memberships, including the creation of new categories or subcategories of memberships, as needed; the provisions for upgrading and downgrading memberships; membership privileges; eligibility for memberships; the purchase price and terms of payment for any membership (which price terms will be in effect for the following fiscal year or until changed by the Board of Governors); and to establish Capital Contributions, which may or may not provide any equity redemption;
- k. Designate the amount, if any, of any capital portion realized from the issue or reissue of such memberships that shall be used only for capital purposes; and
- l. Abide by the Board of Governors Code of Conduct (the "Code"), as provided for in the General Club Rules and Regulations. The Code shall be issued to every Board member currently on the Board of Governors and to all newly elected Board of Governors upon their election to the Board. A Governor may be censured, suspended or removed by the Board for breaching the Code, the policies and provisions of the Manual, or any of the policies or provisions contained in these Bylaws, the Rules and Regulations or the Operating Rules. Any alleged breach shall be referred to the Executive Committee which shall report its findings and make its recommendation to the Board. The Board may, by affirmative vote of at least two thirds (2/3) of the Governors, rounded up to the next higher whole number, entitled to vote in person or by proxy, censure, suspend or remove from office any Governor who has breached the Code, the provisions of the Manual, or any of the policies or provisions contained in these Bylaws, the Rules and Regulations or Operating Rules. The Governor whose membership on the Board is in question shall be given an opportunity to be heard at the meeting but shall have no vote on the question.

3. Terms of Memberships

The Board of Governors shall have authority to set the terms of Memberships, and regulate transfer of Memberships.

4. Compensation

No Governor shall receive a salary or any other compensation whatsoever, but shall be entitled to reimbursement for all expenses reasonably incurred in performing any duties pursuant to these Bylaws.

5. Interpretation of Bylaws.

The Board of Governors shall have the corporate power to do generally everything permitted for not for-profit corporations by law, statute, its Articles of Incorporation and these Bylaws, and to determine the interpretation or construction of the Bylaws, or any parts thereof.

6. Action Without Meetings

Any action which may be taken by the Board of Governors, or any committee thereof, may be taken without a meeting if consent in writing setting forth the action to be taken, signed by all of the Governors, or all of the members of the committee, as the case may be, is filed in the minutes of the proceedings of the Board of Governors or of the committee. Such consent shall have the effect of a unanimous vote.

ARTICLE VII - OFFICERS

The Board of Governors, at its Organizational Meeting, shall elect its President, to serve for the term of one (1) year or otherwise at the pleasure of the Board of Governors and until his/her successor shall be elected. The President elected by the Board of Governors shall select from amongst the Governors, as many as three (3) Vice Presidents, a Treasurer and a Secretary, and such other officers, as the President from time to time determines appropriate all subject to the approval of the Board of Governors. The President shall also designate which Vice President shall first succeed him/her if the President is unable to complete his/her term, subject to the approval of the Board of Governors (“Designated Vice President”). The President shall also designate which Vice President shall succeed the Designated Vice President, if both the President and the Designated Vice President are unable to complete their terms, subject to the approval of the Board of Directors (the “Second Designated Vice President”). All officers shall serve for the term of one (1) year or otherwise at the pleasure of the Board of Governors and until their successors shall be elected. All such elected officers shall be members of the Board of Governors, except as provided in Article VIII, Section 5.¹

ARTICLE VIII - DUTIES OF OFFICERS

1. President

The President shall preside at all meetings of the Members and the Governors and enforce observance of the provisions of these Bylaws and all rules and regulations of the Club. The President may call special meetings of the Board of Governors, shall be an ex-officio member of all committees, and is empowered to execute all papers and documents requiring execution in the name of the Club. The immediate past-president, if not a member of the current Board of Governors, may, if he or she so chooses, serve as an ex-officio member on the Board of Governors for a period of one year and without a vote. The President shall decide all questions of order.

2. Vice Presidents

In the absence or disability of the President, the Designated Vice President shall perform and carry out all duties and responsibilities of the President. In the absence or disability of the Designated Vice President, the Second Designated Vice President shall perform and carry out all duties and responsibilities of the Designated Vice President. If a Third Vice President has been elected, the Third Vice President shall perform and carry out all duties and responsibilities of the Second Designated Vice President, if he or she is absent or disabled, and such other duties or responsibilities as are assigned to it by the Board of Governors

3. Secretary

The Secretary shall keep records and minutes of all Board of Governors and Membership meetings, and the Secretary shall be responsible for giving all required notices of such meetings. The Secretary shall prepare, prior to each meeting, an order of business or agenda for the use of the presiding officer, showing all matters which are to be presented to the Board of Governors at that meeting. In the absence or disability of the President, the Designated Vice President, the Second Designated Vice President, and the Third Vice President, the Secretary shall preside over meetings of the Board of Governors. The Secretary shall have custody of the Seal of the Club and all Membership records shall be kept under the Secretary's supervision.

4. Treasurer

The Treasurer shall be Chairperson or Co-chairperson of the Finance Committee. The Treasurer shall cause to be collected, held and disbursed, under the direction of the Board of Governors, all monies of the Club. It shall be the Treasurer's duty to collect or cause to be collected monies due the Club from the issue of Memberships, dues and charges of Members of the Club, and all amounts due from others. The Treasurer shall keep or cause to be kept regular books of account and all financial records of the Club, and shall prepare or cause to be prepared budgets and financial statements, when and in the form requested by the Board of Governors. The Treasurer shall deposit or cause to be deposited all monies of the Club in an account or accounts in the Club's name, in the bank or banks designated by the Board of Governors, and shall give a surety bond for faithful performance in the amount directed by the Board of Governors, which surety bond premium shall be paid by the Club. Any other person or persons having access to monies of the Club or its bank accounts shall be similarly bonded.

5. Other Officers

The President may appoint a Parliamentarian and other additional officers, including, but not limited to, an Assistant Treasurer and Assistant Secretary who need not be members of the Board of Governors, and assign duties thereto, subject to approval of the Board of Governors.

6. Duties of Officers

Any officer may be given additional assignments and duties by the President or the Board of Governors.

7. Removal from Office

Any officer may be removed from office, with or without cause, by a two-thirds (2/3) vote of the members of the Board of Governors.

ARTICLE IX - COMMITTEES

1. Standing Committees

The Executive Committee, Finance Committee, Membership Committee, Grievance Committee, Audit Committee, House and Social Committee, New Course Golf Committee, Green Committee, Tennis Committee, Fitness Committee, Old Course Committee, Youth Activities Committee Pickleball Committee and Legal and Bylaw Committee shall be standing committees of the Club. In addition to the foregoing, additional standing committees shall be as provided in this Article IX or in the General Club Rules and Regulations. The roles and missions of such Committees shall be as set forth in this Article or in the General Club Rules and Regulations.

- a. Appointments to Committees - Each year, promptly after the election of officers by the Board, the following committee appointments shall be made:
 - i. Chairperson(s) –
 - A) Executive Committee - The President shall serve as Chairperson of the Executive Committee.
 - B) Finance Committee - The Treasurer shall serve as Chairperson of the Finance Committee.
 - C) Audit Committee – The President shall appoint a Member other than a Governor to serve as Chairperson of the Audit Committee.
 - D) Other Standing Committees – For each committee other than the Executive, Finance, Audit and Old Course Committees, the President shall appoint a Member other than a Governor to serve as Chairperson of that committee, or appoint a Governor and a Member other than a Governor to serve as Co-Chairpersons of that committee. The President may also appoint a Governor or a Member other than a Governor to serve as Vice- Chairperson(s) of any of these committees.
 - (E) Approval – All appointments of Chairperson, Co-Chairpersons and Vice-Chairperson(s) made by the President are subject to the approval of the Board of Governors.
 - ii. Liaisons – The President, subject to the approval of the Board of Governors, shall designate a Governor to serve as a nonvoting liaison to each committee other than the Executive Committee; provided that no liaison need be designated for any committee to which a Governor has been appointed Chairperson, Co-Chairperson or Vice-Chairperson.

- iii. Committee Members - Other than with respect to the Executive Committee and Old Course Committee, each year, the Chairperson(s) and/or Co-Chairpersons of each committee shall, in conjunction with the liaison and subject to the approval of the Board of Governors, appoint members to each committee. Governors, if designated, may serve as a member of any Committee other than the Audit and Old Course Committees
- iv. Rules – Rules and procedures for additional appointments may be provided for in the General Club Rules and Regulations.
- v. The Executive Committee shall consist of the President as Chairperson, the Designated Vice President, the Second Designated Vice President, the Secretary, and the Treasurer. Additionally, the President may appoint, two (2) members of the Board of Governors to the Executive Committee, subject to the approval of the Board of Governors. The Executive Committee shall have the powers of the Board of Governors during the interval between Board meetings, except that it shall not have the power to amend or adopt new Bylaws. A quorum shall be four (4) members of the Committee. Actions and resolutions shall require unanimous approval of the members present.
- vi. Each of the following Committees shall formulate programs and recommend changes to the Bylaws, General Club Rules and Regulations and Operating Rules as it relates to their purview and submit them to the Board of Governors for its approval. The officers of the Club shall implement the execution of such programs and recommendations as are approved by the Board. Other than the Executive Committee, committees shall act only as a consultant and advisor to the Board of Governors and officers. Committees shall not appoint liaisons to other Committees without Board approval.

A) Finance Committee

The Finance Committee shall review the monthly financial reports, other related financial documents and the preparation of the annual operating budget and advise the Board of Governors of their observations and recommendations. In addition, they shall provide advice on financial matters as requested by the President or the Board.

B) Grievance Committee

There is hereby established a Grievance Committee. The Board of Governors may develop and implement guidelines for the grievance process which will be contained in the General Club Rules and Regulations and Operating Rules of the Club.

C) Membership Committee

The Membership Committee shall advise the Board of Governors on all issues affecting Membership in the Club, and operate subject to the following: The criteria for Club Membership for a resident in Broken Sound shall be ministerial only as set forth in Article X, Section 6.

D) Old Course Committee

The Old Course Committee shall consist of a minimum of five (5) Old Course Members. In addition to the representative selected by the Board of Governors pursuant to Article IX, Section 1 of these Bylaws, the balance of the members of the Committee shall be elected by the vote of the Old Course Members. At least two of the Committee members shall be elected each year with three members elected every third year. The Old Course Committee shall select its own chairperson(s). The Old Course Committee shall have the right to advise the Board of Governors respecting changes to the Bylaws, General Club Rules and Regulations and Operating Rules of the Club governing greens maintenance, play on the "East Course," and the East Course Club Facilities. In addition, the Committee shall be consulted with regard to dues, playing fees and other charges determined by the Club from time to time with respect to the East Facilities (defined as the Old Course Golf Course and the Old Course Clubhouse).

The Chairperson of the Old Course Committee shall appoint one or more persons, whether members of the Committee or members of the Old Course at large, to the following standing Old Course Subcommittees—Golf Subcommittee, Greens Subcommittee, House Subcommittee and Membership Subcommittee, which Subcommittees will report directly to the Old Course Committee. Such appointments shall be subject to the approval of the Board of Governors.

E) Audit Committee

The Audit Committee shall serve as an independent and objective party to monitor the Club's financial reporting process and internal control system; review and appraise the audit efforts of the Club's independent auditor; provide an open avenue of communication among the independent auditor, financial and senior management, and the Board of Governors.

2. Ad Hoc Committees

The President, subject to the approval of the Board of Governors, may, from time to time, appoint Ad Hoc Committees, with such powers and composition as the President, with such approval of the Board of Governors, shall determine.

3. Powers of Committees

The committees of the Club shall act only by vote of the majority of the Committee members and the individual members thereof shall have no power or authority. The Chairperson of Each Committee may appoint from the members of such Committee such Subcommittees as he or she deems desirable. The Chairperson may further recommend to the President that any Club member whose interests are represented by such committee be appointed to a subcommittee, and the President may, at his or her discretion, submit such appointment to the Board of Governors for approval. Such subcommittees shall report directly to the Committee as a whole, which shall approve, amend or disapprove the report of the Subcommittee, and shall incorporate such report and recommendations into that committee's own reports to the Board.

4. Indemnification

The Club shall indemnify and hold harmless each person who shall serve at any time hereafter as Governor, officer, committee chairperson or committee member appointed by the Board of Governors from and against any and all claims and liabilities to which such person shall become subject by reason of his or her having been, or hereafter being, Governor, officer, committee Chairperson or committee member of the Club, or by reason of any action alleged to have been taken or omitted by him or her as such Governor, officer, committee Chairperson or committee member, and shall reimburse each such person for all legal and other expenses reasonably incurred by him or her in connection with any such claim or liability; provided, however, that no such person shall be indemnified against, or be reimbursed for any expense incurred in connection with any claim or liability arising out of his or her gross negligence or willful misconduct.

ARTICLE X. MEMBERSHIPS

1. In General

The Club may offer categories of voting Membership to owners of residential units in the residential community located in Boca Raton, Florida, known as "Broken Sound", as provided for in this Article X and in the General Club Rules and Regulations. Effective October 1, 2017, there shall be available three (3) Memberships in Broken Sound, as further defined in these Bylaws and in the General Club Rules and Regulations. The three (3) available Memberships shall consist of the Sports Membership at Broken Sound Club, New Course Membership at Broken Sound Club and Old Course Membership at Broken Sound Club.² All terms and conditions of all such Memberships shall be set by the Board of Governors in the General Club Rules and Regulations. However, all Memberships existing prior to October 1, 2017 ("Grandfathered Members"), shall have the terms as set forth in Article X of these Bylaws, where applicable, and as otherwise set forth in the General Club Rules and Regulations as existing on or before October 1, 2017.

- a. All Club Members shall be entitled to use all of the facilities of the Club commonly referred to as the West Facilities, plus certain access to the East Facilities as provided in the General Club Rules and Regulations. A description of the terms and conditions upon which such Memberships are offered and the rights and privileges associated therewith is provided in the General Club Rules and Regulations, as they may be amended from time to time. In addition, the Club may from time to time offer non-residents of Broken Sound the right to use the East Facilities only. Terms and conditions upon which non-residents are offered the rights and privileges associated therewith are provided in Section 3 of this Article and in the General Club Rules and Regulations.
- b. The Club shall offer a non-equity, non-voting Club membership to be called a Village Association Membership, which shall be available to any Village Association in Broken Sound which acquires title to a Broken Sound residential unit as a result of foreclosing a lien for nonpayment of Village Association assessments, or obtaining a deed in lieu of foreclosing such a lien. Additional terms and requirements of such Village Association Memberships shall be as determined by the Board of Governors and provided for in the General Club Rules and Regulations.
- c. **Other Memberships.** The Board of Governors may develop and implement programs to allow categories and types of memberships not specified by these Bylaws, pursuant to rulemaking authority granted by Article VI, Section 2, Paragraph (j).

2. Resident Memberships

- a. **Number of Memberships.** The maximum number of non-Old Course Memberships issued at any one time will not exceed the total number of residential units in Broken Sound, provided that the Board may create categories of Membership that, by Board rule, do not count against this limitation. The total number of Old Course Memberships, with exclusive privileges of using the East Golf Facilities from October 1 through May 15 in each calendar year shall be limited to three hundred fifty (350). A waiting list of those who wish to acquire an Old Course Membership will be established by the Club, subject to rules promulgated by the Board from time to time. The Board of Governors shall have the authority to adopt additional rules and regulations to effectuate the intent of this paragraph.
- b. **Privileges of Membership.** Upon payment of the required Capital Contribution and the appropriate annual dues and charges and by complying with these Bylaws, membership shall offer rights of access to and use of the Club facilities as may be provided pursuant to the General Club Rules and Regulations. For any new Membership created pursuant to Article VI, Section 2, Paragraph (j), the Board shall specify how that new Membership is to be treated for voting purposes, and in no event shall an existing Social, Sports (formerly General or Tennis), Master or Old Course Member be deprived of his or her right to vote due to that Membership category being unavailable to new Members.
 - i. **Use of the Old Course.** The East Facilities may be used pursuant to General Club Rules and Regulations adopted by the Board of Governors.

- ii. **The Old Course Membership.** The Old Course Membership shall be governed by the General Club Rules and Regulations adopted by the Board of Governors.
 - iii. **Entity Owners.** If a residential unit in Broken Sound is owned by a company, trust, partnership or other manner of multiple ownership (“Entity Owner”), the terms of such Membership shall be as determined in the General Club Rules and Regulations adopted by the Board of Governors.
- c. **Eligibility for Memberships.** Except as provided by the General Club Rules and Regulations and these Bylaws, all Memberships are only available to persons who own a residential unit in the Broken Sound community.
- i. Purchasers of residential units in Broken Sound must apply for a Membership after executing a contract to purchase a unit in Broken Sound. A Membership will not be issued prior to closing upon the purchase of a Broken Sound unit. However, once application is properly made (including payment of all required amounts), and until the applicant closes upon the purchase of the Broken Sound unit, the Club may grant the applicant privileges to use the Club Facilities permitted by the Membership for which application was made. The use privileges available and the terms and conditions upon which such privileges shall be available shall be designated by the Club from time to time. Until an applicant closes upon the purchase of his or her Broken Sound unit, the applicant will not be entitled to vote on any matters submitted to the vote of the Members of the Club. In the event the applicant does not close upon the purchase of such unit for any reason, the applicant will be entitled to the return of all amounts paid for the Membership, without interest thereon, less any amounts owed to the Club and a pro-rata portion of the annual dues paid as reasonably determined by the Club from time to time.
 - ii. If a person acquires two or more residential units in Broken Sound, the owner must apply for a Membership for each residential unit. A Member will be responsible for payment of annual dues with respect to each Membership and will not be entitled to any special privileges for multiple ownership of Memberships.
 - iii. A Member is not eligible to continue Membership once the Member no longer owns a residential unit in Broken Sound. Upon the sale of the unit, the Member shall be deemed to have relinquished his or her Membership in the Club as set forth herein and in the General Club Rules and Regulations.

3. Non-Resident Memberships

- a. Non-Resident Old Course Golfer – Equity. The Non-Resident Equity Membership program was terminated on September 30, 2013. All Non-Resident Equity Members who joined prior to the termination date of September 30, 2013, will be grandfathered,
 - i. A Non-Resident Old Course Golfer is entitled to use the East Facilities of the Club including the East golf course and the clubhouse facilities subject to the Rules and Regulations and Operating Rules as may be adopted from time to time. When available, this category may be offered to approved persons who are not residents of Broken Sound and have not been residents at any time during the three (3) years immediately preceding application for such privileges.
 - ii. Whenever the total number of active users of the Old Course, including Old Course Members and any Non-Resident Old Course Golfers, but not including Senior and Associate Old Course Members or those New Old Course Members who have not made a decision to remain Old Course Members, is three hundred forty (340) or fewer, the Board of Governors, acting on the recommendation of the Old Course Committee, may offer Old Course privileges to non-residents. Under no circumstance may the number of active Old Course users exceed three hundred fifty(350), subject to Article X, Section 2.
 - iii. Non-residents of Broken Sound who wish to become Non-Resident Old Course Golfers must file an application and be approved. If approved, the applicant will be required to execute a purchase agreement and pay the purchase price, dues and other charges then in effect. The purchase price may be changed by the Club from time to time. Dues and other charges will be set by the Board of Governors each year.
 - iv. All privileges to use the East Facilities of the Club are subject to compliance with the Rules and Regulations and Operating Rules, as the same are amended from time to time. Golfers who violate the Club's rules and regulations will be subject to suspension or other appropriate disciplinary action.
 - v. Non-resident golfers are not Members and may not vote or serve in any elected position at Broken Sound Club. Notwithstanding the above, such non-resident golfers may vote on specific issues related only to the Old Course where such issues may result in an assessment on such non-resident golfer.
 - vi. Non-Resident Old Course Golfers are permitted to sell or otherwise transfer their privileges only to the Club. The Club will be obligated to repurchase such relinquished privileges only as follows:

- A) Those who are not asked to continue after the probationary period will be paid the full amount of the Refundable Capital Improvement Contribution, paid at purchase less any amounts, including without limitation fees and assessments, owed to the Club
- B) Those who resign during the probationary period (first year) will be paid the full amount of the Refundable Capital Improvement Contribution, in excess of \$5,000 paid at purchase, less any amounts, including without limitation fees and assessments, owed to the Club.
- vii. Those who resign after the probationary period will be paid 80% of the Refundable Capital Improvement Contribution paid less any amounts, including without limitation fees and assessments, owed to the Club but only when the resigning Golfer is replaced either by a new Member or Non-Resident Golfer.

b. Non-Resident Old Course Golfer – Non-Equity

- i. Notwithstanding the foregoing, the Old Course may offer, non-equity, nonresident Old Course Memberships (“Non-Equity, Non-Resident Old Course Memberships”) which will not be counted toward the cap of three hundred fifty (350) total Old Course Members. Non-Equity, Non-Resident Old Course Members shall have only the use of the Old Course facilities and those other facilities as provided in the Rules and Regulations. The Non-Equity Old Course Member Non-refundable Capital Improvement Contribution, dues to be paid and conditions of Non-Equity, Non-Resident Old Course Membership shall be determined by the Board of Governors from time to time after consultation with the Old Course Committee. The maximum number of Non-Equity, Non-Resident Old Course Members shall not exceed twenty (20). No new Non-Equity, Non-Resident Old Course Memberships will be issued by the Club after February 3, 2023.
- ii. A Non-Equity, Non-Resident Old Course Member may request the right, that if they subsequently purchase a residential unit in Broken Sound, they be credited the Non-Equity Old Course Member Non-refundable Capital Improvement Contribution already paid as a Non-Equity, Non-Resident Old Course Member against the membership equity due and payable at the time such Member joins the Club. Such request must be made at the time they are accepted as a Non-Equity, Non-Resident Old Course Member at which time the Non-refundable Capital contribution and fee for this right then in effect is due and payable. The right maybe exercised at any time.
- iii. Non-Equity, Non-Resident Old Course Members who joined the Club prior to November 20, 2014, may request the additional right defined in (ii) above on or before March 31, 2015 with all of the rights and obligations defined therein. Such Member’s Non-refundable Capital Contribution is due and payable on or before June 30, 2015.

- a. If a Non-Equity, Non-Resident Old Course Member does not request the right defined in (ii) above and if they subsequently purchase a residential unit in Broken Sound they must pay the then current purchase price of the Membership they select. Upon the purchase of a residential unit and the payment of the then current purchase price of the membership selected such Member does not have to pay the remaining scheduled unpaid portion of the Non-Equity Old Course Member Non-refundable Capital Improvement Contribution, if any.

4. Capital Contribution for Memberships

Persons desiring to be a Member of the Club will be required to pay the Capital Contribution as determined by the Board of Governors from time to time. The amount of the Capital Contribution shall remain in effect until increased or decreased, from time to time, by the Board of Governors of the Club. The Capital Contribution required for a Membership shall be the Capital Contribution charged when the purchaser makes application for Membership in the Club.

5. Voting

- a. Except as provided in Paragraph (b) below, on all matters to be voted on by Members of the Club, including the election of members of the Board of Governors, and including matters concerning the approval of assessments, other than assessments respecting the East Facilities under Article XVII, Section 2, Members will be entitled to the following votes in one (1) of the following categories:

Membership	Number of Votes for Election of Board of Governors	Number of Votes Concerning Approval of Assessments
Social.....	1	1
Sports*Membership.....	2	2
New Course* Membership.....	3	3
Old Course	5	3

* Includes both Grandfathered Members pursuant to Section 1 of this Article and Members joining after September 30, 2017

- b. On matters concerning the approval of assessments respecting the East Facilities under Article XVII, Section 2, the election of Old Course Committee members under Article IX, Section 1, Paragraph b (xi), and the approval of amendments under Article XVIII, Section 3, Paragraph (a) of these Bylaws, only Old Course Members shall vote, and each such Member shall be entitled to one (1) vote.
- c. A Member will be entitled to vote his or her membership only if the Member is in Good Standing, including having paid any amounts due on the purchase of a membership (other than those amounts due in the future as a result of a Club-approved payment plan) and any annual dues and charges then required.

6. Application for Membership

The criteria for Club Membership for a resident in Broken Sound shall be ministerial only: *i.e.* limited to (1) providing requisite information as may be reasonably required for Club records; (2) filling out a pro forma application; and (3) payment of the necessary sums as may be required by the Club from time to time.

7. Memberships in More than One Name

When a Membership is issued in more than one name, each individual shall be jointly and severally liable for all dues, fees, other charges and liabilities associated with such Membership. No individual shall be discharged or released from liability for prior or subsequent dues, fees, other charges and liabilities except as may be provided herein.

8. Redemption of Memberships

- a. A Member must relinquish Membership upon the sale of the Member's residence in Broken Sound. A Member may not otherwise resign or relinquish Membership.
- b. Refund of Equity, General Principle Members are permitted to sell or otherwise transfer their Membership only to the Club. In the case of a relinquished Membership acquired prior to February 1, 2017, the Club is obligated to refund a portion of that Member's equity. The Club's obligation begins when a buyer of the relinquishing Member's residence becomes a Member and contributes equity or pays a Capital Contribution.
- c. The percentage of equity to be refunded shall not be reduced, and shall be determined as follows:
 - i. The Relinquishing Member who purchased the Membership prior to January 18, 2008 shall receive eighty percent (80%) of the purchase price charged by the Club on January 17, 2008 for the relinquishing Member's Membership.
 - ii. The Relinquishing Member who purchased the Membership on or after January 18, 2008, but before December 1, 2010, shall receive fifty percent (50%) of the purchase price charged by the Club on November 30, 2010, for the relinquishing Member's Membership.

- iii. The Relinquishing Member who purchased the Membership on or after December 1, 2010 shall receive twenty five percent (25%) of the purchase price actually paid by the Relinquishing Member membership in the Club.
- d. Special Rule for Returning Equity to Pre-October 1, 2001 Master Members- In the case of a Master Membership acquired prior to October 1, 2001 that is relinquished by a Member, if the Club transfers that Membership to a purchaser who initially applies for and receives a New Course Membership, the Club will pay to the relinquishing Member the greater of (a) eighty percent (80%) of the purchase price charged by the Club for such Membership on October 1, 2001, plus eighty percent (80%) of the Equity Plus amount paid by the relinquishing Member, (b) the purchase price actually paid by the relinquishing Member for such Membership Club plus eighty percent (80%) of the Equity Plus amount paid by the relinquishing Member or (c) the amount defined in c. i. above. Equity Plus is the amount the Master Member paid for the renovation assessment in 2002.³
- e. Terms of Payment- The Board of Governors shall establish the terms for payment that fulfill the Club's obligation to refund equity. In the absence of any action taken by the Board as permitted in Paragraph f. below, payment shall be made as follows:
 - i. Equity other than Old Course Equity- The Club will make payments to the relinquishing Member commencing on the date its obligation begins over a period not to exceed five (5) years.
 - A) Old Course Equity- During a fiscal year, the Club will make annual payments sufficient to pay the annual installment to those former Old Course members who have commenced being paid plus an amount that is sufficient to make an installment payment to an additional five or more members who have relinquished Old Course membership and have sold residences in Broken Sound. Annually, the Board will determine the number of Members that will be added to the roster of relinquishing Members that will be paid in the ensuing fiscal year and the term of years over which payment will be made.
 - B) The Board may revise the term of years over which payments are made to those Members who have commenced receiving payment.
 - C) Members will be paid in the order that their residence have been sold, i.e., a first sold, first paid basis.
 - D) Any Member who has relinquished an Old Course Membership prior to January 1, 2017, and remains on the list of Members awaiting payment, shall remain on that list in the order set as of that date.

- f. Notwithstanding Paragraph e. of this section, the Board, in its sole discretion after taking into account the overall financial condition of Club and the adequacy of the reserves available to refund equity to relinquished Members, may revise and alter these terms of payments in any manner.
- g. Any amounts, including, without limitation, fees and assessments owed to the Club by a relinquishing Member will be deducted from the amount paid to a relinquishing Member upon the Club's refund of equity. If a Member relinquishes his Membership as may be provided herein during a Membership year and the Club refunds the relinquishing Member's equity, the Member will be reimbursed on a pro rata basis for any annual dues pre-paid for that year or on a pro-rata basis based on the dues paid by the buyer, whichever is less.
- h. A Member may transfer his or her Membership to any residential unit in the Broken Sound community. If a Member elects to take his or her Membership to a unit which is being sold by a Member of the Club, the prior written approval of all parties to the transfer must be delivered to the Club on such forms as designated by the Club from time to time.
- i. A resident Member who is purchasing another home in Broken Sound and is required to purchase a second membership, must pay a partial Capital Contribution when purchasing the second membership at an amount and on the terms provided in the General Club Rules and Regulations. The Member has twelve months (or such additional time as may be granted in accordance with the General Club Rules and Regulations) to sell their first home, and will then receive a 100% return of such partial Capital Contribution paid on the second Membership. If the twelve-month period (or any authorized extension thereof) lapses and the first home has not been sold, the Member will be required to pay the balance of the full Capital Contribution owed on the second membership in accordance with Paragraph (k) below.
- j. Enhanced Equity. Any Club Member who is the beneficiary of enhanced equity (defined as equity that has been increased without additional cash contribution) shall forfeit all rights to such enhanced equity value upon sale of the Membership whenever that Club Member becomes one hundred twenty (120) days delinquent in any dues, assessments, fees or other Club charges owed to the Club.
- k. Any Club Member who purchases a membership on or after February 1, 2017, will be required to pay a one-time, non-refundable Capital Contribution in an amount to be determined by the Board of Governors and as otherwise set forth in the General Club Rules and Regulations. Any such Club Memberships purchased on or after February 1, 2017, will receive no equity in exchange for such Capital Contribution.

9. Transferability of Membership

- a. Memberships are not transferable or assignable except as provided in this Section of this Article.

- b. A Member who purchased his or her residential unit prior to February 1, 2017, and who sells his or her residential unit in Broken Sound will direct the Club to repurchase his or her membership, or in the case of a membership that was purchased on or after February 1, 2017, such Member who sells his or her residential unit in Broken Sound will relinquish his or her membership to the Club (collectively “Relinquishing Member”), if the purchaser of such unit has made an application for membership and has paid to the Club such sums as are required by the Club from a new applicant for membership. The procedure to direct the Club to repurchase and reissue a membership shall be as follows:

The Relinquishing Member must submit a notice in writing stating (a) that such Member is selling such Member’s residential unit in Broken Sound, and (b) that the relinquishment of membership shall become effective following the closing of title; and

- c. The purchaser must make application for membership and pay the requisite amounts.
- d. A Member who transfers his or her Broken Sound unit to another person or entity without receiving consideration for the transfer, such as a gift from the Member to another person; a transfer from an entity to its shareholder, partner or affiliate; or a transfer incident to a bona fide family planning device; must either arrange for the transferee to purchase a new Membership at the time of transfer, pursuant to paragraph (b), or must arrange for the Club to reissue his or her Membership to the transferee person or entity in accordance with the provisions of this Paragraph (c) as follows:
- i. The Membership to be transferred must be current in all dues and charges at time of transfer.
 - ii. The transferee person or entity shall be deemed to be the Member of the Club.
 - iii. The transferring Member and the transferee person or entity shall be jointly and severally responsible for the payment of all dues and charges incurred by the transferred Membership until the Broken Sound unit is again transferred and the Membership is redeemed under the terms of provisions of these bylaws.
 - iv. The privileges of this Paragraph (c) are subject to completion of such forms and the payment of such transfer fees as may be required by the Club from time to time, including without limitation an affidavit of transfer.
 - v. Notwithstanding anything in these bylaws to the contrary, a Social Member may not transfer his or her Social Membership to another person or entity except a spouse, if any, pursuant to Article X, Section 10.

10. Transfer Upon Death or Divorce

- a. Upon the death of a Member, the Membership automatically passes to the surviving spouse, if any, or to the legatee or heir identified pursuant to a will or other bona fide estate or family planning device. If the deceased Member is not survived by a spouse, then the legatee or heir of the residential unit in Broken Sound owned by the deceased Member shall continue in the same category of Membership previously held by the deceased without payment of equity, if

applicable, or without payment of any Capital Contribution after the legatee or heir acquires the right to possession of the residential unit in Broken Sound and upon payment by the applicant of any assessments, dues and other charges due and owing. The estate of the deceased Member shall not be able to transfer the deceased Member's Membership back to the Club unless transferred in accordance with these Bylaws and the estate of the deceased Member shall remain obligated for payment of any assessments, dues or other charges in accordance with these Bylaws.

- b. In the event married persons are legally separated or divorced, title to the Membership, including all of its rights and benefits, shall vest in the spouse awarded the residential unit in Broken Sound, by a final decree of divorce. In the absence of a court decree, the rights and benefits of the Membership shall vest in the registered owner of the Membership, if any, or if no single registered owner of the Membership exists, then the Membership shall remain the joint and several liability of both parties.

ARTICLE XI - LESSEE PRIVILEGES

1. In General

Members shall have the right, subject to these Bylaws and the General Club Rules and Regulations, to designate the lessee of their residential unit in Broken Sound as the beneficial user of their Membership. A lessee's application for use privileges must be submitted to and be approved by the Club prior to the use of the Club facilities by the lessee. The Club shall have the right to conduct background, credit and other verification in determining whether to approve a lessee for designation. A Membership must be acquired for a residential unit in Broken Sound which is leased in order for the lessee of such residential unit to be entitled to use the facilities of the Club. While a lessee is designated as the beneficial user of a Membership, the Member shall not be entitled to use the privileges associated with such Membership, but will retain the right to vote. A lessee shall be entitled to use the Club facilities in accordance with the category of Membership of the Member, subject to the payment of administrative and use fees and charges, and compliance with the General Club Rules and Regulations and Bylaws, as established from time to time by the Club.

2. Dues and Charges

During the period when a lessee is designated as a beneficial user of the Membership, the Member shall be required to pay annual dues according to his or her category of Membership. Members shall be responsible for all charges incurred by their lessee which remain unpaid after the customary billing and collection procedure of the Club and for the deportment of each such lessee. The Board of Governors may set a minimum lease term, and may set the parameters of the use of the privileges herein described, from time to time.

ARTICLE XII - GUEST PRIVILEGES

- a. Guests of Members may be extended day guest and houseguest privileges subject to applicable guest fees, charges and the Operating Rules established from time to time by the Board of Governors. A houseguest is defined as a guest residing in a Member's residence.
- b. Rules respecting the use of the Club facilities by day guests shall be as determined by the Board of Governors from time to time
- c. Residents of Broken Sound who are not Members of the Club can use the Club facilities only for private functions under such terms and conditions to be determined by the Board of Governors from time to time.
- d. Application forms requesting houseguest privileges may be obtained from the Club. Houseguest privileges will be extended to guests of a Member while residing in the Member's residence. Houseguests shall include employees of a Member that reside in the Member's residence, subject to such employee using the Club facilities in the company of the Member or a member of the Member's family. The terms and conditions of houseguest privileges shall be determined by the Board of Governors from time to time.
- e. Members are responsible for the deportment of their guests, whether or not such Members are in residence. Members are responsible for all charges made by their guests.
- f. Guest privileges may be denied, withdrawn or revoked at any time for reasons considered sufficient by the Board of Governors in their sole and absolute discretion.

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ARTICLE XIII - DUES

- a. Annually, the Board of Governors will set the dues and fees to be charged in advance to Members and guests for the ensuing Membership year, which will be the twelve (12) month period commencing October 1 and ending the following September 30. The Board of Governors reserves the right to set the amount of annual dues to be payable by Members at any level it deems appropriate subject to Article VI, Section 2, Paragraph (f) of these Bylaws as amended.
- b. The allocation of dues and fees will be based on Membership Category and Class, as well as on the Fiscal Year in which each Member became a Member of the Club ("Year of Inception"). If any Member upgrades or downgrades to a new membership category, that Member's Year of Inception will be changed and will be based on the date of the upgrade or downgrade. Notwithstanding Article VI, Section 2(f) of these Bylaws, the Board of Governors shall have the authority to make adjustments (either increases or decreases) to the dues, fees or other charges within any Membership Category or Class in order to achieve parity between the Members within such Membership Category or Class.
- c. All dues and fees, other than the Capital Replacement Fund and other capital assessments, will be applied against the Club's operating costs. It shall be the policy of the Club that the annual and all other dues, plus other receipts by the Club, shall be sufficient, insofar as possible to project, to meet the annual operating needs of the Club. The annual and other dues, as they are established from time to time by the Board of Governors, shall, insofar as possible, reflect this stated policy.
- d. Dues, plus any applicable taxes, shall be due annually, in advance, at the beginning of each Membership year payable at intervals set by the Board of Governors. Except as provided in Section 8, Paragraph (f) of Article X, herein, sellers who terminate their membership during the fiscal year are entitled to a refund of pre-paid dues based upon the category of membership purchased by the buyer. New Members, upon admission, shall pay dues pro rata on the basis of the number of months remaining in the Club's Membership year.
- e. For purposes of determining annual dues, fees and assessments, Memberships will be as determined by the Board of Governors and as set forth in the General Club Rules and Regulations.

ARTICLE XIV - DELINQUENCIES

1. Statement

All annual dues and all fees shall be payable at intervals set by the Board of Governors. An itemized statement of any dues and current charges shall be transmitted monthly to each Member and must be paid monthly. Any Member will be delinquent in paying the Member's indebtedness to the Club if payment is not received by the Club by the end of the month following the month in which such statement is dated. Past due amounts owed to the Club by a Member may be charged a late fee and interest at an interest rate of eighteen percent (18%) per annum (or at the maximum amount allowed by law, if such amount is lower), as well as be subject to all other obligations and sanctions set forth in the then most current Billings and Collections policy adopted by the Board of Governors. Members who are delinquent in paying their indebtedness to the Club shall also be subject to such action as is deemed appropriate by the Board of Governors.

2. Liens

The Club shall have a personal property lien against each Member for any unpaid annual dues or other charges made by or on behalf of that Member or that Member's guests or approved beneficial users, which lien shall also accrue reasonable attorneys' fees incurred by the Club incident to the collection of such annual dues or other charges, or the enforcement of such lien, whether or not legal proceedings are initiated. The said lien may, but need not be, recorded against the Member's Membership interest by filing a claim as provided by law, and said lien shall continue in effect until all sums secured by the lien, together with all costs incurred in recording and enforcing said lien shall have been paid. Such claims may be signed by an officer of the Club. Upon full payment, the Member making payment shall be entitled to be reinstated as a Member in good standing of the Club and shall be entitled to a satisfaction of lien to be prepared and recorded at the Member's expense. All such liens shall entitle the Club to all appropriate remedies in any action at law or in equity, as may be deemed appropriate by the Club. The Club may also, at its option, sue to recover a money judgment for unpaid annual dues or other charges, without thereby waiving the lien securing the same. In any suit, action, or proceeding to collect any delinquency, whether presuit or once suit is filed, if the Club is the prevailing party in such suit, action, or proceeding, the Club shall be entitled to its reasonable attorneys' fees, court costs, and all other costs of litigation or other action through all authorized appeals.

ARTICLE XV -

DISCIPLINE

Any Member or any family member or guest of such Member whose conduct shall be deemed by the Grievance Committee to be improper or likely to endanger the welfare, safety, harmony or good reputation of the Club or its Members may be reprimanded, fined, and/or suspended from the Club by action of the Board of Governors. The Board of Governors may, in addition to the discipline provided for above, require a Member to write a letter of apology in a form approved by the Board of Governors. The Board of Governors is particularly sensitive to misconduct involving a Member and Staff. The Board of Governors shall be the sole judge of what constitutes improper conduct or conduct likely to endanger the welfare, safety, harmony or good reputation of the Club or its Members.

1. Board Action.

In the case of a Member-Member or Staff-Member grievance, any such Member shall be notified of such proposed sanction and shall be given an opportunity to be heard by the Board of Governors to show cause why such Member should not be sanctioned in accordance with this Article. If such Member desires to be heard, the Member shall notify the Board of Governors within five (5) days of receipt of the notice of proposed sanction. The Board of Governors shall set a time and date for a hearing not less than five (5) days from the date the Board of Governors gives notice of the hearing to the Member. While such complaint is being considered by the Board of Governors, the Member may continue to enjoy the privileges of the Club to which the Member was entitled prior to such complaint in the discretion of the Board of Governors.

2. Suspension.

In accordance with the Corporate Rules and Regulations, the Board of Governors may suspend a Member and/or any family member or guest of such Member from some or all of the privileges of the Club for a period of up to one (1) year. Suspension of a Member may, at the discretion of the Board of Governors, continue during the period a Member fails to write a required letter of apology in the form approved by the Board of Governors, provided such period does not exceed two (2) years. Dues and other obligations shall accrue during such suspension and shall be paid in full before reinstatement to full privileges.

3. Trespass by Suspended Member

A Member whose privileges to use the Club have been suspended for any disciplinary or other reason (including nonpayment of dues, fees, assessments or other charges) who enters or remains on Club property in violation of the terms of his or her suspension may in the discretion and upon notice by the General Manager have an additional suspension for each violation. In addition, the Board of Governors may treat such violations as committing the offense of Trespass as set forth in Fla. Stat. 810.08 and 810.09, or otherwise as provided under Florida law. Procedures governing this provision may be established by the General Club Rules and Regulations.⁴

ARTICLE XVI - CORPORATE SEAL

The Corporate Seal of the Club shall be circular in form and shall bear the words “Broken Sound Club, Inc.,” and “Seal–1986–Not-For-Profit-Corporation–Florida.” The Corporate Seal shall be in the possession of and affixed by the Secretary to all documents relating to the official acts of the Club, as authorized by the Board of Governors.

ARTICLE XVII - MISCELLANEOUS

1. Fiscal Year.

The Fiscal Year of the Club shall commence on the first (1st) day of October and conclude on the thirtieth (30th) day of September.

2. Assessments.

The Board of Governors shall have the power to make special assessments, in addition to annual dues, to cover operating deficits, if any. There will be no assessments for capital expenditures (exclusive of the capital replacement fund) in excess of \$500,000.00 in a single fiscal year unless a majority of the votes entitled to be cast are cast in favor of the capital assessment. Assessments for capital expenditures to the East Facilities must be approved by a majority of the votes entitled to be cast by the Old Course Members, and shall be borne equally by such Members.

Failure to pay any such assessment shall subject any Member to the same penalties as failure to pay any other indebtedness to the Club.

3. Capital Replacement Fund and Improvements

The Club shall maintain and operate its facilities, furnishings, and equipment (collectively, “Capital Assets”) in a manner and at a standard which the Board of Governors deems necessary and advisable. If a Capital Asset has been in service beyond its useful life, ceases to operate or function in its designed manner, or demonstrates wear and tear prior to the end of its useful life the Board deems unacceptable, the Board may approve expenditures to renovate or replace the Capital Asset (a “Capital Replacement Expenditure”).

Funding for Capital Replacement Expenditures shall be through an annual Capital Assessment, determined by the Board and charged to Members in accordance with Article XIII. Proceeds shall be segregated and deposited into the Capital Replacement Fund (“Fund”) from which Capital Replacement Expenditures shall be disbursed.

a. Procedures for Determining the Capital Assessment and Administering the Fund -

- i. Annually, management shall present for the review and approval of the Board of Governors a detailed list and budget for Capital Replacement Expenditures for the upcoming Fiscal Year to be made from the Fund, which may include an amount for unspecified, unknown requirements based on management’s expertise and the Club’s experience.

- ii. Management shall also present an estimate of anticipated expenditures from the Fund for the following two Fiscal Years.
 - iii. After evaluating these presentations, the Board shall approve a budget for Capital Replacement Expenditures and shall approve the annual Capital Assessment for each Membership category such that for the upcoming Fiscal Year, total anticipated proceeds from Capital Assessments are not less than the anticipated disbursements from the Capital Replacement Fund.
- b. Notwithstanding the foregoing, the Board, in its sole discretion, may:
- i. Include an amount in the Capital Assessment to fund expenditures for Capital Assets that are not Capital Replacement Expenditures provided the amount is less than the threshold specified in Section 2 above. These assessments shall be borne solely by those Members entitled to unlimited use of such Capital Assets.
 - ii. Approve expenditures for Capital Assets that are not Capital Replacement Expenditures in any amount provided that the Board has determined the Club's reserves are adequate to fund the expenditure and that no Member assessment is required.
- c. The Board, pursuant to Article VI, Section 2(h), may borrow to fund the purchase of Capital Replacements and Capital Assets that are not Capital Replacements. The Capital Assessment may include amounts to satisfy required debt service on this borrowing.⁵

4. Conflict Between Bylaws, Articles of Incorporation and Rules.

In the event of a conflict between the terms of these Bylaws, the Articles of Incorporation and the General Club Rules and Regulations, the Articles of Incorporation shall prevail over the Bylaws and General Club Rules and Regulations, and the Bylaws shall prevail over the General Club Rules and Regulations.

5. Dissolution or Liquidation.

In the event of dissolution or final liquidation of the Club, all of the property and assets of the Club, after payment of its debts, shall be distributed, as permitted by a court having jurisdiction, among its voting Members, in proportion to the value of their Membership as last fixed by the Board of Governors in accordance with the terms and conditions of these Bylaws of the Club, with respect to the voting Members.

6. Prevailing Party Attorneys' Fees.

If it becomes necessary to retain an attorney to enforce any provision of these Bylaws, the General Club Rules and Regulations or the Operating Rules and Regulations of the Club, the prevailing party shall be entitled to recover its attorney's fees and costs incurred prior to suit, as well as in litigation, appeal, and any arbitration, bankruptcy or administrative proceedings. Any enforcement action or other legal proceeding concerning such Bylaws, General Club Rules and Regulations or Operating Rules and Regulations of the Club shall be brought in a court of competent jurisdiction in Palm Beach County, Florida.

7. Firearms Restrictions

Firearms and all other weapons of any kind are not permitted at the Club Facilities at any time, except by federal, state, county or city enforcement officers while on duty or by designated Broken Sound security officers. Notwithstanding the foregoing, an employee, member or invitee may store a firearm or weapon in their vehicle to the extent required to be permitted by and in accordance with Florida Statutes, as amended from time to time. "Club Facilities" shall mean the Old Course golf course and practice facilities, the Old Course dining facilities and clubhouse, the Club Course golf course and practice facilities, the main clubhouse, the racquet facilities, the spa and fitness facilities (including the Moonstone), the aquatic facilities (including the Bistro), the children's facilities owned by the Club, and all other property owned by the Club, as they may be modified from time to time.

ARTICLE XVIII - AMENDMENTS

1. By Members.

Subject to Section 3 below, these Bylaws may be altered, amended, or repealed or new Bylaws may be adopted only by: (a) a majority vote of all of the members of the Board of Governors, and (b) a majority of the votes cast by the Members of the Club entitled to vote at any duly called and constituted annual or special meeting of the Members of the Club at which a quorum of the voting Members has been established. A proposed amendment must be set forth in the notice of the meeting.

2. By Board of Governors.

Subject to Section 3 below, the Bylaws may also be altered or amended by the Board of Governors at any regular or special meeting of the Board of Governors, provided that the amendment or alteration shall be set forth in the notice of the meeting at which the matter is to be acted upon and provided that two-thirds (2/3) of all of the members of the Board of Governors approves the amendment or alteration.

3. Restriction on Amendments

- a. No amendment to these Bylaws or the General Club Rules which affects those rights and privileges unique to Old Course Memberships may be adopted without approval by a majority of the votes cast by the Old Course Members of the Club entitled to vote at a special meeting of the Old Course Members at which a quorum of the Old Course Members has been established. A proposed amendment must be set forth in the notice of the special meeting.

- b. No amendment to these Bylaws which affects those rights and privileges found in Article IV, Section 3, Paragraph (d); Article X, Section 5, Paragraphs (a) through (d); and Article XVII, Section 2 may be adopted without approval by a majority of the votes cast by the Members of the Club entitled to vote at any duly called and constituted annual or special meeting of the Members of the Club at which a quorum of the voting Members has been established. A proposed amendment must be set forth in the notice of the meeting.

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History of Revisions

¹ Amended March 4, 2020 to add additional officers

² The Sports Membership was previously referred to as a Tennis Membership for Members joining after September 30, 2017 and a General Membership for those joining before October 1, 2017. The New Course Membership was previously referred to as a Club Course Membership for Members joining after September 30, 2017 and a Master Membership for those joining before October 1, 2017. This change in designation does not affect the rights or obligation of any Membership category. The Sports Membership was changed on May 31, 2018 with implementation to follow.

³ This special rule was transferred from the General Rules and Regulations to the Bylaws on April 24, 2018. It had been part of prior versions of the Bylaws upon its original adoption.

⁴ Adopted May 13, 2019, effective upon issuance of rules and regulations

⁵ Amended on May 13, 2019. Effective upon adoption

⁶ Amended on October 13, 2022, only as to Article IV, Section 1, Numbers and Qualifications

⁷ Amended on February 3, 2023, only as to Article X, Section 3.b.i.

⁸ Amended on May 2, 2023, only as to Article XVII, Section 7

⁹ Amended on July 7, 2023, only as to Article X, Section 8.i.

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EXHIBIT "B"

Broken Sound Club

----- Chit Details -----

Member: [REDACTED] Goldberg, Jason

Server: Lifa

Area: Cirq - Dining

Table#: 112 Covers: 2

Chit #: [REDACTED]

Date: Apr 21/23 Time: 8:26pm

Broken Mule	12.00	- JENNIFER 1 st Drink
Patron Resposado	15.00	- JASON - 1 st Drink

Sub-Total:	27.00
Sales Tax	1.89

Chit Total: \$28.89

Quick Mem Charge \$28.89-

Member Number: [REDACTED]

Signature: Goldberg, Jason

----- End of Chit -----

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EXHIBIT "C"

From: Greg Devino <gdevino [REDACTED]>
Subject: Re: Horrible Zest Experience tonight
Date: April 22, 2023 at 6:45 AM
To: Jason Goldberg poa@att.net

Good Morning Mr. Goldberg,

Thank you for sending the note below. I will work with our Zest manager and research everything from last evening. I'm so sorry you had this experience. We will do all we can to win back your trust.

Greg

Warm Regards,
Greg Devino

From: Jason Goldberg [REDACTED]
Sent: Friday, April 21, 2023 11:06:04 PM
To: Greg Devino <gdevino [REDACTED]>
Subject: Horrible Zest Experience tonight

Hi Greg,

We have been residents of Broken Sound for 17 years and encountered something at Zest that we have never experienced in Broken Sound or anywhere else in our lives.

We need to meet with you personally to discuss asap for our sake and the sake of Broken Sound.

Please research what happened tonight with your Zest staff and kindly set up a time to meet in order to make some sense of what happened.

We are both available most mornings up until noon each day.

Jennifer and Jason Goldberg
[REDACTED]
[REDACTED]

EXHIBIT "D"

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BROKEN SOUND

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Employees (with title) on Duty

- | | |
|-------------------------------------|--------------------------------|
| 1. Elias Bensimon, Zest F&B Manager | 5. Alpar Barta, Zest Bartender |
| 2. Mac McConnell, Zest Bartender | 6. Emilia Craciun, Server |
| 3. Laura Zangor, Server | 7. Daniel Lane, Server |
| 4. Paul Mochanu, Captain | 8. Jorge Borges, Server |

Witnesses

1. Nathan Berkoff, Member
2. Elias Bensimon
3. Mac McConnell



Signature

Date

5/12/2023

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Merryl Magnuson

Subject: FW: Horrible Zest Experience tonight

From: Michael Huminski <[REDACTED]@[REDACTED].org>

Sent: Saturday, April 22, 2023 1:32 PM

To: Greg Devino <gdevino@[REDACTED]>; Lorant Botha <lbotha@[REDACTED]>

Subject: RE: Horrible Zest Experience tonight

Attached are all the statements from staff last night. To summarize,

- He got in Eli's face after we cut him off. Dropping F bombs and causing a scene
- Also got in Laura's face (server) calling her a Bitch
- Berkoff stepped in. He told Eli he was going to email you directly
- He was yelling loudly in the restaurant



Michael Huminski

DIRECTOR OF FOOD & BEVERAGE

561 [REDACTED] mhuminski@[REDACTED]
2401 Willow Springs Drive Boca Raton, Florida - 33496

BROKENSOUNDCLUB.ORG



From: Jason Goldberg <[REDACTED]@[REDACTED].org>

Sent: Friday, April 21, 2023 11:06 PM

To: Greg Devino <gdevino@[REDACTED]>

Subject: Horrible Zest Experience tonight

Hi Greg,

We have been residents of Broken Sound for 17 years and encountered something at Zest that we have never experienced in Broken Sound or anywhere else in our lives.

We need to meet with you personally to discuss asap for our sake and the sake of Broken Sound.

Please research what happened tonight with your Zest staff and kindly set up a time to meet in order to make some sense of what happened.

We are both available most mornings up until noon each day.

Jennifer and Jason Goldberg



BROKEN SOUND CLUB

Incident Report

To be completed by Broken Sound Club Employee immediately and a copy submitted to the Executive Office.

21795

Member Name: <u>GOLDBERG JASON</u>	Date: <u>04/21/2023</u>
Guest Name:	Witness Name: <u>BERKOFF NATHAN 30982</u>
Time and Location of Incident: <u>Rest</u>	<u>+ REST STAFF</u>
Call Placed to 911: Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	G4S Paramedic Alerted: Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Name of Paramedic:	Name of Paramedic:
Copy of Paramedic Report Attached: Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Copy of G4S Report Attached: Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>

Description of Incident:
 MR. & MRS. GOLDBERG CAME FOR DINNER IN REST WITH ANOTHER 2 GUESTS, BUT MEANWHILE THE MEMBERS WERE WAITING FOR THE ARRIVAL OF THEIR GUESTS THEY GOT COMPLIMENTARY DRINKS IN THE LOBBY, AFTER HAVING A COUPLE OF DRINKS IN CIRC. EMILIA WAS THE SERVER OF THE TABLE AND THEY WERE GIVING HER A HARD TIME ALREADY, TELLING HER THAT THIS IS UNACCEPTABLE NOT HAVING THE ITEMS THAT THEY ARE REQUESTING, MAKING A COMMENT THAT WE SHOULD HAVE SOME TO JAPAN AND LEARN THE PROPER WAY OF A JAPANESE RESTAURANT.

Photo Attached: Yes No *

Employee Name: <u>LAURA ZANBOR</u>	Position: <u>SERVER</u>
Employee Signature: <u>[Signature]</u>	Date: <u>04/21/2023</u>
Supervisor Name: <u>ELIAS</u>	Position: <u>MANAGER</u>
Supervisor Signature: <u>[Signature]</u>	Date: <u>04/21/2023</u>

Additional Comments:

*

AFTER A WHILE OF WAITING FOR FOOD, CHEF RONNIE ASKED ME TO TAKE A PLATE TO THEIR TABLE AND WHEN I REACHED THEIR TABLE THEY GREETED ME WITH 'FINALLY' COMMENT AND THEN THE GUEST ASKED ME IF HE COULD GET A DRINK AND I MENTIONED THAT UNFORTUNATELY I AM NOT THEIR SERVER, AND HE INTERRUPTED ME SAYING 'TERRIBLE SERVICE, WHATEVER, CAN WE GET A DRINK?' AND I MENTIONED THAT I WOULD FIND THEIR SERVER AND SEE WHAT I CAN DO.

GOING TO EMILIA, I DISCOVERED FROM HER AND THE BARTENDERS THAT THEY HAD TOO MANY DRINKS AND THEY WERE INTOXICATED, SO IT WOULD BE BETTER IF WE DON'T SERVE THEM MORE ALCOHOL. THAT IS WHEN MRS. GOLDBERG STARTING THROWING A TANTRUM THAT WHO THE F**K WE THINK WE ARE TO DECIDE FOR THEM WHEN TO STOP DRINKING AND THAT THEY HAD ONLY ONE DRINK AND THAT THEY ARE NOT DRUNK, AND THEY ARE MEMBERS AND WE SHOULD GIVE THEM WHAT THEY WANT BECAUSE THEY ARE STILL HAVING DINNER.

I WAS CLEANING THE SIDE STATIONS WHILE I PASSED BY MISTAKE NEXT TO THE TABLE AND MRS. LOOKED AT ME AND SAID 'WHO THE FUCK ARE YOU? ~~WHAT~~ WTF?' I WAS ASHAMED AND WALKED AWAY. ELIAS INTERFERED AND WENT TO THE TABLE AND TRIED TO CALM DOWN THE SITUATION AND MRS. STARTED SHOUTING AND YELLING IN THE WHOLE RESTAURANT, EVEN IF THE OTHER MEMBERS AROUND. AFTER 30 MIN THEY GOT UP AND MAKE A BIGGER SHOW SAYING THAT THEY ARE NOT EATING ANYMORE AND NOT PAYING FOR ANYTHING AND MR. GOLDBERG STARTED RECORDING THE TABLE AND US AND MRS. WENT TO MR. BERKOFF TABLE AND STARTED COMPLAINING MORE AND YELLING IN THE RESTAURANT.

AS I WAS DOING MY SIDE WORK IN THE SIDE STATION, WHICH IS NEXT TO THE BAR - AND CAN BE CHECKED ON THE CAMERAS, MR. GOLDBERG CAME TO ME, IN MY FACE SAYING 'WHY THE FUCK YOU DIDN'T KEEP YOUR MOUTH SHUT AND HAD TO RUIN OUR NIGHT?' THAT'S THE MOMENT WHEN MR. BERKOFF JUMPED IN BETWEEN ME AND HIM AND

STARTED TELLING HIM THAT THIS IS NOT CORRECT AND THIS COULD GET HIM SUSPENDED AND HE SAID: 'THIS IS WHAT I FUCKING WANT'. AND THAT IS THE MOMENT WHEN ELIAS CAME AND TOOK ME FROM BEHIND OF MR. BERKOFF WHO PROTECTED ME.

THERE WERE A LOT OF BAD WORDS AND INSULTS THROWN AT ME AND MY COLLEAGUES, WHICH WERE VERY DISRESPECTFUL AND NOBODY SHOULD GO THROUGH THIS AND ACCEPT THIS.

AFTER MR & MRS. LEFT THEY WENT TO CIRC AND TRIED TO GET MORE DRINKS FROM THEM SAYING 'WE ARE MEMBERS AND YOU GUYS SHOULD DO WHAT WE SAY.' LUCKILY, ELIAS MANAGED TO SPEAK WITH MATT AND NOT ALLOW ANYMORE ALCOHOL TO BE ~~SERVE~~ SERVED TO THEM, AND THEY STARTED TO TALK BAD TO OTHER MEMBERS IN CIRC.

I AM REALLY SHOCKED OF WHAT HAPPENED AND I DO NOT FEEL SAFE TO BE AROUND MR. GOLDBERG, ~~AND~~ NEITHER SERVING HIM OR HIS GUESTS IN THE FUTURE.

d. Langor



Merryl Magnuson

Subject: FW: Mr and Mrs Goldberg incident

Get [Outlook for iOS](#)

From: Elias Bensimon <[ebensimon@b\[REDACTED\]](mailto:ebensimon@b[REDACTED])>
Sent: Thursday, May 11, 2023 12:24:50 AM
To: Michael Huminski <[MHuminski@b\[REDACTED\]](mailto:MHuminski@b[REDACTED])>
Subject: Mr and Mrs Goldberg incident

Incident with Mr. and Mrs. Goldberg: We experienced a significant incident with Mr. and Mrs. Goldberg, who displayed disrespectful and demeaning behavior towards our staff following the consumption of two drinks at our restaurant.

In response, we stopped serving them alcohol, which unfortunately triggered more erratic actions and verbal harassment directed at our staff and myself.

They were extremely furious that we discontinued beverage service for them that they got up and left.

In a particularly alarming moment, Mr. Goldberg appeared as though he was on the verge of physically attacking and assaulting Laura, as he invaded her personal space as he was leaving. Mr. Berkoff, another member at the restaurant dining on his own, promptly got up from his table and intervened, positioning himself between Mr. Goldberg and Laura, effectively protecting her from potential harm.

Following this incident, all staff members who witnessed the events have documented their accounts in a formal incident report as they also felt harassment directed towards them as well.



Elias Bensimon
RESTAURANT MANAGER

561.241.6829 [Ebensimon@b\[REDACTED\]](mailto:Ebensimon@b[REDACTED])
2401 Willow Springs Drive Boca Raton, Florida - 33495

BROKENSOUNDCLUB.ORG





BROKEN SOUND CLUB

Incident Report

To be completed by Broken Sound Club Employee immediately and a copy submitted to the Executive Office.

Member Name: <u>GOLDBERG</u>	Date: <u>04/21/2023</u>
Guest Name:	Witness Name:
Time and Location of Incident: <u>9:40 PM</u>	<u>ZEST</u>
Call Placed to 911: Yes <input type="checkbox"/> No <input type="checkbox"/>	G4S Paramedic Alerted: Yes <input type="checkbox"/> No <input type="checkbox"/>
Name of Paramedic:	Name of Paramedic:
Copy of Paramedic Report Attached: Yes <input type="checkbox"/> No <input type="checkbox"/>	Copy of G4S Report Attached: Yes <input type="checkbox"/> No <input type="checkbox"/>

Description of Incident: MEMBER WAS EXTREMELY RUDE TO EMILIA WHILE SHE WAS SERVING THEM. AT ONE POINT WHEN I PASSED THE TABLE AND SHE WAS DROPPING THE FOOD, THEY CALLED THE MEMBER CALLED HER A SEXY MAMA. HE WAS RUDE TO LAURA ALSO WHEN SHE CLEARED THE TABLE AND SAYING THE SERVICE IS SHIT. AFTER THEY WERE DENIED SERVICE TO ALCOHOLIC BEVERAGES, THE MEMBERS AND GUESTS BEGAN STARTED YELLING AND INSULTED EMILIA AND =>

Photo Attached: Yes No

Employee Name: <u>PAUL NOCANU</u>	Position: <u>CAPTAIN</u>
Employee Signature: <u>[Signature]</u>	Date:
Supervisor Name: <u>Elias Benson</u>	Position: <u>Zest Manager</u>
Supervisor Signature: <u>[Signature]</u>	Date:

Additional Comments:

LAURA. MRS. GOLDBERG OR WHAT SHE IS
SAID AT ONE POINT TO THE TABLE
THAT: " THAT BITCH SERVER REFUSED TO

SERVE US. AND THATS WHY WE GOT CUT"
AT ONE POINT MR. GOLDBERG WENT
TO LAURA (SHE WAS NEXT TO THE COMPUTER
AND WALL AND WENT INTO HER FACE
SAYING THAT ITS HER FAULT OF THIS.
HE WAS IN HER FACE AND ANOTHER
MEMBER HAD TO STEP IN FAST AND
TRY TO CALM HIM DOWN.

MEMBERS AND GUEST CURSED ELIAS.
MEMBER ~~HE~~ SAID TO LAURA WHO THE FUCK
DO YOU THINK YOU ARE. =====

AFTER THEY LEFT REST THEY WENT TO
CIRQ WHERE THEY SAID THAT: "WE ARE
MEMBERS AND THE STAFF NEED TO DO
WHAT WE SAY"

IT IS UNACCEPTABLE THAT A MEMBER
DARES TO CURSE AND ALMOST ASSAULT
A WOMAN. ~~S~~


BROKEN SOUND
 CLUB


Incident Report

To be completed by Broken Sound Club Employee immediately and a copy submitted to the Executive Office.

Member Name: <u>Jason Goldberg</u>	Date: <u>04/21/23</u>
Guest Name:	Witness Name: <u>Nathan Berkoff, Alpar, ELIAS, LAUREN, Emilia, Paul</u>
Time and Location of Incident: <u>Zest 04/21/23 9:15 PM</u>	
Call Placed to 911: Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	G4S Paramedic Alerted: Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Name of Paramedic:	Name of Paramedic:
Copy of Paramedic Report Attached: Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Copy of G4S Report Attached: Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>

Description of Incident: Members were cut-off due to safety and concern of staff. members had drinks at bar before coming to zest for dinner and waiting for guests. I gave complimentary drinks while they waited for the guests and to be sat. The server (Emilia) conveyed she didn't feel comfortable serving more drinks to the table. The bartenders conveyed we will no longer serve them alcohol due to safety concerns. When the manager (Elias) came to the table and let them know we would no longer serve drinks they became very angry, aggressive towards him. The members guests were even very nasty and rude to the staff and manager. The guests had one drink each... (please

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Employee Name: <u>Lawrence "Mac" McConnell</u>	Position: <u>Bartender</u>
Employee Signature: 	Date: <u>04/21/23</u>
Supervisor Name: <u>Elias Bensinger</u>	Position: <u>Zest Manager</u>
Supervisor Signature: 	Date:

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 paper

Additional Comments: _____

Another table wanted to order drinks. I told the server I would go speak with them. The members I spoke with are Gene Verett and Nathan Berkoff. As I was speaking to them I was interrupted by Mrs. Goldberg and their guest. They wanted to know from the bar why we wouldn't serve them. I told them "Due to safety concerns we no longer feel safe serving you anymore alcohol." The guest laughed and they began to get up and walk out. The members complained that they wouldn't want to pay and were embarrassed to come back. The members reported that "The Bitch" chose to stop serving them. They were speaking about their server like that. As the guests left, the member got up to speak to Laura who he thought was their server. He began to get in Laura's face and yell at her for "ruining their evening and dinner, and cutting them off." At this point Mr. Berkoff got up and stepped in between Mr. Goldberg and Laura. Mr. Berkoff told Jason to calm down and let it go. He continued to yell and raise his voice with Mr. Berkoff. As they left they continued to complain and yell at Eli. For context Mr. Goldberg told me that he had drinks at Cirq previously.

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BROKEN SOUND CLUB

Incident Report

To be completed by Broken Sound Club Employee immediately and a copy submitted to the Executive Office.

Member Name: GOLDBERG, JASON (21795)	Date: 04-21-2023
Guest Name:	Witness Name: ZEST STAFF/MANAGEMENT
Time and Location of Incident: ZEST 21:40	MR BERKOFF MAMAN 90932 ALPAR BARTA
Call Placed to 911: Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	G4S Paramedic Alerted: Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Name of Paramedic:	Name of Paramedic:
Copy of Paramedic Report Attached: Yes <input type="checkbox"/> No <input type="checkbox"/>	Copy of G4S Report Attached: Yes <input type="checkbox"/> No <input type="checkbox"/>

Description of Incident: MR GOLDBERG MRS GOLDBERG ENTERED ZEST AND HAD A FEW DRINK AFTER HAVING DRINKS AT CIRC. THEY HAD TO WAIT TO BE SEATED AND WERE OFFERED COMP DRINKS. AFTER THEY WERE SEATED THEY HAD BORDERING INSULTING COMMENTS ("WE SHOULD ALL GO TO JAPAN AND LEARN PROPER WAY HOW TO SERVE THIS FOOD" AND CALLED THE SERVER "A SEXY MAMA") AT 9:40 THEY WERE INFORMED THAT THEY CANT HAVE MORE DRINKS AND EVERYONE STARTED SHOUTING AT THE TABLE DEMANDING DRINKS AT WHICH POINT MRS GOLDBERG TOLD HER GUEST "WE ARE GETTING CUT OFF BECAUSE THAT BITCH WONT SERVE US ANYMORE" INSISTING THEY ONLY HAD ONE DRINK.

Photo Attached: Yes No

Employee Name: ALPAR BARTA	Position: BARTENDER
Employee Signature: <i>[Signature]</i>	Date: 04-21-2023
Supervisor Name: ELIAD BENSIMON	Position: ZEST MANAGER
Supervisor Signature: <i>[Signature]</i>	Date:

Additional Comments:

MR GOLDBERG THEN CONFRONTED LAURA (WHO WAS NOT THEIR SERVER) AND CONFRONTED HER AND WAS STANDING ALMOST TOUCHING HER, AT THIS POINT MR BERKOFF STOOD UP FROM HIS TABLE AND INTERVENED AND PUT HIMSELF IN BETWEEN LAURA AND MR GOLDBERG AND DEESCALATED THE SITUATION. DISRESPECTFUL AND DANGEROUS SITUATION STAFF AND MANAGEMENT FELT INSULTED AND THREATENED



THAT INCLUDING THEIR GUESTS WHO SHOUTED AT ELI, STAFF
AND MEMBERS AROUND THEM, JUST SHOWING THE REASON WHY
THEY WERE NOT SERVED MORE ALCOHOL, MRS GOLDBERL WAS
RUD AND ~~ME~~ INSULTFULL CALLING THE SERVER A BITCH
THE GUESTS WERE AS ~~RUD~~ RUD AS THEY WERE.
MANY OF US DID NOT FEEL SAFE SERVING THEM AND
ME PERSONALLY WOULD NOT FEEL SAFE SERVING THEM.

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BROKEN SOUND CLUB

Incident Report

To be completed by Broken Sound Club Employee immediately and a copy submitted to the Executive Office.

Member Name: GOLDBERG JASON, 21795 Date: 04/21/2023
 Guest Name: _____ Witness Name: BERKOFF, NATHAN: 90982
 Time and Location of Incident: + REST STAFF

Call Placed to 911: Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	G4S Paramedic Alerted: Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Name of Paramedic: _____	Name of Paramedic: _____
Copy of Paramedic Report Attached: Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Copy of G4S Report Attached: Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>



Description of Incident:
 Mr. and Mrs. Goldberg came in around 8:45 pm together with 2 guests. They were waiting outside of the rest for their guest and in that time they had some drinks. They ~~came in~~ ~~but they~~ ~~over~~ They came in already with drinks, I took there food order around 8:50 pm - 8:55 pm. I brought another drink for Mr. Goldberg and waiting for their food to be ready. Alex the bartender, told me they already had a few drinks outside of rest what he was waiting for the guests. I served them one of the sushi dish, called "Sexy Masala". I placed the plate on the table and I held - from the name of the drink. *  

Photo Attached: Yes No

Employee Name: EMILIA CRACIUN Position: SERVER
 Employee Signature: [Signature] Date: 04/21/2023

Supervisor Name: ELIAS Position: MANAGER
 Supervisor Signature: [Signature] Date: 04/21/2023

Additional Comments: _____

* Mr. Goldberg and his guest were like, 'you're a sexy mama' comment that was ~~an~~ unpleasant for me. After this, Laina, my colleague, served them the rest of the food and they were start complaining to her that they want more drinks. She said, very friendly and polite that unfortunately she is ~~not~~ they're server. In the meanwhile I spoke with the bartenders and they said they're not gonna serve them anymore because they got already drinks.

After tell them that unfortunately the bar is closed, Mrs Goldberg said: 'We are getting out off because that ~~the~~ b*tch don't want to serve us anymore'. After this, I said that 'I'm not gonna go to the table anymore, because I wasn't feeling safe.

They were start screaming and complaining to Eban that we cut them off in the middle of the dinner.

After long time complaining, Mr. Goldberg went straight to Laina, who was at the computer, doing charts, in the corner, thinking that she was the one who served them, start telling her: 'Why the f*ck would you ruin our night and dinner?' and 'why you couldn't keep ~~our~~ your f*ck mouth shut?' ... and ~~he~~ he was really close to Laina, moment when Mr. ~~Goldberg~~ Mr. Berkoff intervened between them and try to calm down Mr. Goldberg.

They left after this and went in car.

Everything that I want to say it's that I ~~wasn't~~ ^{didn't} feel safe to serve him anymore, and I act according with this.



BROKEN SOUND CLUB

Incident Report

To be completed by Broken Sound Club Employee immediately and a copy submitted to the Executive Office.

Member Name: <u>SASON GOLDBERG</u>	Date: <u>4/21/23</u>
Guest Name:	Witness Name: <u>DANIEL LANE</u>
Time and Location of Incident: <u>ZEST</u>	<u>9:30 PM</u>
Call Placed to 911: Yes <input type="checkbox"/> No <input type="checkbox"/>	G4S Paramedic Alerted: Yes <input type="checkbox"/> No <input type="checkbox"/>
Name of Paramedic:	Name of Paramedic:
Copy of Paramedic Report Attached: Yes <input type="checkbox"/> No <input type="checkbox"/>	Copy of G4S Report Attached: Yes <input type="checkbox"/> No <input type="checkbox"/>

Description of Incident:
GOLDBERG + GUESTS ACTED VERY INAPPROPRIATE, AGGRESSIVE, & UNMANNERED. GOT AGGRESSIVE WHEN BARTENDERS/MANAGER REFUSED TO SERVE MORE ALCOHOL. MRS USE OF FOUL LANGUAGE WAS OUT OF ORDER & HER TONE WAS UNACCEPTABLE. MR APPROACHED LAURA & INVADED HER PERSONAL SPACE, WAS IN HER FACE IN A VERY AGGRESSIVE MANNER.

Photo Attached: Yes No

Employee Name: <u>DANIEL LANE</u>	Position: <u>SERVER</u>
Employee Signature: <u>[Signature]</u>	Date: <u>4/21/23</u>
Supervisor Name: <u>Elias Bersimor</u>	Position: <u>Bar Zest manager</u>
Supervisor Signature: <u>[Signature]</u>	Date:

Additional Comments:



BROKEN SOUND CLUB

Incident Report

To be completed by Broken Sound Club Employee immediately and a copy submitted to the Executive Office.

Member Name: Goldberg Jason ²¹⁷²⁵ ~~21725~~ Date: 04/21/23
 Guest Name: _____ Witness Name: _____
 Time and Location of Incident: _____

Call Placed to 911: Yes <input type="checkbox"/> No <input type="checkbox"/>	G4S Paramedic Alerted: Yes <input type="checkbox"/> No <input type="checkbox"/>
Name of Paramedic: _____	Name of Paramedic: _____
Copy of Paramedic Report Attached: Yes <input type="checkbox"/> No <input type="checkbox"/>	Copy of G4S Report Attached: Yes <input type="checkbox"/> No <input type="checkbox"/>

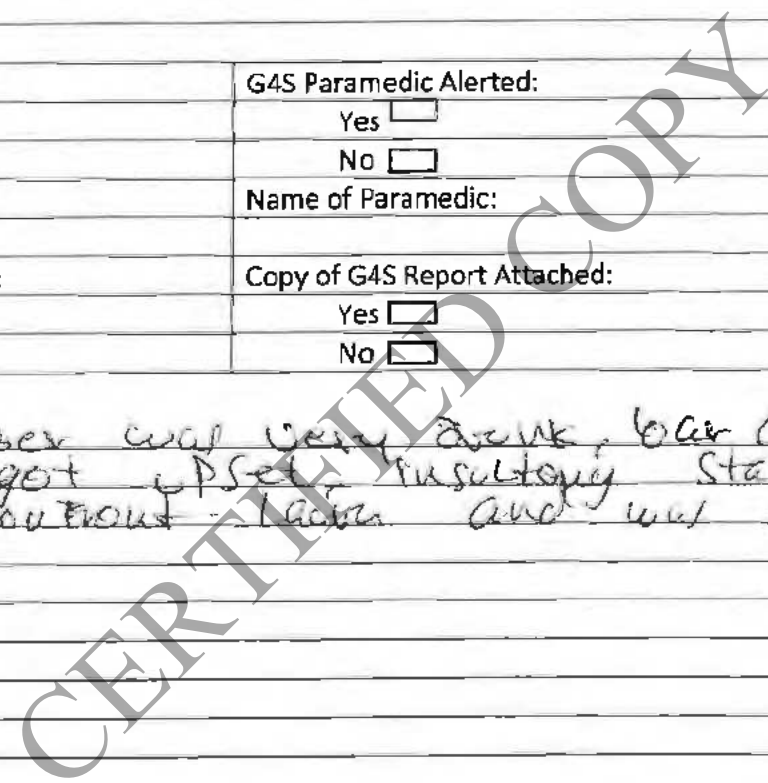
Description of Incident: Member was very drunk, bar cut them OFF and he got upset, insulting staff, went to confront them and was very aggressive

Photo Attached: Yes No

Employee Name: Dodge Bougeff Position: Server
 Employee Signature: [Signature] Date: 04/21/23

Supervisor Name: Elias Benson Position: Rest Manager
 Supervisor Signature: [Signature] Date: _____

Additional Comments: _____



Kord Laughlin

From: Matthew Lennard
Sent: Friday, April 21, 2023 11:13 PM
To: Kord Laughlin
Cc: Elias Bensimon
Subject: Goldberg Situation

Hi Kord,

Tonight regarding the situation with Goldberg, after being cut off from Zest, I was told of the situation from Paul. We then let Hanno know to not serve them at the Cirq bar, where he just let them know it's 10pm and the Cirq bar was closed. They did not make any issues over the matter, but did continue to tell members at Cirq bar their side of the story from Zest.

Hanno and myself had no further interaction with them regarding anything that happened.

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JB
BROKEN SOUND
CLUB

Date: May 16, 2023
To: Grievance Committee
From: Greg Devino, General Manager/Chief Operation Officer
Re: F&B Staff - Goldberg Grievance

Dear Committee,

In Mr. Jason Goldberg's recent communication email dated Thursday, May 11, 2023, a statement was made that implies I agreed with Mr. Goldberg's opinion towards the Zest F&B Staff after an incident that occurred.

Mr. Goldberg stated, *"I discussed the policy on proper protocol on how to handle intoxicated individuals at restaurants, and Greg Devino agreed with me that measures were not handled properly."* I do not recall stating the above to Mr. Goldberg.

Respectfully,

Greg Devino

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EXHIBIT "E"

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BY EMAIL [REDACTED]

June 12, 2023

Mr. and Mrs. Jason & Jennifer Goldberg
[REDACTED]
[REDACTED]

Re: Grievance Determination

Dear Mr. and Mrs. Goldberg,

After hearing the testimony and reviewing the statements of the parties in the above matter, the Grievance Committee found that your actions on April 21, 2023, were improper, intimidating, disrespectful, and endangered the safety and welfare of the staff, as well as the harmony and good reputation of the Club and its members. Furthermore, you did not accept responsibility and your testimony and showed a lack of contrition or remorse. In addition, Broken Sound has zero tolerance for staff abuse. Based on the foregoing, the Grievance Committee concluded a grievance took place and that a sanction was warranted. The Grievance Committee recommended that your family's membership rights be suspended for one (1) year and that you write letters of apology. The vote was unanimous.

At their meeting on June 7, 2023, the members of the Board of Governors were fully briefed, considered the Committee's recommendations and voted that:

- A sanction is warranted.
- Pursuant to Rule Section 15.04(c)(7), the Board has concluded that while you may appeal and until your appeal is granted, effective the date of this letter, your family's membership rights and the use of all Broken Sound Club facilities and amenities, shall be suspended for a period of one (1) year beginning today, June 12, 2023, through June 11, 2024. During this time, you remain responsible for paying your member dues and fees.
- You also are required to submit separate acceptable letters of apology for your conduct addressed to Laura Zangor, Elias Bensimon, Emilia Craciun, the Board of Governors, and the Broken Sound membership. The letters must be sent within five (5) days after the appeal process described below has concluded to the General Manager's office via email to mmagnuson@brokensoundclub.org.

Please be advised that you have five (5) days from the date of this notice or until June 19, 2023 to appeal this decision in accordance with Section 15.04(c)(7), of the Broken Sound Club Rules and Regulations: *"The accused and initiating Members will be notified (by email and/or certified mail, return receipt requested) of such proposed action by the Board of Governors and the start date of any such action. The accused Member will be given an opportunity to be heard by the Board of Governors to show cause why such Member should not be disciplined in accordance with the findings of the Board of Governors. If the accused Member desires*



to be heard, the Member must notify the Board of Governors within five (5) business days of receipt of the email or the date of attempted delivery of the certified mail, whichever occurs sooner. The Board of Governors shall set a time and date for a hearing to be held not less than five (5) days from the date the Board of Governors gives notice of the hearing to the Member. No party shall be allowed to be represented by counsel at the appeal hearing for any purpose. The Board of Governors will communicate its appeal decision to the accused and initiating member in writing (by certified mail, return receipt requested) within five (5) business days.

Your appeal request must be in writing and should be emailed to Ms. Merryl Magnuson in the General Manager's office, at mmagnuson@brokensoundclu.org.

Sincerely,

A handwritten signature in black ink, appearing to read 'Joel Spivak', is written over a light blue horizontal line.

Joel Spivak
Grievance Committee Co-Chair
On behalf of the Board of Governors

cc: Greg Devino
Elias Bensimon

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EXHIBIT "F"



BY EMAIL [REDACTED]

August 15, 2023

Mr. and Mrs. Jason & Jennifer Goldberg

[REDACTED]
[REDACTED]

Re: Grievance Determination

Dear Mr. and Mrs. Goldberg,

Following Mrs. Goldberg's appearance at the Board of Governor's meeting, and Mr. Goldberg submitting his statement on July 5th, 2023, the Board spent considerable time reviewing the grievance filed against you, the Grievance report and recommendations of the committee, and your personal appeals.

After much deliberation, the Board voted to adopt the Grievance Committee's Recommendations and uphold your sanctions. Therefore, your family's membership rights and the use of all Broken Sound Club facilities and amenities, shall be suspended for a period of one (1) year beginning June 12, 2023, through June 11, 2024. During the suspension, you remain responsible for paying your member dues and fees.

Importantly, your letters of apology to for your conduct addressed to Elias Bensimon, Emilia Craciun, Laura Zangor, the Board of Governors, and the Broken Sound membership must be sent within five (5) days to General Manager's Office via email to mmagnuson@brokensoundclub.org. If you fail to write the required letters of apology in a form acceptable to the Board of Governors, your suspension may continue past June 11, 2024, at the discretion of the Board of Governors.

Sincerely,

Burt Reiter

Burt Reiter, President
On behalf of Board of Governors

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EXHIBIT "G"

BROKEN SOUND CLUB, INC.

GENERAL CLUB RULES AND REGULATIONS

**Effective October 1, 2017
(Amended through July 7, 2023)**

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BROKEN SOUND CLUB, INC.
GENERAL CLUB RULES AND REGULATIONS

Effective October 1, 2017
(amended through July 7, 2023)

The following Rules and Regulations, as well as the Operating Rules that are contained in a separate document, supplement the Bylaws and afford the Membership, their families and their guests the opportunity to enjoy the facilities of the Broken Sound Club while understanding how the Club operates and what is expected of its Membership.

It is the responsibility of each Member to know these rules and regulations and for them and other members of their household and guests to conform to these rules.

All rules and regulations contained herein shall be subject to and controlled by the applicable provisions of the Bylaws of the Club.

Each Article of these regulations corresponds to an Article of the Bylaws; the intent is not to repeat the Bylaws, but to interpret and expand on them. Therefore, regulations should be read in conjunction with its corresponding Bylaw. The Club is governed by its Bylaws. In the event of a conflict between the terms of these rules and regulations and the Bylaws, the latter will prevail. All rules and regulations are subject to change as determined by the Board of Governors.

The General Manager has been delegated the responsibility for the enforcement of all rules and regulations.

Violation of any of these rules or conduct in a manner prejudicial to the best interests of the Club will subject the Member to disciplinary action by the Club in accordance with its Bylaws.

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**ARTICLE I
PURPOSE OF CLUB**

No Corporate Rules and Regulations have been issued under this Article.

**ARTICLE II
CLUB EMBLEM**

No Corporate Rules and Regulations have been issued under this Article.

**ARTICLE III
MEMBERS MEETING**

No Corporate Rules and Regulations have been issued under this Article.

**ARTICLE IV
BOARD OF GOVERNORS**

Section 4.01 Elections, Rules of Elections

A. Each year, the Board of Governors shall solicit candidates for the Board for the upcoming year, and at that time, shall distribute to each Member the Rules governing the election, which shall have been approved by the Board prior to distribution. This solicitation shall include such other material that the Board deems appropriate

B. These approved rules are and will be considered part of these Regulations and are attached as **Exhibit I**.

**ARTICLE V
MEETINGS OF BOARD OF GOVERNORS**

No Corporate Rules and Regulations have been issued under this Article.

**ARTICLE VI
POWERS OF THE BOARD OF GOVERNORS**

Section 6.01 Board of Governors Code of Conduct

A. The duties of each member of the Board of Governors includes an obligation to abide by the Board of Governors Code of Conduct.

B. The Code of Conduct is and will be considered part of these Regulations and is attached as **Exhibit II**.

**ARTICLE VII
OFFICERS**

No Corporate Rules and Regulations have been issued under this Article.

**ARTICLE VIII
DUTIES OF OFFICERS**

No Corporate Rules and Regulations have been issued under this Article.

**ARTICLE IX
COMMITTEES**

Section 9.01 Establishment of Committees

A. The Club maintains 14 standing committees and the Bylaws provide procedures for the annual appointment of chairpersons and members of each committee and for the formation of subcommittees and ad hoc committees.

B. Committees other than the Executive Committee shall act only as a consultant and advisor to the Board of Governors and officers

C. Role and Mission of Committees. The Bylaws set forth the role and mission of the Executive, Audit, Finance, Grievance, Membership and Old Course Committees and provide that the role and mission of each committee not set forth in the Bylaws shall be set forth in these regulations. The role and mission of those committees are as follows:

(1) Legal and Bylaws Committee. The Legal and Bylaws Committee shall be charged with the publication and interpretation of the Rules and Regulations, Operating Rules, and Bylaws of the Club and, generally, with all matters of a legal nature pertaining to the Club.

(2) House Committee. The House Committee shall advise the Board of Governors on matters concerning food and beverage operations of all Club facilities, and the usage and needs of the Main clubhouse.

(3) New Course Golf Committee. The New Course Golf Committee shall advise the Board of Governors on matters concerning the New Course with respect to the operation of the Golf Pro Shop and golf carts, the promulgation of playing rules for Members and their guests, the programming of golfing events for Members and their guests, and the maintenance of Members' handicaps consistent with the Rules and Regulations and Operating Rules of the Club. United States Golf Association rules and regulations will govern all golf play except where superseded by local rules.

(4) Green Committee. The Green Committee shall advise the Board of Governors on matters concerning the maintenance of the Club golf course, and the roads, facilities and equipment used in connection therewith and make recommendations for changes to the Rules and Regulations and Operating Rules of the Club. No live trees will

be removed nor will any alteration be made to the Club golf course except with the approval of the Board of Governors.

(5) Tennis Committee. The Tennis Committee shall advise the Board of Governors on matters concerning the operation of the Tennis Pro Shop, the promulgation of playing rules for Members and their guests and the programming of tennis events for Members and their guests. The Committee shall advise the Board of Governors on the condition of, and make recommendations concerning, tennis courts and related equipment and facilities.

(6) Social Committee. The Social Committee shall advise the Board of Governors on matters concerning the social activities and entertainment of Members, and their guests. It shall coordinate all activities having to do with the clubhouse or food and beverage service with the House Committee.

(7) Fitness Committee. The Fitness Committee shall advise the Board of Governors on all issues relating to the operation of the fitness center, spa and pool/aquatic center, including advice regarding the promulgation of rules for Members and their guests, and make recommendations for changes to the Rules and Regulations and Operating Rules of the Club and with respect to equipment and facilities

(8) Youth Activities Committee. The Youth Activities Committee shall advise the Board of Governors on matters concerning the social, athletic and entertainment activities of young children, grandchildren and young guests (up to eighteen (18) years of age) of Club Members. The Committee will also implement and oversee age-specific activities and programs.

(9) Golf Associations:

(a) The Club shall cause to be established five Golf Associations:

The Old Course Women's Golf Association, the Old Course Men's Golf Association, the Nine-Hole New Course Women's Golf Association, the Eighteen-Hole New Course Women's Golf Association, and the New Course Men's Golf Association (the "**Golf Associations**"). Membership in the Golf Associations will be voluntary for any Member of the Club. Requests to participate in and become members of a Golf Association will be made to Club management. The purpose of the Golf Associations will be to assist in the organization and coordination of social golf tournaments and related and attendant social events, separate and apart from those events planned by the New Course Golf Committee or the Old Course Golf Subcommittee. Members of the Golf Associations shall be charged annual dues, to be set by the Board of Governors upon the recommendation of the Steering Committee for each Golf Association (as described below), to be collected by the Club. Such dues will be used to operate the tournaments and events related to each Golf Association. Failure to pay the voluntary dues related to any Golf Association for more than sixty (60) days after such dues are invoiced will result in the removal of that Club Member from the relevant Golf Association, and

shall prevent such Club Member from participating in events related to the Golf Association, until such dues have been paid.

(b) Each Golf Association shall choose annually, by vote of the Golf Association members present at a meeting of the members of the Association (regardless of how many members are present to participate in such vote), a slate of five (5) recommended candidates for that Association's Steering Committee, with one of those candidates further chosen to serve as the Chairperson of the Steering Committee. The results of each annual selection will be presented to the President, except that The Old Course Women's Golf Association and the Old Course Men's Golf Association will first present their annual selection to the chairperson of the Old Course Committee who, after approval, will present such selection to the President who shall consider such results in the designation of members and chairpersons of the Steering Committees of each Golf Association, subject to approval of the Board of Governors, except that no Steering Committee Member will serve on more than one Steering Committee at any given time. The five Steering Committees will be standing committees of the Club. All decisions related to the Golf Associations are, like all committee issues, subject to approval by the Board.

(c) All complaints by Association members will be brought first to the relevant Steering Committee, to be heard and resolved by such committee. If the complainant is not satisfied with the decision of the Steering Committee, such complaint may be brought to the attention of the chairperson of the New Course Golf Committee or the Old Course Golf Subcommittee, as appropriate, to be heard and resolved by such committee. If the matter involves an Old Course Golf Association, and if the complainant is not satisfied with the decision of the Old Course Golf Subcommittee, such complaint may be brought to the attention of the chairperson of the Old Course Committee, to be heard and resolved by such committee. If, after referral to the above committees, the complainant is still not satisfied with the decision of such committees, such complaint may be brought to the President who may, at his or her discretion, refer the matter to the Board of Governors. If the President declines to refer the dispute to the Board of Governors, the decision of the New Course Golf Committee, the Old Course Golf Subcommittee, or the Old Course Committee, as applicable, will be final as to all Association matters.

(d) The Steering Committees shall be responsible for recommending tournaments and social events, which tournaments and events are to be coordinated, organized and operated by the Club staff, with the assistance and oversight of the Steering Committees. The Steering Committees shall also promulgate and recommend rules for such tournaments, events and the operation of the Association itself, subject to approval of the Board. No Member of the Club shall be prohibited from becoming a member of one of the voluntary Golf Associations (as relevant to that Member's level of Membership), except that the Golf Associations may create minimum and maximum handicap requirements for participation in tournaments.

A Club Member with the right to play golf on both courses will have the right to participate in both Associations.

D. The Board shall establish committee guidelines including, but not limited to, eligibility, permitted terms of membership, criteria for membership, and operating rules. A copy of the current guidelines for each year will be attached as **Exhibit III** to these regulations.

ARTICLE X MEMBERSHIP

Section 10.01 Purpose

These regulations expand on the provisions of the Bylaws dealing with Membership categories, each Member's rights to use Club facilities, rights and procedures to upgrade and downgrade Member categories and other rules. Effective Date - Unless otherwise stated, the regulations under this Article are effective on October 1, 2017.

Section 10.02 Resident Membership Categories - Joining on and after October 1, 2017

A. Upon the purchase of a residence in Broken Sound, that resident must become a Member of Broken Sound Club by completing all the requisite steps including making application and paying the amount of capital contribution as then established by the Board. The criteria for Membership are ministerial. That Member must then select one of the following Membership categories, which are named in the Bylaws and are the only categories available:

- (1) Sports Membership (Formerly referred to as "Tennis Member" for Members joining after September 30, 2017.)
- (2) New Course Membership (Formerly referred to as a "Club Course Member")
- (3) Old Course Membership

B. Dues and all other costs within each category shall be equal, except that single members shall pay the service fee and, if applicable, the golf cart fee that is paid by pre 10/1/2017 single members.

C. Members choosing a golf Membership will be subject to the two year downgrade limitation described in Reg. §10.05(C)(4).

D. The rights of use and privileges of Membership are defined in Reg. §10.04.

Section 10.03 Resident Membership Categories for those who are Members on September 30, 2017 ("Grandfathered Members")

A. A Broken Sound resident who became a Member prior to October 1, 2017 will retain his or her Membership category as in effect on September 30, 2017.

(1) A Member who exercises the right to upgrade or downgrade will not retain the current category of Membership and shall join one of the three Membership categories described in Reg. §10.02.

(2) This change in status would result, for example, in surrendering single status

(3) Associate members who upgrade or downgrade will retain the current reduction in dues described in subsection E., but dues will be based on the categories described in Reg. §10.02. The Associate Member's timetable for converting to regular Membership continues unchanged.

B. The Bylaws provide that Members described in this section will be "grandfathered," meaning that these categories of membership will have the terms as set forth in Article X of these Bylaws, where applicable, and as otherwise set forth in the General Club Rules and Regulations in effect on September 30, 2017.

C. The term "grandfathered" membership means:

(1) Members will retain their category of Membership, and the rights afforded that category will be no less than the rights granted to those Members on September 30, 2017.

(a) The differentiation between Single and Family memberships continues without change. In the event of the death of a spouse or divorce, the Member becomes a single Member described in this Reg. §10.03.

(b) Voting rights are unchanged.

(c) Associate Members retain the same status and dues payment schedule and will surrender Associate status based on the timetable established on the date of joining. New Old Course members similarly retain their dues payment schedule.

(2) Notwithstanding that prior regulations apply, these regulations will apply when they confer greater rights or privileges to existing Members described in this subsection. For example, to the extent that the privileges and rights of use available under Reg. §10.04 have been expanded, that subsection of these regulations apply. But, see the exception in Reg. §10.04 (F).

(3) The Board shall determine the manner in which grandfathering rules apply to each category of Membership and may revise such rules at its discretion.

D. Categories of resident Memberships prior to October 1, 2017 (The rights of use and privileges of Membership for these categories are defined in Reg. §10.04.)

- (1) Social
- (2) Sports (including Associate Sports Memberships as defined below. This category for Members described in this Section was previously called “General”).
- (3) New Course (including Associate New Course Memberships and Senior New Course Memberships as defined below. This category for Members described in this Section was previously called “Master”).
- (4) Old Course (including Associate Old Course Memberships and Senior Old Course Memberships as defined below).

Note - Sport Members were formerly designated as General Members for those joining prior to October 1, 2017 and Tennis Members for those joining after September 30, 2017; New Course Members were formerly designated as Master Members for those joining prior to October 1, 2017 and Club Course Members for those joining after September 30, 2017. Because Members joining prior to October 1, 2017 have certain rights, e.g., grandfathering, the joining date of the Member must be considered in interpreting these rules.¹

E. Associate Memberships

(1) The Club has offered Associate Memberships to those Members age 59 or younger as of the January 1 of the fiscal year when Membership begins. Associate memberships cease to be offered as of October 1, 2017.

(2) The rights and obligations of Associate Members with regard to dues and required capital contributions remain in effect. These provisions are summarized as follows:

(a) Associate memberships are subcategories of one of the three primary categories of memberships listed in subparagraphs D (2) through (4) above.

(b) Associate Members will continue to pay dues that are less than the dues required by the primary categories by the following amounts:

(i) Associate Sports Member dues are less than Sports Member dues by \$1,000

(ii) Associate New Course Member dues are less than dues of a New Course Member with the same year of inception by \$2,000

(iii) Associate Old Course Member dues are less than dues of an Old Course Member with the same year of inception by \$3,000 except that

certain Associate Old Course Members, depending on their year of inception, are eligible for larger discounts that decrease over time until the \$3,000 threshold is reached.

(3) During the fiscal Year an Associate Member attains the age of sixty (60) years or seven (7) years after becoming an Associate Member, whichever occurs first, such Member shall pay the dues of a regular Member in that category with the same year of inception and shall pay the difference between his or her actual capital contribution and the capital contribution paid by a regular Member on the date the Associate Member joined the Club (the "Equity Difference").

(a) If an Associate Member relinquishes Membership before reaching the earlier of age sixty or seven years as an Associate Members, that Member must pay the Equity Difference.

(b) Upon relinquishment of Membership, 25% of the total capital contribution paid in will be returned to the Member based on the Club's terms of repayment then in effect.

(4) Associate Members have rights identical to regular Members in their same categories.

F. Senior Memberships will not be available to any Member after October 1, 2017.

Section 10.04 Privileges of Membership / Rights of Use

A. The privilege of using the facilities and enjoying the amenities of the Club are available to Members who have paid the required capital contribution and the appropriate annual dues and charges and who have complied with the Bylaws, these regulations and the Operating Rules.

B. Privileges granted to all Members

(1) All Members are entitled to the unlimited use of the following "West" facilities:

(a) Dining and bar

(b) Aquatic and associated locker rooms

(c) Fitness and Spa

(d) Card rooms, subject to operating rules for the ladies' and men's card rooms

(e) Main Clubhouse

(2) All members are entitled to dine at the Old Course dining venue during regularly scheduled service except:

(a) During dining and social events that have been regularly and traditionally held exclusively for Old Course Members;

(b) During “in season” events that encompass dining and organized golf activities.

C. Privileges based on category of Membership

(1) Social Members. In addition to privileges granted to all Members, Social Members, but not their guests, will also be entitled to play the New Course six (6) times from September 1 through May 31 and an unlimited number of times from June 1 through August 31, and may play tennis six (6) times during a single fiscal year, upon payment of greens, golf cart and court fees. Social Members may play the Old Course only as the guest of an Old Course Member.

(2) Sports Members. In addition to privileges granted to all Members, Sports Members will have priority sign-up privileges to reserve court playing times and shall not be required to pay court fees. In addition, Sports Members, but not their guests, may play the New Course six (6) times from September 1 through May 31 and an unlimited number of times from June 1 through August 31 upon payment of greens and golf cart fees. Sports Members may play the Old Course only as the guest of an Old Course Member.

(3) New Course Members. In addition to privileges granted to all Members, New Course Members have privileges identical to Sports Members for playing tennis with equal priority for sign up and play and will have priority sign-up privileges to reserve golf starting times and play golf at the New Course without further fees other than golf cart fees as established by the Board. From June 1 to October 15, New Course Members may play golf at the Old Course without further fees other than golf cart fees.

(4) Old Course Members. Old Course Members may use all facilities of the Club without further fees other than established golf cart fees, will have privileges identical to Sports Members for playing tennis with equal priority for sign up and play and will have privileges identical to New Course Members for playing the New Course with equal priority for sign up and play.

D. There will be no differentiation of privileges with respect to Associate Members or Senior Members except that Senior Members’ access to golf is subject to limitations.

(1) Senior Members may not play golf before 11:00 A.M. during the months of November thru April except at the discretion of the Head Golf Professional and shall make golf tee times no earlier than four days before such Member desires to play golf.

(2) All other golf rules related to Senior Members (*e.g.*, tournament play, Member/guest participation) shall be established by the Golf Committee and approved by the Board of Governors.

E. **Playing Priorities.** In the case of a Social Member wishing to play tennis or golf, a Sports Member wishing to play golf at the New Course, or a New Course Member wishing to play golf at the Old Course, the Head Professionals shall establish starting time and/or sign up rules to ensure that priority is given to regular Members of that category. These rules are subject to the review and approval of the Tennis Committee or appropriate Golf Committee.

F. **Modification of Privileges.** In order to provide the utmost playing pleasure for all Members, the Board reserves the right, from time to time, to modify playing privileges for each category of Membership or to establish rules governing access and starting times with respect to the golf course, the tennis courts and the other recreational facilities of the Club.

Section 10.05 Uniform Club Policy for Downgrades and Upgrades

A. **Downgrades**

An Old Course member may request to downgrade to the New Course/Sports category at any time by submitting a Downgrade Request form to the Membership Department. The Membership Department will confirm receipt of that request, that the member has met the Club's downgrade requirements (two (2) complete fiscal years at the Old Course), that the request has been officially accepted and that the member has been added to the Old Course Downgrade List. Downgrades will be processed as follows:

(1) Old Course members who request a downgrade on or before March 31st and who have not been downgraded, will be guaranteed to be downgraded on or before October 1st of the new fiscal year.

(2) Members who request a downgrade on April 1st or later may be downgraded at any time by the General Manager but are only guaranteed to be downgraded no later than October 1st of the following fiscal year which could be up to 18 months.

(3) Decisions to downgrade any member on the official waitlist after March 31st will be made by the General Manager in conjunction with the Membership Department based on:

(a) Home sale activity.

(b) Whether the Old Course membership is at or close to CAP.

(c) The number of Old Course members on the Old Course Downgrade List.

(d) The number of members on the Club's Old Course Upgrade Lists (Current Wait List and New Wait List).

(e) Priority for downgrades under this provision shall be based on the order which written requests have been received by the Membership Department.

(4) The New Course to Sports downgrade policy will remain the same.

B. Upgrades

(1) Upgrades to The Old Course from the Current Wait List

(a) The current Old Course Upgrade List will be renamed the Current Wait List.

(b) Members on the renamed Current Wait List will be contacted by the Membership Department in writing to upgrade their membership. Their decision is due within three (3) business days in writing to the Membership. If the upgrade is declined, the slot will be forfeited, and no future upgrade opportunity will be available for the Current Wait List member.

(c) Members will be transferred to an Old Course membership in sequential order.

(d) There are no additional costs to be upgraded, however, Old Course dues and assessments will apply.

(e) Members who are upgraded will become Old Course members effective the 1st day of the month following 30 days written notice from the Club.

(2) New Wait List (Effective November 12, 2020)

(a) A member who is not on the Current Wait List and wishes to be upgraded to the Old Course on or after November 12, 2020 will be added to the New Wait List upon submittal of a written request to the Membership Department which will confirm receipt of that request.

(b) Names will be retained and continue to be transferred to an Old Course membership in sequential order upon contact from the Membership Department. The names on this list are sequentially preceded by the names on the Current Wait List.

(c) Members who are on the New Wait List will be charged an additional nonrefundable Capital Contribution fee to upgrade their membership to the Old Course payable as follows.

(i) If a member paid a Capital Contribution of \$70,000 or less, the additional Capital Contribution due will be the difference between the Old Course Capital Contribution in effect at the time the upgrade is accepted by the member and \$70,000.

(ii) If a member paid a Capital Contribution of more than \$70,000, the additional Capital Contribution due will be the difference between the Old Course Capital Contribution in effect at the time the upgrade is accepted by the member and the Capital Contribution previously paid by the member.

- (iii) The additional Capital Contribution is payable as follows:
- a. A \$1,000 non-refundable deposit will be charged to the member's account upon receipt of a written upgrade request by the Membership Department.
 - b. The balance will be charged to the member's account when the upgrade becomes effective.

(d) Once the member is contacted to upgrade their membership, the decision must be made in writing to the Membership Department within three (3) business days. If the upgrade is declined, the slot for that position is forfeited and the member, if they choose to remain on the List, must go to the last position on the New Wait List.

(e) Members who are upgraded from the New Wait List and who have paid their required fees will become Old Course members effective the 1st day of the month following 30 days written notice from the Club. Old Course dues and assessments will apply.

(3) Wait List for New Course Golf Memberships (the "New Course Wait List")

(a) A member who wishes to be upgraded to a New Course Golf Membership will be added to the New Course Wait List upon submittal of a written request to the Membership Department which will confirm receipt of that request.

(b) Names will be retained and continue to be transferred to New Course Golf Membership in sequential order upon contact from the Membership Department.

(c) Members who were placed on the New Course Wait List prior to December 9, 2022, will not be charged any additional Capital Contribution to upgrade their membership to a New Course Golf Membership.

(d) Members who are placed on the New Course Wait List after December 9, 2022, will be charged an additional nonrefundable Capital Contribution fee to upgrade their membership to a New Course Golf Membership payable as follows.

(i) If a member paid a Capital Contribution of \$70,000 or less, the additional Capital Contribution due will be the difference between the New Course Golf Membership Capital Contribution in effect at the time the upgrade is accepted by the member and \$70,000.

(ii) If a member paid a Capital Contribution of more than \$70,000, the additional Capital Contribution due will be the difference between the New Course Golf Membership Capital Contribution in effect

at the time the upgrade is accepted by the member and the Capital Contribution previously paid by the member.

- (iii) The additional Capital Contribution is payable as follows:
 - a. A \$1,000 non-refundable deposit will be charged to the member's account upon receipt of a written upgrade request by the Membership Department.
 - b. The balance will be charged to the member's account when the upgrade becomes effective.

(e) Once the member is contacted to upgrade their membership, the decision must be made in writing to the Membership Department within three (3) business days. If the upgrade is declined, the slot for that position is forfeited and the member, if they choose to remain on the New Course Wait List, must go to the last position on the list.

C. Members who are upgraded from the New Course Wait List and who have paid their required fees will become New Course Golf Members effective the first day of the month following thirty (30) days written notice from the Club. New Course Golf Membership dues and assessments will apply.

Section 10.06 Other Classes/Special Types of Membership

The Bylaws provide for or authorize the Board to provide for categories of Membership in addition to those described in Sections 10.02 and 10.03.

A. Adult Offspring Membership- The adult offspring of a Member and, if applicable, the spouse may apply to be an Adult Offspring Member. The qualifications are:

(1) The offspring must be age twenty-six (26) or over at the beginning of the fiscal year of Membership.

(2) The offspring must permanently reside in the same residence in which the Member parent also resides. An adult offspring who does not permanently reside in that residence or permanently resides there, but does not secure an Adult Offspring Membership may not use Club facilities except as a guest of a Member.

(3) Adult Offspring are required to renew their membership privileges and status annually with the membership department.

(4) Dues, Fees and Assessments

(a) Each Adult Offspring Member shall pay annual dues of \$2,500 plus the monthly service fee incurred by all Members on a single or family basis, plus applicable sales taxes. These amounts may be revised by the Board.

(b) Adult Offspring Members shall not pay assessments or equity.

(5) Privileges of Adult Offspring Members

(a) Adult Offspring Members may use all facilities of the Club except for either golf course. They may play golf as the guest of a full Member who has the right to use these venues.

(b) Adult Offspring Members have no voting rights.

(c) The Membership Office shall issue Membership Cards to each Adult Offspring Member and may provide a unique Membership number.

(d) Those holding an Adult Offspring Membership on April 9, 2018 shall continue to have the privileges available on that date.³

(e) Children of the Adult Offspring who also reside in the member's home are granted to same privileges as their parent.

B. Parent Membership. The parent of a Member and, if applicable, the spouse may apply to be a Parent Member. The parent must permanently reside in the same residence in which the Member child also resides. A parent who does not permanently reside in that residence or permanently resides there, but does not secure a Parent Membership may not use Club facilities except as a guest of a Member.

(1) Parent Members are required to renew their membership privileges and status annually with the membership department.

(2) Dues, Fees and Assessments

(a) Each Parent Member shall pay annual dues of \$2,500 plus the monthly service fee incurred by all Members on a single or family basis, plus applicable sales taxes. These amounts may be revised by the Board.

(b) Parent Members shall not pay assessments or equity.

(3) Privileges of Parent Members

(a) Parent Members may use all facilities of the Club except for either golf course. They may golf as the guest of a full Member who has the right to use these venues.

(b) Parent Members have no voting rights.

(c) The Membership Office shall issue Membership Cards to each Parent Member and may provide a unique Membership number.

(d) Those holding a Parent Membership on April 9, 2018 shall continue to have the privileges available on that date. Those Members with "Parent over 70

Memberships” in effect prior to March 23, 2012 at the fee of \$500.00 per parent per year permitting Social privileges only may continue to be renewed for the same fee and privileges.⁴

C. Village Association Membership. Notwithstanding any other provision of these Rules to the contrary, there will be no Membership privileges afforded a Village Association Member other than to appoint a representative to attend general meetings of Club Membership. Upon receipt of title to a Lot, each Village Association shall apply for a Village Association Membership as follows:

- (1) Submit an application, on a form to be provided by the Club, and an executed Village Association Membership Agreement, also on a form to be provided by the Club.
- (2) The Agreement shall
 - (a) Be recorded in the official Records of Palm Beach County, Florida, under which:
 - (b) Provide that the Village Association shall not be required to pay any dues or fees, until such time as the residential unit, for which the Village Association Membership is required, is rented.
 - (c) Provide that at the time the Village Association leases the residential unit, it shall be required to apply for and pay all dues and fees for at least a Sports Membership with the Club for the term of the lease.
- (3) Upon approval of the application and the Agreement, the Club shall notify CMA, to allow CMA to issue a Certificate of Compliance for that residential unit.
- (4) Failure of a Village Association to submit an application or an agreement to the Club as set forth above, at the time of taking title to a residential unit, shall forfeit the Village Association’s ability to acquire a Village Association Membership and require the Village Association to acquire at least a Sports Membership and be responsible for all dues and fees related to a Sports Membership.

D. Non-Equity, Non-Resident Entity Old Course Membership. The following rules will apply to the creation of a Non-Equity, Non-Resident Entity Old Course Membership:

- (1) Satisfactory evidence of being an Entity shall be requested by the Club of applicants to the Non-Equity, Non-Resident Entity Old Course Membership Program (“NENREOC”) in the form of tax I.D. numbers, tax returns or through other evidence as deemed necessary.
- (2) No more than one (1) Authorized Entity may participate in this program. The Board of Governors will review the program in one year to determine if additional Entities should be considered for Membership.

(3) All Entities approved for membership in the NENREOC (“Authorized Entity”) may appoint up to four (4) individuals entitled to use the corporate membership (“Designees”). Up to four (4) additional designees may be added (“Additional Designees”) in accordance with (j), below.

(4) An Authorized Entity shall name as Designees only bona fide director(s), partner(s), owner(s) or officer(s) of the Authorized Entity (or of a *bona fide* affiliated entity).

(5) An Authorized Entity shall have the right to add Designees, replace Designees, or resign the NENREOC in accordance with this Section 4.

(6) A Designee shall not be a resident of Broken Sound. If a Designee decides to purchase a home in Broken Sound he/she must relinquish his/her Designee status at the time of such purchase.

(7) Designees are entitled to use all of the Old Course’s facilities and such Designees may have their own personal locker and individual bag storage. Such designees have use of the pro shop and unlimited use of the driving range and short game practice facilities and use of the Old Course dining room.

(8) There shall be no spousal or family privileges allowed a Designee. However, the spouse or family members of a Designee may be guests of the Designee and may dine at the Old Course with the designated Member.

(9) All NENREOC initiation fees, capital improvement contributions, annual dues, and transfer fees shall be determined, from time to time, by the Board of Governors.

(10) All Authorized Entities shall pay a one-time Authorized Entity Initiation Fee which is a Non-Refundable Capital Improvement Contribution. This Non-Refundable Capital Improvement Contribution may be modified by the Club annually.

(11) Authorized Entities shall in the initial year of Membership pay annual dues as set by the Club for up to 4 Designees, for each Fiscal Year starting October 1st and ending September 30th (the “Fiscal Year”). During the year of inception of NENREOC, such dues will be prorated over the balance of the Fiscal Year. In subsequent Fiscal Years, such annual dues will be adjusted by an amount equal to the annual dues increase of other members of the Club. Each additional Designee shall pay annual dues as set by the Club, plus all customary charges.

(12) In the event a Designee is no longer able or entitled to use Club Facilities, and such Designee is not replaced by another eligible Designee, the Authorized Entity will not be entitled to any refund of dues paid for such Designee.

(13) A Designee may be changed to another eligible Designee, subject to approval by the Club, upon payment to the Club of a change of Designee transfer fee. Each Designee may be changed to another eligible Designee no more than two times in any

fiscal year ended September 30. An authorized officer or owner of the Authorized Entity must authorize any change in Designee(s) in writing.

(14) Each Designee and the Authorized Entity are jointly and severally responsible for all debts and charges incurred by or on behalf of such Designee. All billing related to such membership will be mailed directly to the Authorized Entity, at an address to be provided by the Authorized Entity.

(15) There will be no operating or capital assessments for an Authorized Entity or its Designees.

(16) Customary charges incurred by Designees and their guests and clients will be billed monthly to the Authorized Entity.

(17) Designees shall have all of the rights and responsibilities of an Old Course member.

(18) Each Authorized Entity will count against the twenty (20) non-Member non-equity cap. However, Authorized Entities and their Designees will not to be counted against the three hundred fifty (350) Member Old Course cap.

(19) All other Old Course Golf issues (*e.g.*, tournament play, Member/guest participation) shall be subject to the rules established by the Golf Committee.

(20) If an Authorized Entity desires to resign its Membership, it must provide written notification of such resignation at least three (3) months prior to the desired effective date.

(21) Authorized Entities and all its Designees shall abide by the Club's Billing & Collection Policy set forth in the Rules and Regulations, Section III and subject to any charges or suspensions outlined therein.

E. Former Old Course Members

(1) A former Old Course Member who wishes to become a Non-Resident, Non-Equity Old Course Member may apply for such membership if they have a contract to sell their home in Broken Sound or have already sold their home as long as they have been an Old Course Member in good standing for at least 10 years. If the application is accepted, in accordance with the rules of the Old Course committee, there will be no waiting period. Only three (3) such memberships per year will be allowed and the total of these memberships will be included in the cap for Non-Resident, Non-Equity Old Course Members. If there is a waiting list, the priority will be based on both the date of joining the Old Course and the date of requesting membership.

(2) The purchase price for joining will be 75% of the then current purchase price on the application date for the Non-Resident, Non-Equity Old Course Membership. The purchase price may be paid in refundable Unrealized Equity or cash or a combination thereof; however, \$6,000, or such other amount determined by the Membership Office, of

the refundable equity will be held back to pay any assessments due from the former Old Course Member's membership.

(3) This program may be modified from time to time by the Board of Governors of Broken Sound in consultation with the Old Course Committee.

F. Builder's Agreements

(1) To encourage the improvement of residences within Broken Sound, the Board has approved an Owner-Builder Agreement program that establishes the terms for Membership upon the purchase of property for the purpose of renovating and reselling that home to a third-party purchaser who acquires regular Membership.

(a) Upon closing, the Owner-Builder shall make payment of a capital contribution fee equal to the equity refund to be made to the seller of the home the builder is purchasing with a minimum payment requirement of \$15,000.00.

(b) The Owner-Builder shall pay administrative fees monthly as determined by the Board of Governors.

(c) If the Owner-Builder has not sold the property ten months after the date of purchase, the Owner-Builder shall commence payment of all dues and charges applicable to the lowest category of Membership.

(d) Upon the sale of the home to a buyer who purchases a regular club membership, the Owner-Builder will receive the full capital contribution the Owner-Builder paid to the club.

(2) The Club and the purchaser will enter into an Owner-Builder agreement that establishes these requirements and such other terms necessary to accomplish the purposes of the program.

G. Old Course Member in Waiting Program ("MIW Program"). When at the time of a home purchase, a new Broken Sound resident submits an application that requests Old Course Membership and, at that time, the number of Old Course Members is at cap as described in Section 10.07, then that new Member may request to be placed in the MIW Program.

(1) A Member in the MIW Program is not an Old Course Member and must acquire a New Course Membership; however, the Member must pay the Capital Contribution for Old Course Membership at the time of application.

(2) A Member in the MIW Program shall vote as a New Course Member.

(3) The dues for a Member in the MIW Program shall be \$1,500 greater than the New Course Member dues and the Member shall pay assessments as a New Course Member.

(4) MIW Program status is only available at the time of a home purchase and the application for Membership is submitted. MIW Program status is not available to a current resident Member who purchases another residence within Broken Sound.

(5) Rights and Privileges of a Member in the MIW Program:

(a) During season (October 16 through May 31) the Member may play after 12:00 p.m. During summer (June 1 through October 15) the Member may play at any time. A Member in the MIW Program may bring guests. The Old Course Committee shall establish sign-up procedures for tee times and events that shall retain sign-up priority for Old Course Members and procedures that allow a Member in the MIW Program to tee off prior to 12:00 p.m.

(b) The Old Course pro shop may permit a Member in the MIW Program to play before 12:00 p.m. at pro shop discretion.

(c) A Member in the MIW Program may sign-up and participate in events that are limited to Old Course Members and in Old Course League events, after payment of all applicable dues. The Old Course Committee may provide that Old Course Members retain sign-up priority.

(d) A Member in the MIW Program may use the practice facilities or take lessons on the same basis as Old Course Members.

(e) A Member in the MIW Program may have an Old Course locker, if available, after requests for lockers by Old Course Members have been fulfilled.

(f) During season (October 16 through May 31), a Member in the MIW Program may not participate in walk-up tee times.

(6) At the time Old Course Membership falls below the cap, the Member in the MIW Program must immediately, within 48 hours of receipt of notice from the Club, accept an Old Course Membership. If the Member in the MIW Program does not accept Old Course Membership at that time, inclusion in the MIW Program is forfeited and he/she shall have no further rights or privileges at the Old Course, except such rights as exist for New Course Members. In addition, the removal from the MIW Program shall not entitle the Member to any refund of the Capital Contribution paid at the time of the purchase of their residence in Broken Sound.

(7) A Member in the MIW Program may terminate MIW Program status at any time. Termination will be effective on the first day of the month following the month of providing written notice to the Membership Department. The Member shall forfeit any further rights or privileges of the MIW Program, except such rights as exist for New Course Members. In addition, the termination of status shall not entitle the Member to any refund of the Capital Contribution paid at the time of the purchase of their residence in Broken Sound.

(8) Members in the MIW Program will be offered an Old Course Membership when Old Course Membership falls below the cap based on the earliest date of home purchase.

(9) Only ten (10) Memberships shall have a MIW Program status at any given time.

H. Wait List for MIW Program. If at the time of a home purchase, a new Broken Sound resident submits an application that requests Old Course Membership and, at that time, both the number of Old Course Members is at the cap as described in Section 10.07, and the MIW Program is also at the cap, then the Member may be placed on the wait list for the MIW Program (the "MIW Wait List").

(1) A Member placed on the MIW Wait List ("MIW Wait List Member") must join the Club as a New Course Member by paying the New Course Member Capital Contribution and dues, and will have the same privileges to use the Old Course as a New Course Member.

(2) The MIW Wait List Member will be required to pay a non-refundable fee of \$500 to be placed on the MIW Wait List. The non-refundable fee of \$500 will be applied against the required Capital Contribution to be paid by the MIW Wait List Member who accepts the offer to upgrade to the MIW Program.

(3) At such time as a space becomes available for the MIW Program, the MIW Wait List Member will receive notification from the Club and will have 5 business days to pay the difference between the then current Capital Contribution required for Old Course Membership and the amount of the Capital Contribution previously paid by the MIW Wait List Member to acquire the New Course Membership, and such Member will not be deemed to have made application for Old Course Membership until such time as the Member elects to become a Member in the MIW Program. Notwithstanding the foregoing, Members on the MIW Wait List prior to January 20, 2023, shall be required to pay the difference between the Capital Contribution required for an Old Course Membership at the time the MIW Wait List Member made application for Membership in the Club and the amount of the Capital Contribution previously paid by the MIW Wait List Member to acquire their New Course Membership.

(4) MIW Wait List Members who upgrade to the MIW Program and have paid the required Capital Contribution and additional dues will become a Member in the MIW Program effective on the first day of the month following 30 days written notice from the written notice from the Club offering upgrade to the MIW Program.

(5) An MIW Wait List Member may seek removal from the MIW Wait List at any time. The removal will be effective upon the Club's receipt of the request.

(6) If a MIW Wait List Member fails to timely upgrade to the MIW Program, the MIW Wait List Member will be removed from the MIW Wait List. Any Member removed from the MIW Wait List will not be entitled to any refund of the fee paid to be placed on the MIW Wait List. If the MIW Wait List Member later requests to upgrade to

Old Course Membership, the Member will be subject to the same wait list and upgrade requirements as other existing Members of the Club under Section 10.05 B (2).

Section 10.07 Limitations on Number of Members (“Caps”)

- A. The maximum number of Memberships described in Sections 10.02 and 10.03 issued at any one time shall not exceed the total number of residential units in Broken Sound.
- B. The number of New Course Members, who are not Old Course Members, is limited to 475.
- C. The total number of Old Course Memberships with exclusive privileges of playing the Old Course from October 1 through May 31 in each calendar year shall be limited to 350.
- D. The Board may adjust these caps or create categories of membership that, by Board rule, do not count against this limitation, subject to limitations on this power imposed by the Bylaws.
- E. The following categories of Membership shall not be considered in the determining the number of members in each category above:
- (1) Associate Members
 - (2) Senior Members
 - (3) Adult Offspring Members
 - (4) Parent Members
 - (5) Non-Equity, Non-Resident Old Course Members
 - (6) Non-Equity, Non-Resident Corporate Old Course Members
- F. Wait List Priority
- (1) In general, Members will clear the wait list and join the requested category on a first on, first off basis determined by the date that the Member has submitted the appropriate forms and agreements provided by the Membership office.
 - (2) The Board reserves the right to utilize a different priority in its sole discretion. For example, the Board may choose to place new Members having just purchased a residence ahead of other Members.
 - (3) Information regarding the wait list and a Member’s place on it will be available in the Membership office.

Section 10.08 Other Rules

A. A Membership card indicating Member's name, Club account number, type of Membership and expiration date (if applicable) will be issued to each Member and lessee designated the beneficial user of a Membership, as well as the Member's family eligible for Membership privileges, upon payment of the annual dues by the Member. Members and lessees and their families must have their Membership card with them at all times while using the recreational facilities of the Club.

B. A Membership card may not be used by any person other than the person to whom it is issued. Membership cards are not transferable. Membership cards will not be mailed to Members.

C. In the event of a lost or stolen Membership card, the Club must be notified immediately. Until notification of card loss or theft is received in writing by the Club, the Member shall be responsible for all charges placed on the account. For each new Membership card replaced, a charge covering the cost of the replacement card may be placed on the Member's Club account.

D. Resident Member who has purchased a second residence in Broken Sound.

(1) A Member who currently owns a residence in Broken Sound and purchases a second residence, at closing, shall make a partial Capital Contribution that is the greater of the equity refund the Club pays to the seller at closing or \$15,000.

(2) The Member must maintain a second Membership associated with the second home by paying:

(a) Dues at a category no lower than a Sports Membership, and

(b) All other costs and assessments associated with the Membership other than the service fee.

(3) If the Member sells the original residence within 12 months of purchasing the second residence (or within the extended period approved by the General Manager), the second Membership and the associated obligation to pay dues and costs will cease and the partial capital contribution is refunded, without interest, in full upon such sale.

(4) If the Member fails to sell the original residence within 12 months of its purchase (or within the extended period approved by the General Manager), the Member must pay the remaining balance of the Capital Contribution that would have been due from a third party buyer as of date of purchase and the Member must commence paying dues, fees, including service fees, assessments and all other costs associated with the second Membership based on the category then selected.

(5) The 12-month period for the sale of the original home as used in Sections (3) and (4) above may be extended for a period not to exceed one additional year in the reasonable discretion of the General Manager.

E. An unmarried Member may designate as part of his or her family Membership one unmarried person who permanently resides with the Member, or who maintains residency in a state other than Florida and has no other permanent residence in Florida. The special designee status will be valid only as long as these residency conditions are maintained. The designee must provide proof of residence with any two of the following documents: driver's license, voter registration, vehicle registration or insurance card.

F. Residence in trust with children as the beneficiaries on death of the parent(s): The person(s) who reside in the home on a permanent basis will be designated as the Member(s). The children, while the parents are alive, will be considered guests, subject to guest fees.

G. At the time of a transfer of a residence without consideration, including an *inter vivos* trust created as a family planning device, gift, or other transfer, a new membership must be issued or the Member must request a transfer of the existing Membership, comply with terms set forth in the Bylaws, and completes such forms and documents specified by the Membership office.

H. For homes that are owned by parents with only the children of the parents residing in the home on a permanent basis, the children will be considered the Members. For homes that are owned by children with only parents of the children residing in the home on a permanent basis, the parents will be considered the Members.

I. Members have six months to transfer their Membership to a home (when they do not yet have another house to move their Membership to) and will have six months to close on another house and transfer their existing Membership, including a Membership acquired prior to October 1, 2017, to the new residence. In return for this privilege (of holding his Membership in escrow) the Member may use the Membership during this six-month period as long as they continue to pay dues and the Club has not returned the equity. If the Member does not close on another house within six months, the right to transfer the original Membership ends and the Member is entitled to a refund of equity in accordance with the Club's policy in effect at the of the six month period.

J. Non-resident, Non-Equity Old Course Members may only use the Old Course dining facilities.

Section 10.09 Resigned Old Course Member Privileges

Former Old Course Members who are awaiting a refund of their equity from the Club may elect to continue to utilize the East facilities paying outside member dues and fees to be deducted from their pending equity refund. All assessments and other charges will be deducted from the equity refund as well. All purchases of food and beverage and golf shop purchases will be billed by the Club and are payable within 30 days of billing and are subject to the Club Billing and Collection procedures then in effect. Upon the earliest of the sale of their membership or the complete utilization of the remaining equity balance by the former member, the use of the East facilities by the former member will cease and any remaining equity, less any past due amounts for purchases and other charges, will be repaid in accordance with the repayment policy of the Club then in effect.

Section 10.10 Capital Contribution

A. The amount of the capital contribution shall be paid in its entirety on the date that a Member purchases a residence in Broken Sound or otherwise joins the Club.

B. The Board will establish the amount of the capital contribution and the percentage of that contribution, if any, to be return to the Member at the time Membership is relinquished. This information shall be posted in the Statement of Dues, Fees and Other Charges prepared as required, but no less than annually, by the Membership office, which will provide it to any Member. This Statement shall also be posted on the Club's website.

**ARTICLE XI
LESSEE PRIVILEGES**

Section 11.01 Designation and Rights of Lessee

A. Members may designate the lessee of their residential unit in Broken Sound as the beneficial user of their Membership upon application, approval by the Club, and payment of any fees established from time to time by the Club.

B. Members shall be entitled to designate only two (2) lessees (individual or family) per Membership year as the beneficial user of their Membership.

C. A transfer of membership to a lessee will not be effective if that lease fails to comply with requirements established by the Master Association and the relevant homeowners' association.

Section 11.02 Limits on Transfers of Membership to a Single Lessee

A. A lessee may become the beneficial user of a Club Membership one time for a maximum period of 12 months. The Club may impose fees on the transfer.

(1) The one transfer limitation applies to the lessee and to all other persons named in the initial Membership transfer application as having the right to use the Club without regard to the term of the lease and without regard to the lessor or residence rented.

(2) Examples of the application of this limitation. In all cases, the lessor is a member who wishes to transfer the use of membership to the lessee, pays all fees and intends to comply fully with these regulations-

(a) A member leases his residence to a lessee for a twelve month period. The lessee's right to use the Club as a member ceases permanently at the end of the lease and the lessee may no longer be a transferee from any Club member.

(b) A member leases his residence to a lessee for a twelve month period. Five years later, the member intends to lease the residence to the same lessee. The lessor may not transfer membership to that lessee or to a person named in the application five years ago. Further, no person named in the initial application may be named as a beneficial user in any application.

(c) A member leases his residence to a lessee for a one month period and later that year intends to lease the unit to the lessee's spouse, who was named in the first application, for a subsequent month. The lessee's right to use the Club as a member ceased permanently at the end of the first lease and the lessee or spouse may then no longer be a transferee from any Club member.

(d) A member leases his residence to a lessee for a twelve month period. That lessee then intends to lease another residence from a different member for any period up to 12 months. That lessee's right to use the Club as a member ceased permanently at the end of the first lease and the lessee may not then be a transferee from any Club member.

(e) A member owns two residences and two memberships. He leases one residence to a lessee for a twelve month period and then intends to lease the other residence to the same lessee for a subsequent twelve months. The lessee's right to use the Club as a member ceased permanently at the end of the first lease and the lessee may not then be a transferee from any Club member.

(f) A member leases his residence to a lessee for a 24 month period. The transfer of membership only applies for one year. That lessee's right to use the Club as a member ceases permanently after 12 months and the lessee may not then be a transferee from any Club member.

(3) A Member who knowingly acts in a manner to circumvent this provision will be in violation of the Club's Bylaws and these regulations.

(4) The limitation under this subsection applies to leases entered into after October 1, 2017.

Section 11.03 Administrative Rules pertaining to Leases

A. Charge privileges for use of the facilities of the Club will be available to a lessee. The Club reserves the right to require an advance deposit for payment of charges of a lessee prior to granting a lessee charge privileges. The lessee is responsible for payment of all charges incurred at the Club. The Member shall be responsible for payment of all charges incurred by a lessee that are not paid within the customary billing procedure of the Club and for the department of the lessee.

B. Members are required to provide the Club with a copy of the lease with the designated lessee and any certificate of lessee approval required prior to the issuance of Membership use privileges at the Club.

(1) Should any changes be made to a lease contract, the Club must be notified immediately.

(2) Membership use privileges will terminate on the earlier of the expiration of the lease term or the Membership use privileges.

C. Social Members who lease can purchase tennis privileges for their tenants in the amount of \$1,500 per rental but only twice for the same home. At the end of 2 years, the owners of the house can apply these monies toward an upgrade to a Sports Membership.

D. The Club may perform background checks on all lessees, with the associated costs billed to the lessor of the home.

ARTICLE XII GUEST PRIVILEGES

No Corporate Rules and Regulations have been issued under this Article.

ARTICLE XIII DUES

No Corporate Rules and Regulations have been issued under this Article.

ARTICLE XIV DELINQUENCIES

Section 14.01 Billing and Collection Policies

(1) Each month's bill will be mailed early in the following month (*e.g.*, the June bill will be mailed in early July) and payment is expected by month end (*e.g.*, July 31) or the account will be considered delinquent. Delinquent accounts will be assessed a 1.5% monthly interest charge.

(2) Members with bills that remain delinquent for 45 days (*e.g.*, a June bill not paid by August 14) will receive a Delinquency Letter advising that the members' club privileges will be suspended, and in addition to the 1.5% per month interest charge, a suspended member will be required to pay a re-instatement fee of \$250 for each month, or any portion of a month, having their club privileges suspended. The reinstatement fee is incurred and charged with the first, and each effective date thereafter, of the suspension. (*e.g.*, a member who is suspended on September 1 and remains suspended until December 1 will be required to pay a \$250 re-instatement fee for September, October and, November or a total of \$750). These sanctions will be assessed unless payment is made to bring the account current on or before the 60th day of delinquency. The members' club privileges will remain suspended until the account is brought current. A suspended member may not use; (i) the club house facilities, (ii) any dining facility, (iii) the spa or the pool, (iv) nor participate in; (v) tennis or golf (vi) activities such as "Happy Hour". The account will be deemed current when the following conditions are satisfied:

(a) All billed club charges, including any billings subsequent to the original delinquent billing, are paid.

(b) All billed and accrued interest and re-instatement fees are paid.

(3) Once an account is delinquent for 60 days, the BSC Treasurer shall send a letter on, or shortly after, the 60th day of delinquency to the delinquent member(s). This letter will contain an offer for the member(s) to schedule a meeting with the BSC Treasurer

(and BSC legal counsel or other personnel if deemed appropriate) to discuss their account and afford them an opportunity to reach a negotiated settlement for their delinquency as an alternative to turning their account over to BSC's legal counsel to pursue legal action. The BSC Treasurer is and shall be authorized to enter into a written agreement on behalf of BSC with the delinquent member(s) regarding the terms and conditions such member(s) must meet to satisfy the delinquency of their account(s) and to have their membership reinstated as being in good standing with BSC. The BSC Treasurer shall negotiate with such members in good faith and shall exercise his or her discretion and judgment in the best interests of BSC.

(4) Additional sanctions will apply to members who are repeatedly subject to suspension:

(a) A member who is delinquent and subject to suspension for a second time in a 12 month period shall be suspended for a full month.

(b) A member who has been suspended for three times within a 36 month period shall be put on notice that the next suspension during the ensuing 12 months shall be for a period of one full-month; additional suspensions during that 12 period shall be for two full months. If the account is not current by the end of the full month/two-month suspension periods, additional full-month suspensions shall be added until appropriate payment is received.

(5) Post-dated checks are not accepted and will be mailed back to the member. Bounced checks and returned bank debits will be treated as if they were not received, a \$30 charge will be assessed, and payment of the bill will require cashier's check or bank check. Members who bounce a second check in a 12-month period will be suspended for a full month. Members who bounce more than three checks in a 12-month period will receive a two-month suspension for each additional bounced check.

(6) Legal collection procedures shall begin once a bill is three months past-due. Any related legal fees or expenses incurred by the Club in such proceedings shall be reimbursed by the member(s) whose account was placed into collections.

(7) A 75 day letter shall be sent out prior to a membership account being sent to legal. This letter shall outline any options including, but not limited to, foreclosure by the club.

(8) The Credit Sub-Committee of the Finance Committee may increase periods of suspension based on the facts and circumstances, and may refer members to the Board of Governors for further action available to avoid legal expense.

(9) A suspended member of Broken Sound who violates that suspension by using a Club service will be sanctioned as follows: For each such infraction, an Administrative Fee of \$200 will be applied to the member's account.

(10) Any member receiving a third delinquency letter during the previous twelve months will be suspended for one month and will be charged a \$100 Collection Fee. In addition, this suspension will be subject to a re-instatement fee of \$250 for each month of suspension as per the conditions set forth in paragraph 2 above. Members may sign up for

our Automatic Payment Plan to avoid this suspension. The club will automatically debit their checking account on the 15th of the month for the prior month charges.

(11) Broken Sound Club reserves the right to report a member's delinquent payment history to credit bureaus in the event past due payments are not timely cured.

ARTICLE XV GRIEVANCE

Section 15.01 General

A. It is the responsibility of all Club Members to know and abide by the Bylaws, Rules & Regulations and Operational Rules of the Club. Respect for Club rules needs to be encouraged. The failure to enforce such dilutes same. Members should not be directly involved in the enforcement of general rules of conduct. Members are strongly discouraged from any direct involvement – instead, they should report apparent rule infractions to Club staff and/or management with a reasonable expectation that appropriate action will be taken to seek compliance. Management is required to ensure that its staff members are familiar with the Club rules. Management must formulate guidelines and procedures for the staff to follow when requesting Member compliance which are respectful and not confrontational. A Member's refusal to comply with such requests is to be reported to senior Club management for appropriate action, if any, including the filing of a formal grievance should the Member's conduct warrant it.

B. The Club has a zero-tolerance policy for abuses of Staff by a Member.

Section 15.02 Composition of the Grievance Committee (the "GC")

A. The members of the Grievance Committee (GC) will be appointed to the GC by the President of the Club with the consent of the Board of Governors (BOG) upon the recommendation of the BOG and Member Co-Chairs. The President of the Club will appoint the Chairperson of the Grievance Committee (the "Member Co-Chair"), from among the committee members, and the BOG Co-Chair with the approval of the BOG. Although not a member of the GC, the BOG Co-Chair to the GC may participate in its activities (including attending and participating in grievance hearings). The BOG Co-Chair does not vote with the GC and votes with the BOG.

Section 15.03 Member-Member Grievances

A. Accused Member is subject to immediate suspension of their member privileges by the GM if, in his/her sole discretion, it is deemed to be in the best interests of the Club. The Member is responsible for all Member obligations, including financial, while the suspension is in force. Such suspension is in effect during the investigation of the incident and continues until a final determination is made.

B. Procedures of Grievance Committee

(1) To the extent that circumstances permit, the Member Co-Chair and the GC shall adhere to the following practices and procedures regarding the grievance process.

(2) The formal grievance process should be reserved only for serious misconduct, allowing for relatively minor misconduct to be addressed and resolved in a less formal process. All Grievance Reports (GR) are to be filed with the General Manager's (GM) office and reviewed by the GM. If the GM determines mediation is a viable alternative to a Grievance Hearing (GH) the GM will engage the parties in mediation. If mediation is unsuccessful, and the GM determines proceeding with a GH is warranted, the GM will forward the GR to the GC which will follow procedure to hear the grievance. If mediation is unsuccessful, and the GM determines the incident does not warrant a GH, the GM will consult with the BOG Co-Chair and the Member Co-Chair of the GC to review the matter at hand. If the GM, BOG Co-Chair, and Member Co-Chair unanimously agree that the incident in question does not warrant a GH, the incident is dismissed. In this case, a letter (by email and/or certified mail, return receipt requested), signed by the GM, BOG CO-Chair, and Member Co-Chair, notifying the Member, and copying the accused Member, of such action is to be sent.

(3) If mediation is attempted and is unsuccessful and the GM determines the Grievance to be serious enough to warrant a Grievance Hearing (GH), the GR is referred to the GC Member Co-Chair who, after determining the availability of committee members and the parties involved, is to schedule a hearing before a panel of GC members. While there are no strict scheduling standards, every effort is to be made to accommodate the schedules of the parties involved and to provide adequate notice of the hearing. At a minimum, however, the Member against whom the complaint is filed must receive actual advance notice of the hearing date of not less than five (5) business days.

(4) The panel of committee members for the hearing is selected by the Member Co-Chair and the panel will consist of at least five members of the GC. The BOG Co-Chair will, in addition, be a member of the panel who will participate at the hearing but does not vote.

(5) Committee members whom the Member Co-Chair has selected for the panel will be provided with copies of the GR in advance of the hearing with strict instruction to maintain complete confidentiality and not to communicate in advance with parties outside of the hearing. The Member Co-Chair will ensure that all members of the panel have no conflicts of interest.

(6) The Member Co-Chair will direct the GM's office to issue letters under the Member Co-Chair's signature (by email and/or certified mail, return receipt requested) to the parties involved requesting their appearance before the GC panel at the scheduled hearing. Confirmation of their attendance is to be requested. The parties are to be informed of their right to have witnesses (with the exception of character witnesses) to participate at the hearing. The letter will include a copy of the GR. At the hearing, the parties involved (and witnesses if any) will appear separately before the panel. Each is to be given the opportunity to make a statement. No party shall be allowed to be represented by counsel at the grievance hearing for any purpose. Each Member of the GC panel at the hearing is to be given the opportunity and is encouraged to discuss the issues with the parties and witnesses.

(7) Immediately after the conclusion of the hearing the GC panel is to deliberate and vote in two phases: (i) a determination if the conduct warrants a sanction; and, if a sanction is warranted (ii) the nature of the sanction. All decisions of the panel are decided by a simple majority vote of the panel. The GC panel is permitted to consider any prior verified misconduct of the Member when deciding on the nature and duration of the sanctions to be imposed.

(8) A member of the panel will prepare and submit a confidential written report to the BOG of the GC's findings and recommendations. If requested, the Member Co-Chair will present the report to the BOG. The report of the GC's findings and its recommendations is advisory only in function, with the BOG retaining and exercising complete discretion to vacate the decision regarding the need to discipline the conduct and/or to modify the recommended sanctions to impose.

(9) The accused and initiating Members will be notified (by email and/or certified mail, return receipt requested) of such proposed action by the BOG and the start date of any such action. The accused Member will be given an opportunity to be heard by the BOG to show cause why such Member should not be disciplined in accordance with the findings of the BOG. If the accused Member desires to be heard, the Member must notify the BOG within five (5) business days of receipt of the email or the date of attempted delivery of the certified mail, whichever occurs sooner. The BOG shall set a time and date for a hearing to be held not less than five (5) days from the date the BOG gives notice of the hearing to the Member. No party shall be allowed to be represented by counsel at the appeal hearing for any purpose. While such complaint is being considered by the BOG, the Member may continue to enjoy the privileges of the Club to which the Member was entitled prior to such complaint in the discretion of the Club. The BOG will communicate its appeal decision to the accused and initiating member in writing (by email and/or certified mail, return receipt requested) within five (5) business days.

C. The BOG shall be the sole judge of what constitutes improper conduct.

Section 15.04 Staff-Member Grievances

A. The Club has a zero-tolerance policy regarding Member misconduct of Staff and has instituted an expedited procedure for addressing Staff-Member grievances.

B. An accused Member is subject to immediate suspension of their member privileges by the GM if, in his/her sole discretion, it is deemed to be in the best interests of the Club. Such Member is responsible for all Member obligations, including financial, while the suspension is in force. The Member is responsible for all Member obligations, including financial, while the suspension is in force. Such suspension is in effect during the investigation of the incident and continues until a final determination is made.

C. Procedures of Grievance Committee (GC):

(1) To the extent that circumstances permit, the Member Co-Chair and the GC shall adhere to the following practices and procedures regarding the grievance process as it applies to Staff-Member grievances.

(2) An incident or grievance report filed by Staff against a Member is referred directly from the GM's office to the Member Co-Chair of the GC who is to schedule a hearing before a panel of a minimum of five (5) GC members within five (5) business days. The BOG Co-Chair will, in addition, be a member of the panel who will participate at the hearing but does not vote. The Staff member and/or their supervisor is required to be physically present at the GH. The accused Member will ideally be present at the GH but may provide testimony remotely or in writing.

(3) Committee members whom the Member Co-Chair has selected for the panel will be provided with copies of the GR in advance of the hearing with strict instruction to maintain complete confidentiality and not to communicate in advance with parties outside of the hearing. The Member Co-Chair will ensure that all members of the panel have no conflicts of interest.

(4) The Member Co-Chair will direct the GM's office to issue letters under the Member Co-Chair's signature (by email and/or certified mail, return receipt requested) to the parties involved requesting their appearance before the GC panel at the scheduled hearing. Confirmation of their attendance is to be requested. The parties are to be informed of their right to have witnesses (with the exception of character witnesses) to participate at the hearing. The letter will include a copy of the GR. At the hearing, the parties involved (and witnesses if any) will appear separately before the panel. Each is to be given the opportunity to make a statement. No party shall be allowed to be represented by counsel at the grievance hearing for any purpose. Each Member of the GC panel at the hearing is to be given the opportunity and is encouraged to discuss the issues with the parties and witnesses.

(5) Immediately after the conclusion of the hearing the GC panel is to deliberate and vote in two phases: (i) a determination if the conduct warrants a sanction; and, if a sanction is warranted (ii) the nature of the sanction. All decisions of the panel are decided by a simple majority vote of the panel. The GC panel is permitted to consider any prior verified misconduct of the Member when deciding on the nature and duration of the sanctions to be imposed.

(6) A member of the panel will prepare and submit a confidential written report to the BOG of the GC's findings and recommendations. If requested, the Member Co-Chair will present the report to the BOG. The report of the GC's findings and its recommendations is advisory only in function, with the BOG retaining and exercising complete discretion to vacate the decision regarding the need to discipline the conduct and/or to modify the recommended sanctions to impose.

(7) The accused and initiating Members will be notified (by email and/or certified mail, return receipt requested) of such proposed action by the BOG and the start

date of any such action. The accused Member will be given an opportunity to be heard by the BOG to show cause why such Member should not be disciplined in accordance with the findings of the BOG. If the accused Member desires to be heard, the Member must notify the BOG within five (5) business days of receipt by the email or the date of attempted delivery of the certified mail, whichever occurs sooner. The BOG shall set a time and date for a hearing to be held not less than five (5) days from the date the BOG gives notice of the hearing to the Member. No party shall be allowed to be represented by counsel at the appeal hearing for any purpose. While such complaint is being considered by the BOG, the Member may continue to enjoy the privileges of the Club to which the Member was entitled prior to such complaint in the discretion of the BOG. The BOG will communicate its appeal decision to the accused and initiating member in writing (by certified mail, return receipt requested) within five (5) business days.

D. The BOG shall be the sole judge of what constitutes improper conduct.

Section 15.05 Publication of Grievance Actions

When sanctions are imposed by the BOG, the BOG's final actions on formal grievance proceedings may be published on an anonymous basis in a manner and method as determined by the Board of Governors. The announcement will include a brief description of the incident and the resulting sanctions imposed, but will not include the names of any of the parties involved.

Section 15.06 Trespass by Suspended Member

A Member whose privileges to use the Club have been suspended for any disciplinary or other reason (including nonpayment of dues, fees, assessments or other charges) who enters or remains on Club property in violation of the terms of his or her suspension may in the discretion and upon notice by the General Manager have an additional suspension for each violation. In addition, the Board of Governors may treat such violations as committing the offense of Trespass as set forth in Fla. Stat. 810.08 and 810.09, or otherwise as provided under Florida law.

ARTICLE XVI CORPORATE SEAL

No Corporate Rules and Regulations have been issued under this Article.

ARTICLE XVII MISCELLANEOUS

Section 17.01 Loss Or Destruction Of Property Or Instances Of Personal Injury

A. Each Member and their guests assume sole responsibility for their property. The Club will not be responsible for any loss or damage to any private property used or stored on the premises of the Club whether in lockers or elsewhere.

B. No person shall remove from the room in which it is placed or from the Club's premises any property, equipment or furniture belonging to the Club without proper authorization. Every Member of the Club shall be liable for any property damage and/or personal injury at the Club, or at any activity or function operated, organized, arranged or sponsored by the Club, caused

by the Member, any guest or any family Member. The cost of such damage will be charged to the Member's Club account.

C. Any Member, guest or other person who, in any manner, makes use of or accepts the use of any apparatus, appliance, facility, privilege or service whatsoever owned, leased or operated by the Club, or who engages in any contest, game, function, exercise, competition or other activity operated, organized, arranged or sponsored by the Club, either on or off the Club's premises, shall do so at his or her own risk, and shall hold the Club and its Governors, officers, employees, representatives and agents harmless from any and all loss, cost, claim, injury, damage or liability sustained or incurred by him or her, resulting there from and/or from any act of omission of the Club or its governors, employees, representatives or agents. Any Member shall have, owe and perform the same obligation to the Club and its governors, officers, employees, representatives and agents hereunder in respect to any such loss, cost, claim, injury, damage or liability sustained or incurred by any guest or family member of such Member.

Section 17.02 Litigation

Should any party bound by these General Club Rules bring suit against the Club or its Governors, officers, employees, representatives or agents for any event operated, organized, arranged or sponsored by the Club on any claim on any matter, and fail to obtain judgment therein against the Club or its governors, officers, employees, representatives or agents, said party will be liable to the Club and its governors, officers, employees, representatives and agents for all costs and expenses incurred by it in the defense of such suit (including court costs and attorney's fees through all appellate proceedings).

ARTICLE XVIII AMENDMENTS

Section 18.01 Effective Date of Amendments

A. Except in unusual circumstances, no amendment to these regulations or to the Operating Rules shall be effective prior to the date, whichever is earlier, that

(1) Members have been notified in writing through a communication by mail or posted to the Club's website, or

(2) These regulations or Operating Rules have been amended and the revised document has been posted to the Club's website.

B. Regulations or Operating Rules may be amended prospectively, but the requirements for communicating the amendment to the Membership remains a prerequisite to the amendment being effective.

EXHIBIT I ELECTION RULES

In accordance with the Bylaws of Broken Sound Club, a single committee shall be convened to nominate candidates for the Board of Governors and provide official oversight to assure the integrity of the Annual Election process. This committee shall be referred to as the Nominating and Election Committee (“NEC”). The election will be conducted to fill all open board positions.

1. REQUIREMENTS TO RUN FOR THE BOARD OF GOVERNORS

To be eligible to run for the Board of Governors, candidates shall meet the following requirements:

- (a) Be a voting Member or spouse of a voting Member in Good Standing of the Broken Sound Club for at least thirty (30) months prior to the final date for submission of his or her resume application as a candidate.
- (b) Agree to sign a release authorizing Broken Sound Club to perform a background check.
- (c) Agree to sign and abide by the Broken Sound Board of Governors Responsibilities Contract.
- (d) Agree to abide by the Board of Governors Code of Conduct.
- (e) Agree to represent the Board as a positive ambassador to the membership at large.
- (f) Shall have served on a Club Committee for a minimum of two (2) years anytime within the five (5) years prior to the final date for submission of his or her resume application as a candidate.

2. DISQUALIFICATIONS

A person shall not be eligible to apply to be a Governor if he or she:

- (a) Has been suspended by the Club, for any reason whatsoever, for an aggregate total of more than 30 days within the five (5) year period prior to the final date for submission of his or her resume application as a candidate.
- (b) Has been delinquent in the payment of dues and charges more than three (3) times in the last twelve (12) months prior to the final date for submission of his or her resume application as a candidate.
- (c) Has been convicted or has pleaded no contest to any crime of moral turpitude or crime involving financial malfeasance (whether a felony or a misdemeanor).
- (d) Has been delinquent with their homeowner’s association dues and assessments for sixty (60) days or more in the last twelve (12) months prior to the final date for submission of his or her resume application as a candidate.

3. APPLICATION PROCESS

The application process shall consist of the following:

- (a) All candidates must certify in writing that they have read, understand, and agree to comply with the Rules of Election.
- (b) All candidates must provide a resume (biography) and a position paper using no more than both sides of a single 8 ½ " x 11" sheet of paper. The front side shall contain the resume and photo that is to be placed in the upper right-hand corner. The photograph to be placed on the resume will be 2" x 2" in. It is recommended that men and women wear appropriate professional-looking attire. DO NOT STAPLE THE PHOTO TO THE PAGE. (If you do not have a photograph, the Club can arrange to have a photograph taken).
- (c) All resumes should include each candidate's educational background and achievements, business and professional experience, civic involvement (both local and at any other residence), and Broken Sound Community service. All items should be listed in sequence, starting with the most recent experience. Any material misrepresentation of a candidate's background or experiences shall result in their disqualification from running for the Board of Governors.
- (d) All position papers should state why he/she believes they should be elected to the BOG, including their position on issues they believe are important to the Club's current and future success. Position papers shall not exceed 500 words,
- (e) Candidates should feel free to call a member of the NEC if something in the process is unclear to them.

4. CAMPAIGNING

Definition of Campaigning: Work in an organized and active way toward a particular goal.

Each candidate nominated by the NEC:

- (a) Shall be provided the opportunity to record a video presentation no longer than five (5) minutes. The NEC shall coordinate and have responsibility for these recordings. The candidate is encouraged to use this opportunity to express his/her positions on the Club and vision for the future as well as to provide the membership with any other information the candidate feels relevant to his/her candidacy.
- (b) Will have the opportunity to record an additional video providing answers to questions selected by the NEC.
- (c) May speak with Member(s) about their positions on various Club issues, including why they want to be on the Board of Governors, only if first solicited by the Member(s).
- (d) May participate in forum(s) as provided at the NEC's discretion, where Members can meet the candidates.

The Club shall be responsible to:

- (a) Announce to Members the names of each candidate nominated by the NEC.
- (b) Provide opportunities, at the NEC's discretion, where Members can meet the candidates.
- (c) Electronically distribute to all Members entitled to vote for a Governor (Eligible Voter) a link to each candidate's video(s), position paper, and resume. A Member requiring an accommodation because of a disability or other valid medical reason may request from the Club printed copies of a candidate's position paper(s) and resume.
- (d) Post all candidates' packets on the Club's website.

The Following Activities are **prohibited**:

- (a) Campaigning/endorsements by candidates or on their behalf by any other person.
- (b) Posting, circulating, displaying, or distributing campaign/endorsement material or election paraphernalia, including, but not limited to, posters, pins, buttons, stickers, and handbills, apparel (ex: t-shirts, hats).
- (c) Mailing, emailing, texting, phoning, or any other method of distribution of campaign/ endorsement literature to Club members. Distribution of campaign literature shall include, without limitation, mass mailings, mass emails, leafleting, canvassing, or other mass communication, including but not limited to social media and all electronic communication, whether or not such distribution is undertaken on or off Club property.
- (d) Stuffing of mailboxes or use of any part or area of the mailboxes for hanging or placing campaign/endorsement literature by candidates, their advocates, or supporters.
- (e) Use of the Club's online membership directory and email list.
- (f) Participation in meetings, meet and greets, dinner parties, or any other event to promote a candidate's election.
- (g) Anonymous communications in support of or against a candidate.
- (h) Negative or critical letters, emails, or posting to websites or blogs, signed or unsigned, by candidates or their supporters.
- (i) Denigration in any form of any candidate or Board Member
- (j) Campaign "slates" or any grouping of candidates. Slates are not permissible.

5. VIOLATIONS

It is the responsibility of the Club to inform Membership not to engage in prohibited campaigning. If a candidate becomes aware of prohibited campaigning by a supporter, he/she must immediately inform the supporter to cease such activity and inform the NEC of the prohibited activity.

The NEC will have the authority to investigate any allegations that the above rules have been violated. Such investigation will be conducted expeditiously and on a confidential basis. If upon completion of the investigation, the NEC has reasonable cause to believe that the Rules of Election have been violated, the NEC, by majority vote, may take the following action:

- (a) Removal of the candidate from the ballot or such other sanction as the NEC decides.
- (b) Filing a grievance against the violating Member.

6. VOTING OVERVIEW

The following are the voting highlights:

- (a) A detailed timetable of election events (“Election Process Schedule”) with actual dates will be established by the NEC and shall be published each year and will be included with the candidate Application Packets.
- (b) Voting shall begin approximately two weeks after the candidate announcements are transmitted to the membership.
- (c) Voting will be by electronic methods, but accommodation may be made upon a Member’s request to the Club based upon a disability or other valid medical reason.
- (d) Candidates shall be listed on the ballot in alphabetical order by last name. Incumbents shall be identified with an asterisk (*).
- (e) The Ballots shall be transmitted to and counted by an independent firm retained by the Broken Sound Club, and results shall be announced at the Annual Meeting.

7. THE NOMINATING AND ELECTION COMMITTEE (“NEC”)

The following describes the NEC’s formation and responsibilities:

- (a) In accordance with the Club's Bylaws, the entire Board of Governors shall serve as the NEC other than those who may be seeking re-election to the Board of Governors.
- (b) The NEC shall present to the membership the list of candidates nominated by the NEC and shall concurrently exercise its duties and responsibilities to provide election oversight.
- (c) Members of the NEC shall be present at an Interview/Orientation Meeting for the Candidates.
- (d) The Club shall confirm whether candidates for election to the Board of Governors have satisfied all the requirements to run for the Board of Governors specified in these Election Rules. The complete application packages of all such confirmed candidates shall be submitted to the NEC.

(e) The NEC shall arrange interviews with each confirmed candidate. It is the role and responsibility of the NEC to select candidates who will be nominated for inclusion on the ballot for election to the Board of Governors. All decisions will be by majority vote and via secret ballot. The NEC shall utilize a candidate profile in this process. The profile will identify both specific skills and individual skills that are required. The NEC shall seek diversity in skills, sex, age, and membership category but, in any event, should not disqualify a worthy candidate. The maximum number of candidates nominated may be less than or equal to the vacancies on the Board but cannot exceed 150% of the vacancies, rounded up to the nearest whole number.

(f) Voting shall take place only after all candidates have been interviewed.

8. CANDIDATE EXPERIENCE

The NEC should use the following candidate profile. This profile may be revised or modified by a majority vote of the NEC:

- (a) Experience on a club or non-profit board with consideration given to incumbents' service.
- (b) Legal expertise
- (c) Financial/Banking expertise
- (d) Hospitality expertise
- (e) Food and Beverage/Restaurant expertise
- (f) Health/Medical expertise
- (g) PR/Marketing expertise
- (h) Real Estate development expertise
- (i) Construction/building expertise
- (j) General business expertise
- (k) Other skills/expertise that the NEC feels qualify a candidate for Governor

9. CANDIDATE PROFILE

In addition to those requirements that can clearly be determined objectively, the NEC should also evaluate candidates' personal skills and traits that industry and Club management experts, relevant articles, and books suggest are essential for good Board members to possess. These guides strongly advise that an outstanding reputation, positive outlook, and interpersonal skills make for productive and effective Board members.

Here is a list of the ones most often identified and which the NEC should look for:

- (a) Be known as a person of integrity

- (b) Is an innovative, creative problem solver
- (c) Has a positive reputation in the community
- (d) Has demonstrated the ability to work as a team member
- (e) Has been considered a good contributor on committees
- (f) Does not have a self-serving agenda
- (g) Is enthusiastic about serving and able to devote time
- (h) Has outstanding business, administrative or other valuable experience, proven ability, or accomplishments
- (i) Is able to articulate clearly why he/she wants to be on the Board.
- (j) The Candidate should possess good interpersonal skills and the ability to communicate.

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EXHIBIT II
BOARD OF GOVERNORS CODE OF CONDUCT

A. General Rules

Each member of the Broken Sound Club, Inc. (the “Club”) Board of Governors (the “Board”) is a fiduciary and is responsible to maintain the highest level of trust and confidence. Board members must endeavor to protect the reputation of the Board for honesty, fairness and integrity. At all times, Board members must conduct themselves in compliance with all Club bylaws and rules, comply with all laws pertaining to Club activity and governance, take no advantage of their positions as Board members in relation to Club activities, and, in a highly ethical manner, maintain the credibility and respect of the Club, its associates and the membership they represent. Each Board member must:

1. Attend and actively participate in Board meetings and not discuss elsewhere what they are unwilling to discuss in Board meetings. They should listen carefully to fellow Board members, offer opinions and participate in Board discussions.
2. Not promise to commit to other Board members or Club members as to how they will vote on an issue before hearing the discussion and becoming fully informed on the issue.
3. Represent the entire membership and not any one special interest group.
4. Carefully consider and respect the opinions of fellow Board members and not criticize fellow Board members or their opinions outside of the Boardroom. They should not discuss confidential proceedings of the Board, Executive Committee or Board workshops outside the confines of such meetings. Board members may openly discuss issues among themselves in private.
5. Respect and support all majority decisions of the Board.
6. Bring to the attention of the President, in a timely manner, issues that may have a significant effect on the Club or its membership.
7. Avoid contact with the Club’s staff, (except the managers specified by the GM/COO), regarding the Club’s business, and not interfere with the duties of the Club’s staff or undermine the staff’s authority to perform their duties.
8. Refer membership complaints or operational issues, on a timely basis, directly to the President and the GM/COO or his managerial designee. Board members should not raise such issues in open Board meetings. Such issues may be brought up in closed session.
9. Acknowledge personal and/or professional conflicts of interest with the Club relating to their position on the Board and abstain from voting or attempting to influence issues in which they may be conflicted. They should not use the Club or their position for personal advantage and should attempt to avoid the appearance of a conflict.

10. Never accept any benefit of any kind whatsoever, of any amount, provided by any employee or vendor of the Club, without the consent of the Board.
11. Never exercise authority as a Board member except when meeting with the full Board, or as designated by the Board. A Board member may not speak for or on behalf of the Club or Board unless specifically authorized to do so by the President.
12. Never endorse, campaign, or take a public position for or against any candidate other than him/herself for the Board of Governors or any other elected position in the Club, once the election process has begun. A Board Member, when asked their opinion about a candidate, may only deliver the opinion orally in a private conversation. Any written endorsements or opinions, including e-mail and all social and electronic media are expressly forbidden.

B. All Board members are required to abide by this Code of Conduct. A Governor may be censured, suspended or removed by the Board for breaching the Code of Conduct.

C. An alleged breach shall be referred to the President who has the option to either warn the Board Member that his actions may have violated the Code of Conduct, and that such actions must cease immediately, or to refer the breach to the Executive Committee. The Board member in question should be notified within 2 weeks that the breach has been referred to the Executive Committee.

D. The Executive Committee shall report its findings and make its recommendation to the Board in a timely manner. Thereafter, the Board may, by an affirmative vote of at least 2/3 of the Governors, rounded up to the next higher whole number, entitled to vote in person or by proxy, suspend or remove a Governor who has breached the Code. Prior to a vote, the Governor charged with a breach shall have the right to be heard and to explain his/her actions in front of the full Board. The Governor charged shall have no vote on the question.

**EXHIBIT III
COMMITTEE GUIDELINES**

A. General

1. The purpose of each Committee is to make recommendations to the Board of Governors on matters relating to each Committees' assigned responsibilities. Broken Sound Committees include: Finance, Fitness, Golf, Greens, Grievance, House, Legal, Membership, Social, Tennis and Youth.
2. Each Committee is responsible for scheduling and for keeping minutes of all meetings. All minutes are the official record of a Committee and must be forwarded to the Executive Assistant of the General Manger/COO on a timely basis. The final version of minutes must be approved at the following meeting of the Committee.
3. The Committee's new term shall begin approximately 30 days after the Club's Annual Meeting. The term consists of one year ending approximately 30 days after the Club's Annual Meeting.
4. Only Members, including Members' spouses who reside with Member, may serve on a Committee.
5. Members of a Committee are to be selected by the Member Co-Chairs in conjunction with the Board Co-Chair subject to Board approval.
6. Committee Rules apply to all Club Standing Committees and Old Course Sub-Committees. (They do not apply to Old Course Committee.)

B. Committee Membership and Co-Chairs

1. Members should provide detailed background information on the application demonstrating relevant business/career information including any volunteer work outside of Broken Sound either currently or prior to moving to Broken Sound. A mini resume of background that qualifies member for a particular Committee should be submitted.
2. Prefer that applicant(s) be a Member for a minimum of one (1) full year as of March 1st of the appointing year to be eligible to serve on a Committee.
3. Members must be a Member in Good Standing at the time of appointment.
4. Committees should consist of a mix of all demographics such as membership categories, age, gender.
5. Members may not serve on more than one Standing or Sub-Committee in the same year. President may make an exception.
6. Members may serve on a particular Committee for up to five (5) total full years. President may extend.
7. Members must serve two (2) full years on a Committee to be eligible to be Co-Chair.

8. Member Co-Chairs may serve as a Co-Chair of that Committee up to three (3) full years. President may extend.
9. Maximum of two (2) Governors may serve on any single Standing Committee, including Governor co-chair. President may make an exception.

C. Governor's Spouse – Standing and Sub-Committees

1. Governor's spouse may serve on Committees except the Grievance Committee.
2. Governor's spouse cannot be Co-Chair of a Committee.
3. Maximum of one (1) Governor spouse on any Committee. President may make an exception.
4. Spouses (including Governor and spouse) cannot serve on the same Committee.
5. If more than one (1) BOG spouse applies to the same Committee, preference given to applicant who has highest choice on application. If choices are the same, a random selection will be made.

D. Particular Committee Preference

1. Tennis, Pickleball, Golf and Greens Committee – Members must be an active player of the related game/sport.
2. Finance Committee – Members have accounting, finance or business backgrounds/skills.
3. Fitness/Spa/Aquatics – Members regularly use fitness center and/or aquatic center.
4. Legal and Bylaw – Members must be admitted or retired attorneys.
5. Youth – Members have children living at home or grandchildren under the age of 16.
6. Grievance – Members be a mix of attorneys and non-attorneys.
7. House and Social – Members have event planning, hospitality, restaurant or similar background, be frequent diners at club venues and attendees at club events.
8. Audit – Members must have accounting/auditing background/expertise.
9. Membership – Members be a mix of ages, singles, couples and from a variety of Membership categories.

E. Ad Hoc/Special Function Non-Permanent Committees

1. The President, subject to Board approval where required, may create special non-permanent committees to serve specific functions. Members of such committees shall possess requisite skills as determined by the President.

History of Revisions

- ¹ The term Sports Membership was adopted on May 31, 2018
- ² The Board extended the right to play golf at the New Course to post-April 18, 2015 General Members and to Tennis Members (called Sports Members as of May 31, 2018) at its meeting of February 6, 2018. Prior to this amendment, only Social pre-April 18, 2015 General Members enjoyed this privilege. The effective date is June 1, 2018.
- ³ Revisions to Adult Offspring and Parent Memberships were adopted by the Board on April 10, 2018. Prior to that amendment, these Members “piggybacked” onto the membership of the related parent/child full Member and privileges of use were comparable to those of the related full Member subject to certain limitations. In addition, this amendment set dues and clarified that Adult Offspring/Parent Members are subject to service fees.
- ⁴ See previous endnote,
- ⁵ On April 10, 2018, the Board revised the Billing and Collection Policy.
- ⁶ Section 18.01, establishing guidelines for effective dates, was adopted by the Board on November 7, 2017). Prior to this amendment, there had been no guidance on when amendments would be effective.
- ⁷ December 9, 2022, Amended Section 10.05(B)(3) Establishing the wait list for New Course golf memberships.
- ⁸ December 14, 2022, amended Exhibit 1 Election Rules.
- ⁹ January 20, 2023, amended Sections 10.06(G) and 10.07(F) and added new Section 10.06(H).
- ¹⁰ February 10, 2023, added new Section 10.08(K).
- ¹¹ February 20, 2023, amended Section 10.08(J).
- ¹² July 7, 2023, amended Section 10.08 (D) and eliminated Section 10.08(K).

EXHIBIT "H"

NOT A CERTIFIED COPY

EXHIBIT II
BOARD OF GOVERNORS CODE OF CONDUCT

A. General Rules

Each member of the Broken Sound Club, Inc. (the “Club”) Board of Governors (the “Board”) is a fiduciary and is responsible to maintain the highest level of trust and confidence. Board members must endeavor to protect the reputation of the Board for honesty, fairness and integrity. At all times, Board members must conduct themselves in compliance with all Club bylaws and rules, comply with all laws pertaining to Club activity and governance, take no advantage of their positions as Board members in relation to Club activities, and, in a highly ethical manner, maintain the credibility and respect of the Club, its associates and the membership they represent. Each Board member must:

1. Attend and actively participate in Board meetings and not discuss elsewhere what they are unwilling to discuss in Board meetings. They should listen carefully to fellow Board members, offer opinions and participate in Board discussions.
2. Not promise to commit to other Board members or Club members as to how they will vote on an issue before hearing the discussion and becoming fully informed on the issue.
3. Represent the entire membership and not any one special interest group.
4. Carefully consider and respect the opinions of fellow Board members and not criticize fellow Board members or their opinions outside of the Boardroom. They should not discuss confidential proceedings of the Board, Executive Committee or Board workshops outside the confines of such meetings. Board members may openly discuss issues among themselves in private.
5. Respect and support all majority decisions of the Board.
6. Bring to the attention of the President, in a timely manner, issues that may have a significant effect on the Club or its membership.
7. Avoid contact with the Club’s staff, (except the managers specified by the GM/COO), regarding the Club’s business, and not interfere with the duties of the Club’s staff or undermine the staff’s authority to perform their duties.
8. Refer membership complaints or operational issues, on a timely basis, directly to the President and the GM/COO or his managerial designee. Board members should not raise such issues in open Board meetings. Such issues may be brought up in closed session.
9. Acknowledge personal and/or professional conflicts of interest with the Club relating to their position on the Board and abstain from voting or attempting to influence issues in which they may be conflicted. They should not use the Club or their position for personal advantage and should attempt to avoid the appearance of a conflict.

10. Never accept any benefit of any kind whatsoever, of any amount, provided by any employee or vendor of the Club, without the consent of the Board.
11. Never exercise authority as a Board member except when meeting with the full Board, or as designated by the Board. A Board member may not speak for or on behalf of the Club or Board unless specifically authorized to do so by the President.
12. Never endorse, campaign, or take a public position for or against any candidate other than him/herself for the Board of Governors or any other elected position in the Club, once the election process has begun. A Board Member, when asked their opinion about a candidate, may only deliver the opinion orally in a private conversation. Any written endorsements or opinions, including e-mail and all social and electronic media are expressly forbidden.

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