

May 15, 2014

THE RACQUET CLUB, INC.

BY-LAWS

Article I.

Meetings

The annual meeting of the Shareholders shall be held on the third Thursday of May each year; the time, place and hour to be fixed by the Board of Directors; and a special meeting shall be held whenever the President or the Board of Directors shall by written order direct the Recording Secretary to call the same, or whenever Shareholders holding in the aggregate not less than one-tenth of the capital stock of the corporation shall so request the Recording Secretary in writing. Such order or request shall indicate the purposes for which said meeting is to be called.

All such meetings, both annual and special, shall be held in Keene, New Hampshire; and notice of every such meeting shall be given by mailing such notice, postpaid, to each Shareholder at his/her address as it appears on the stock transfer books of the corporation, not less than 10 or more than 50 days before the day named for the meeting. No business shall be in order at a special meeting except as shall have been indicated in the notice of such meeting.

In the event that the annual meeting, by mistake or otherwise, shall not be called and held as herewith provided, the President or the Board of Directors may order a special meeting to be called and held in lieu of and for the purposes of the annual meeting. Any election or business transacted at such substitute annual meeting shall be as valid and effectual as if done at a meeting called as an annual meeting and duly held on the prescribed date.

At any meeting of shareholders which has been duly warned, the shareholders present in person or by proxy shall constitute a quorum, and a majority of the stock so represented shall be sufficient to decide all questions unless a greater percentage is required by law.

At any meeting, each shareholder shall cast one vote for each share of stock owned by him/her. In the case of stock held in more than one name, either owner (but not both) may vote such stock. The term "vote" shall include, without limitation, votes, waivers, releases, consents, writings signed by shareholders in lieu of taking action at a meeting of shareholders, and objections or dissents to such action. Absent Shareholders may vote by proxy executed in writing or by duly authorized attorney-in-fact. No proxy shall be valid after eleven (11) months from the date of its execution, unless otherwise provided in the proxy.

Article II

Officers

The Officers of the corporation shall be the President, Vice President, Recording Secretary, Treasurer and Corporate Secretary, and such officers and assistants as the Directors may from time to time authorize. The President, Vice President, Recording Secretary and Treasurer shall also be members of the Board of Directors. The President and Vice President

shall serve as Chairperson and Vice Chairperson of the Board, respectively. The Board of Directors shall have authority to appoint officers to fill the unexpired term in the event of any vacancy.

Article III.

Election of Officers and Directors

The Directors and Officers shall first be chosen by the Incorporators and thereafter by ballot at the Annual Meeting. At the first election all the officers shall be elected. Thereafter the Vice President shall in the following year automatically succeed to the office of the President. Other officers, including a new Vice President, shall be chosen each year by the Shareholders at the Annual Meeting and shall hold office for one year and until others are chosen and qualified in their stead, or are removed before the expiration of one year by a majority vote of the Directors. Six members of the Board of Directors (excluding the President, Vice President, Recording Secretary and Treasurer) shall serve staggered terms of three years each. At the first election two Directors shall be chosen to serve for one year; and two Directors shall be chosen to serve for two years and two Directors shall be chosen to serve for three years. Thereafter two Directors shall be chosen to serve three year terms each year. No Director shall succeed himself/herself on the Board after serving one full three year term, but may be re-elected after one year.

Article IV.

The Directors (amended May 15, 1997)

There shall be a Board of Directors consisting of eleven members, one of whom shall be the President, who will serve as Chair Person; one of whom shall be the Vice President, who will serve as Vice Chair Person; one of whom shall be the Recording Secretary, one of whom shall be the Treasurer, and one of whom shall be the immediate past President. If a vacancy exists in the Board of Directors from any cause, the remaining members of the Board shall appoint an interim Director to serve until the next Annual Meeting. At the next Annual Meeting a new Director shall be elected by the Shareholders to fill the unexpired term. Any Director may be removed at any time by a majority vote of the Shareholders made at a meeting of the Shareholders duly called for that purpose.

The Board of Directors may establish a time and place for regular meetings which may be held without notice. Special meetings of the Board may be held at any time and place upon 24 hours' written notice given by any Director or the President or the Secretary. Attendance of a Director at a meeting shall constitute a waiver of notice of the meeting. At any special meeting, however, all business transacted shall be legal and valid without notice, if all members of the Board are present in person or if the members who are absent waive notice by a writing filed with the records of the meeting or assent in writing to the recorded proceedings of the meeting.

A majority of the Board of Directors elected shall constitute a quorum at any and all meetings of the Board. The act of the majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

Any action to be taken at a meeting of the Directors may be taken without a meeting if a consent in writing shall be signed by all of the Directors. Such consent shall have the same effect as a unanimous vote.

The Directors as a Board shall have the management of the property, business and affairs of the corporation; and they are hereby invested in such management with all the powers which the corporation itself possesses so far as such delegation of power is not incompatible with the provisions of these By-laws or the laws of the State of New Hampshire.

They may appoint and remove at pleasure such employees as may seem to them wise.

Article V.

The President

The President, when present shall preside at all meetings of the Shareholders and of the Directors. He/she shall exercise general supervision of the corporation's affairs, and perform all the duties of his office prescribed by law or by vote of the Directors.

Article VI.

Vice President

The Vice President shall perform the duties usually incident to the office of Vice President and in the absence of or the disability of the President, the Vice President shall have and exercise the rights and powers and perform the duties of the President. The Vice President shall each year automatically succeed to the office of the President at the Annual Meeting.

Article VII.

The Treasurer

The Treasurer shall give a bond for the faithful discharge of his/her duties if and when required by the Directors. He/she shall deposit all funds of the corporation in such depositories as may be selected by the Board of Directors, and collect all moneys due to the corporation. The Treasurer, subject to the prior approval of the Board of Directors, shall pay all the bills of the corporation. He/she shall keep or cause to be kept full and accurate books of account containing a record of all purchases and sales, of all money received and paid out for the corporation, which books and accounts shall be constantly open to the inspection of each officer and Director of the corporation, and shall render to the Board of Directors at least once in each year a trial balance showing the assets and liabilities of the corporation; and in general shall

perform all the duties incident to the office of the Treasurer of a corporation and such other duties as may be assigned to him/her by the Board of Directors. (Revised May 16, 2013)

Article VIII.

Recording Secretary

The Recording Secretary shall give notice of all meetings of the Shareholders and Directors as described in these By-laws, and shall attend all such meetings and keep full, and true and accurate records of all business transacted at such meetings. The Recording Secretary shall, at the discretion of the President or the Board of Directors, carry on all of the correspondence of the corporation and shall assist the Corporate Secretary. The Recording Secretary shall carry out such other additional duties as may be assigned by the Board of Directors.

Article IX.

Corporate Secretary

The Corporate Secretary shall be a resident of the State of New Hampshire. He/she shall have charge of the corporate seal of the corporation, and shall discharge all other duties properly appertaining to his/her office and which may be attached thereto by the Board of Directors. He/she shall have custody to the record books of the corporation. The Corporate Secretary shall act as transfer agent for the stock of the corporation. The Corporate Secretary shall be duly sworn to the faithful and impartial discharge of his duties and in the absence, incapacity or inability of the Corporate Secretary to act, a Temporary Corporate Secretary shall be appointed by the Board of Directors.

Article X.

Indemnification

Each director, officer and committee member shall be indemnified by the corporation, to the fullest extent allowed by law, against any and all claims and liabilities to which such director, officer or committee member has become subject by reasons of serving or having served as such director, officer or committee member, or by reason of any action alleged to have been taken, omitted, or neglected as such director, officer or committee member; and the corporation shall reimburse each such person for all legal expenses reasonably incurred in connection with any claim of liability, provided however, that no such person shall be indemnified against, or reimbursed for, any expenses incurred in connection with any claim arising out of such director's, officer's and committee member's own willful misconduct or gross negligence. The Corporation may purchase insurance to fund its indemnification obligation above described.

Article XI.

Compensation
(amended May 15, 1997)

No officer or member of the Board of Directors other than the Treasurer shall receive any compensation. The amount of compensation of the Treasurer and employees shall be fixed by the Board of Directors (subject to the approval of the budget by the Shareholders as herein provided).

Article XII.

Capital Stock

The capital stock of the corporation shall consist of two hundred (200) shares of common stock without nominal or par value.

Each Shareholder shall be entitled to a certificate of stock standing in his/her name under the seal of the corporation and signed by the President and one other officer designated by the Board of Directors. (Revised May 16, 2013)

Each year the Board of Directors shall fix the value per share of the outstanding stock of the corporation and announce such value at the Annual Meeting. All of the stock of the corporation shall be issued subject to the restriction that it not be transferred until the Shareholder has first offered to sell the same back to the corporation at the then most recently fixed value; which offer shall be made in writing and shall allow the corporation thirty days to accept. The Board of Directors is authorized to waive the restriction on shares if the strict enforcement of the rule would in the judgment of the Board, cause an inequitable result. Each certificate shall indicate thereon that transfer is restricted by terms of these By-laws.

Notwithstanding the restrictions upon transfer in the foregoing paragraph, a share may be transferred to a spouse or to one child of the Shareholder by lifetime gift, will or inheritance.

Shares of stock may be transferred by assignment thereof in writing, accompanied by delivery of the certificates; but no such transfer of stock shall affect the right of the corporation to pay any dividend thereon, or treat the holder of record as the holder in fact until all fines and dues owed by the transferring Shareholder have been brought current; and the transfer has been recorded on the books of the corporation; and a new certificate has been issued to the person who whom the stock has been transferred. No certificate shall be transferred until the Corporate Secretary is satisfied that the necessary offer has been made pursuant to the terms of these By-laws.

In case of the loss of a certificate, a duplicate may be issued on such reasonable terms as the Directors shall prescribe.

Article XIII.

Fiscal Year

The fiscal year of the corporation shall commence on September 1, and terminate August 31 each year.

Article XIV.

Dues

Each outstanding share of stock shall be assessed annual dues to cover the cost of operating the corporation. The amount of dues shall be fixed each year by the Shareholders on recommendation of the Finance Committee. Dues for the fiscal year September 1 through August 31 each year shall be billed on August 1 and paid not later than September 1. If the dues are not paid by September 1, a \$25.00 fine will be assessed and the name of the member designated eligible to play on that share shall be posted and the member shall be suspended from the privileges of the club until such dues and fines are paid in full. The member shall be immediately notified by the Treasurer that the member's name has been posted and membership suspended and unless payment is made by September 15th, the right of that member to play on the courts shall be terminated.

Article XV.

Membership

(amended May 17, 2001)

Each share of stock shall be entitled to one Family Membership upon payment of the annual dues as herein provided. In the event a Shareholder does not wish to use his/her membership, he/she shall in writing notify the Treasurer of the corporation prior to July 1. The Board of Directors shall then assign the playing rights to said share of stock to the first applicant on the Waiting List upon payment of current dues. Annually, the Board of Directors may determine the number of additional Associate memberships that may be offered without being assigned to a share of stock. The only exception to this rule is that a Shareholder may assign the playing rights to another member of his/her family or to a full-time employee. (For purposes of such assignment, family is defined as spouse, lineal descendants and lineal ascendants.) Subject to Stockholder approval, the Board of Directors has the authority to create additional membership categories (as well as related privileges) of non-stockholders with playing rights, which will be identified and described in the Racquet Club Rules. (Revised May 16, 2013)

The following defines family memberships. Eligible players within the family are two adults who reside together and their unmarried children under 25 years of age who also live in the same household with these two adults. Upon request of the Board, any active shareholder or non-shareholder with playing rights must annually provide the Club with a census of eligible family members within 45 days. The census must

include names and addresses of all eligible players and the dates of birth of all eligible children, and a certification that the information provided is accurate. Failure to promptly comply with such a request shall result in a suspension of all playing privileges pending compliance. (Revised May 16, 2013)

If two adults separate into different households, and if each wishes to retain the current playing and/or wait list status, then the Board shall be promptly notified of the separation. Such notice shall advise the Board of the party retaining current status and the one "moving down". The "moving down" party shall pay the wait list fee of \$25.00 to the Treasurer within 30 days. If the "moving down" party was a shareholder, the "moving down" party shall be at the top of the waiting list, behind only any other previous "moving down" party. If the "moving down" party was on the waiting list, the "moving down" party shall be next behind the party retaining current status. The "moving down" party shall have playing rights and must purchase stock and otherwise conform with his/her new position on the waiting list. Playing rights already established for the fiscal year of the change in status are not affected by a "moving down". The ramifications of the "moving down" and any other change in shareholder status will occur in the usual course for the start of the next fiscal year of the Club. If a playing member or shareholder has violated these provisions and plays from separate households, a \$25.00 fine will be assessed for the first violation and upon the second violation, the playing rights of both parties will be suspended pending compliance and payment of all dues, fees and fines.

Article XVI.

Finance Committee

There shall be a Finance Committee consisting of three members who shall be appointed by the President to serve one year. The Finance Committee shall each year assist the Board of Directors in preparing a recommended budget which shall be submitted to the Shareholders for their approval. The Finance Committee shall, in conjunction with the Board of Directors, be responsible for financial planning and general supervision of the financial affairs of the corporation.

Article XVII.

Rules Committee

There shall be a Rules Committee consisting of five members appointed by the President to serve for one year.

The Rules Committee shall from time to time prepare and submit to the Shareholders for their approval recommendations for rules and regulations (and revisions thereof) governing the use of the courts by members and guests.

All rules and regulations governing use of the courts shall be approved by a majority vote of the Shareholders present (in person or by proxy) and voting at any meeting. The Board of

Directors has the authority to make changes in the Membership Rules on an interim basis pending ratification of the Shareholders.

It shall be the duty of the Rules Committee to interpret the rules in the event questions arise.

Article XVIII.

Tournament Committee

There shall be a Tournament Committee consisting of five members appointed by the President to serve one year. The Tournament Committee shall be responsible for planning and supervising tournaments. No tournament shall be held on the club's courts except with the approval of the Board of Directors upon recommendation of the Tournament Committee.

Article XIX.

Additional Committees

The Board of Directors may authorize the President to appoint such additional committees as may be necessary or convenient from time to time for the proper operation of the affairs of the corporation. Such committees shall serve terms and perform duties as designated by the Board of Directors.

Article XX.

Amendments

(amended May 21, 1998)

These By-laws or the Membership Rules may be altered, amended or repealed at any meeting of the Shareholders by a vote of the majority of the stock represented at such meeting, providing the substance of the proposed amendment or amendments are contained in the notice of the meeting and further provided that a larger vote is not required by law.

The Board of Directors may submit proposed amendments to the By-laws and/or the Membership Rules to the Shareholders at any meeting of the Shareholders by including the substance of the proposed amendment or amendments in the notice of the meeting.

Any Shareholder may ask the Board of Directors to submit to the Shareholders a proposal to amend the By-laws and/or the Membership Rules at any time and the Board of Directors shall decide whether to submit such request to the Shareholders.

Petition for changes to the By-laws and/or Membership Rules: Any 15 Shareholders shall have the right to propose amendments to the By-laws and/or the Membership Rules by submitting a written petition to the Board of Directors not later than 45 days before the day

prescribed for the annual meeting. Upon receipt of such petition, the Directors shall insert in the notice of the annual meeting the proposed amendments to the By-laws and/or Membership Rules as requested with only such minor textual changes as may be required.

The notice to the Shareholders shall indicate whether petitioned amendments are recommended by the Board of Directors.