

**BIG CEDAR POINT GOLF AND COUNTRY CLUB, LIMITED
(THE GOLF CLUB OR CLUB)**

**PROPOSAL FOR CONTINUANCE OF THE GOLF CLUB UNDER THE
ONTARIO NOT-FOR-PROFIT CORPORATIONS ACT (ONCA)**

INFORMATION SESSION

The Board of Directors of the Golf Club (the Board) has approved in principle the continuance of the Golf Club under the new Ontario Not-for-Profit Corporations Act, 2010 (ONCA). This memorandum provides shareholders and members the information they need to understand and consider that proposal.

The Club is holding an information meeting to provide shareholders and members the opportunity to ask questions about the proposal. That information meeting will be held in person at the Clubhouse on **Monday, October 13, 2025 at 11:00 a.m.** **If you are interested but can't attend, you will be able to participate in the meeting by ZOOM.**

We recognize that the meeting is being held on the Thanksgiving Weekend. Our thinking is that more shareholders and members may be available to participate in a morning meeting on this day than might otherwise be available. We also wanted to hold the meeting before the end of the current playing season.

You are welcome to ask any of the directors of the Golf Club about the proposal whenever you see them.

This initiative is critical to the future success of the Golf Club. We need your support to see it implemented.

SUMMARY OF KEY POINTS OF THE CONTINUANCE PROPOSAL

The following is a summary of the key points of the proposal. More detailed information is contained in the balance of this memorandum under **THE DETAILED TERMS OF THE PROPOSAL** below.

Deadline. The Golf Club has until October 19, 2026 to continue under either ONCA or the Ontario Business Corporations Act (OBCA). The Club

must continue under one of those statutes by that date or it will be automatically dissolved.

Why Continue under ONCA? The Board believes that the Golf Club as a not-for-profit corporation should be continued under ONCA rather than the OBCA.

We understand that most not-for-profit golf clubs are choosing to continue under ONCA. The provisions of ONCA are more consistent with the status of the Golf Club as a not for profit corporation and with its tax exempt status.

One significant benefit of continuing under ONCA is that the Golf Club can avoid the cost of a full audit of its financial statements each year.

Automatic Dissolution if No Continuance. To reiterate, if the Golf Club is not continued under ONCA or the OBCA by the deadline, it will be automatically dissolved. That is an outcome the Golf Club must avoid at all costs.

Approval Required. The continuance of the Golf Club under ONCA requires approval by shareholders by a two-thirds vote at a meeting called for that purpose. The Board intends to seek that shareholder approval at the annual meeting of the Golf Club in the Spring of next year. No approval is being sought in the meantime.

Approval by Golf Club members of the continuance is not required.

Shares Will be Cancelled. ONCA does not permit shares. As a result, continuance under ONCA will automatically result in the cancellation of all outstanding shares. That means that shareholders approving the continuance will be voting in favour of cancelling their own shares.

However, the voting rights of shareholders will be preserved by permitting them to become ongoing “Heritage Members” of the Golf Club.

Shareholders Can Become Heritage Members. It is proposed that shareholders be able to elect to become “Heritage Members” of the Golf Club if they apply to the Golf Club for that status within one year of the continuance of the Golf Club. Heritage Members will have one vote at all

meetings of members of the Golf Club and at all meetings of the Heritage Members.

Heritage Members who are also playing members entitled to vote at meetings of members (ie playing members who meet the conditions to be a “Voting Playing Member” described below) will have two votes at all meetings of members (other than meetings of the Heritage Members).

Heritage Members will also have the right to elect one director as their Board nominee and will have a vote on certain fundamental changes, those votes to be on a separate class basis at a Heritage Members’ meeting.

These rights are lost if at anytime there are less than 25 Heritage Members.

Former shareholders will also be entitled to receive the \$100 stated value of their shares if they apply for that payment within one year of the continuance of the Golf Club under ONCA.

No Right to Play the Golf Course. Heritage Members will have no right to play the Golf Course unless they join the Golf Club and pay the same annual fees as all other playing members. That is consistent with the current position of shareholders.

Certain Playing Members Get a Vote for the First Time. Certain playing members of the Golf Club (who are “Voting Playing Members” as described below) will for the first time have one vote on all matters requiring approval by members. They will vote together with the Heritage Members on all such matters. As a result, the voting influence of the former shareholders of the Club will be significantly diluted by the voting rights of the playing members of the Golf Club.

If the number of Voting Playing Members was determined today, there would be 255 Voting Playing Members.

The Board believes that playing members of the Golf Club should have a significant say in the affairs of the Club and the election of directors.

Members Who will be Able to Vote. In order to be entitled to vote, a playing member of the Golf Club must be a current seven-day or five-day

member and have been such a member for at least the immediately preceding year. The playing members entitled to vote are referred to as "Voting Playing Members."

This means that members who have joined the Club and paid the new member special won't be able to vote at members' meetings unless they renew their membership for the following year. The Board believes that voting playing members should have a commitment to the longer term interests of the Golf Club.

Heritage Members will be able to Transfer Their Membership. Heritage Members will be able to transfer their membership to another family member, as defined. That is consistent with their current right to transfer their shares.

Playing members will have no right to transfer their annual playing membership, consistent with current practice.

Ceasing to be a Heritage Member. A Heritage Member will cease to be a Heritage Member if he or she fails to participate in the annual meeting of the Golf Club, by at least submitting a proxy, for two successive annual meetings. We want Heritage Members to actively participate in the affairs of the Golf Club if they are to have a continuing vote on Club matters.

One Benefit of the Cancellation of Shares. One benefit of the cancellation of the outstanding shares of the Golf Club on continuance is that the share interest of a large number of shareholders with whom the Golf Club has lost contact, and the share interest of those shareholders who don't elect to become Heritage Members, will be eliminated.

The Current Share Ownership of the Club is Undesirable. In considering the proposed continuance of the Club under ONCA, shareholders should recognize that the current share ownership of the Club is not desirable or in the best interests of the Club. There are currently approximately 396 shareholders but only approximately 32 of those shareholders are also playing members of the Club. That means that decisions such as the election of directors are effectively made by shareholders who are not playing members of the Golf Club or by a very small number of playing members. And the 223 other playing members of the Golf Club have no vote.

Further, the Golf Club has lost contact with a large number of shareholders. As a result, decisions at the Club's annual general meeting are made by a very small number of shareholders. At the Golf Club's 2025 annual meeting only 31 shareholders were present in person or represented by proxy at the meeting. Annual meetings of the Golf Club over the last few years have been attended by substantially fewer than 100 shareholders each year.

These circumstances arise because of the transfers of shares over the last 94 years that have to a great extent separated the ownership of shares from the individuals who are also playing members of the Golf Club.

Continuance of the Golf Club under ONCA represents an opportunity to correct this imbalance while nonetheless preserving appropriate voting rights for former shareholders.

Disadvantage of Continuance to Shareholders. In substance, the only disadvantage to shareholders of the continuance under ONCA is that their voting rights in the Club will be diluted by the new voting right being given to Voting Playing Members. Notwithstanding, former shareholders will continue to have a substantial voting interest when voting together with the Voting Playing Members and they will be given the additional right to elect a director and to vote on certain fundamental changes as described below.

New By-laws. If the Golf Club is continued under ONCA it must adopt new by-laws that comply with ONCA. Accordingly, approval of new by-laws will be sought from shareholders at the same shareholder meeting called to approve the continuance.

For information with respect to the proposed new by-laws, please see **PROPOSED NEW BY-LAWS** below (which is the last section of the detailed proposal).

The proposed by-laws will provide that the President of the BCA or another officer designated by it will be a director of the Golf Club without election by members. That provision is being put forward to fulfil an existing contractual obligation of the Golf Club to the Big Cedar Association (BCA).

The key terms of the proposed continuance are discussed more fully below. A commentary on those terms is also provided.

THE DETAILED TERMS OF THE PROPOSAL

The proposal is that the Golf Club be continued under ONCA. The Club has until October 19, 2026 to continue under ONCA or the OBCA. If it does not continue under one of those statutes by that date, it will be automatically dissolved, although it could be revived later for purposes only of a continuance. Dissolution is not an outcome that can be tolerated.

Upon the continuance under ONCA, all outstanding shares of the Golf Club are cancelled as a matter of law. ONCA does not contemplate or permit shares. However, the rights of shareholders are being preserved through the option of becoming Heritage Members.

This proposal has been approved in principle by the Board and is being provided to shareholders and members for their information. No approval is being sought now; the current intention is to seek shareholder approval at the next annual meeting of the Golf Club in the Spring of 2026. **Approval by a two-thirds vote of shareholders is required in order for the continuance under ONCA to proceed.**

Current members of the Golf Club have no right to vote on the continuance under the Golf Club's existing by-laws or to vote on the proposed new by-laws.

Other Preliminary Comments

The Golf Club cannot afford to be dissolved by failing to continue under ONCA or the OBCA by October 19, 2026. If the Golf Club fails to do so, the directors would have to consider immediately resigning to avoid any potential personal liability going forward.

In considering this continuance proposal, recognize that the Board has considered variations or alternatives to the provisions being proposed. The Board has concluded that this proposal is in the best interests of the Golf Club and its shareholders and appropriately balances their respective interests.

One of the principles adopted by the Board in making this proposal is that active playing members of the Golf Club should be entitled to vote on and

thereby have substantial influence over the activities and affairs of the Golf Club and the election of directors.

At the same time, continuance under ONCA with its inherent cancellation of shares, means that shareholders voting to approve this proposal will be approving the cancellation of their own shares. That is why alternative voting rights are being proposed to be given to former shareholders who elect to become Heritage Members. The Board believes that former shareholders should be able to preserve some significant on-going influence on the activities of the Golf Club through the continuing right to vote. This is addressed by the terms of the proposal.

The Golf Club has lost contact with many of its original 400 shareholders and as noted above very few current shareholders have been active as shareholders in the affairs of the Golf Club. It is proposed that any former shareholder who fails to come forward and elect to become a Heritage Member within one year following the effective date of the continuance will lose any further rights with respect to the Golf Club. Accordingly, it is not possible to know with any certainty how many Heritage Members there will ultimately be.

One benefit of the continuance under ONCA is that the shares of those shareholders who the Club has lost contact with will be cancelled.

The Golf Club retained BLG as its legal counsel to advise the Club with respect to the continuance and to implement this proposal if it is approved by shareholders.

Terms of the Proposal

The principal terms of the proposal are summarized below. A commentary is provided following each paragraph explaining the thinking behind each provision.

The proposal is as follows:

1. **Continuance Under ONCA.** The Golf Club will be continued under ONCA as a not-for-profit corporation. As a result, all shares of the Golf Club will be cancelled as a matter of law upon the continuance without any other action by the Golf Club.

Commentary

Continuing as a not-for-profit corporation under ONCA is consistent with the Golf Club's existing status as a not for profit corporation and with its tax exempt status. Doing so will also permit the Golf Club to avoid the expense of a full yearly audit of the Golf Club's financial statements. The Golf Club has been advised that most (but not all) not-for-profit golf clubs have elected to continue under ONCA. Doing that, however, results as a matter of law in the cancellation of the outstanding shares of the Golf Club to the detriment of the current shareholders. That is why former shareholders will have the right to elect to become Heritage Members.

- 2. Voting by Playing Members.** Under the proposed articles of continuance of the Golf Club, certain of the individuals who are playing members of the Golf Club will be given the right to one vote on all matters submitted for approval to the members (except there will be no voting right with respect to the class votes of the Heritage Members contemplated by paragraphs 5 and 6 below). **A member entitled to vote must be a current seven-day or five-day playing member of the Golf Club and have been such a member for at least the immediately preceding year. These voting members are referred to in this proposal as Voting Playing Members.**

Note that other playing members, twilight members, associate members, honorary members and junior members would not be entitled to vote.

Based on the current membership of the Golf Club, if one was determining the number of Voting Playing Members today, there would be approximately 255 Voting Playing Members.

Subject to the foregoing and the articles and by-laws, the Board will have the discretion to determine all questions related to voting rights and may in its sole discretion grant voting rights to a current member who has been a long standing member of the Golf Club.

Commentary:

The members of the Golf Club currently have no vote on Golf Club matters. The proposal contemplates for the first time giving certain of the playing members a vote on Golf Club matters.

Giving members the right to vote raises several issues. The Golf Club is not an equity club and our members simply pay for annual seasonal playing privileges. One of their principal objectives may be to ensure low membership fees. That may be inconsistent with the best interests of the Golf Club and could imperil its financial viability. In contrast, the directors of the Golf Club have a fiduciary duty to consider and act in the best interests of the Golf Club.

It is proposed that only current seven-day and five-day playing members who have been such members of the Golf Club for at least the immediately preceding year should be entitled to vote. That means that those persons who have joined for only one year and paid the new member special would not be entitled to a vote. We want the voting members of the Golf Club to have a longer-term commitment to the success of the Golf Club.

Under the proposal, members will not be entitled or required to vote on or approve membership fees and other charges established by the Board. If members are unhappy with the level of membership fees approved by the Board, their principal remedy would be to vote to remove the directors who have approved those fees and to propose and elect alternate directors.

The Golf Club will be required under the proposed by-laws to disclose to members in connection with its annual meeting each year the membership fees and other charges approved by the Board.

3. Former Shareholders may Become Heritage Members. Each shareholder of the Golf Club at the effective date of the continuance will be given one year from that date to **elect to become a Heritage Member** by application to the Golf Club.

Any former shareholder who fails to elect within that one year period would have no further right to become a Heritage Member or have any further rights whatsoever in the Golf Club. A former shareholder will become a Heritage Member only upon acceptance of his or her application by the Board.

Following the effective date of the continuance, the Club **will pay to any former shareholder who comes forward within one year of the continuance, the \$100 stated value of a share.** That is the original stated value of the shares and the amount contemplated in the Club's current by-laws for redemption of the shares.

Commentary:

Shareholders will have the right to continue to have a voting interest in the Golf Club by electing to become a Heritage Member. If a shareholder fails to make such an election within one year of the continuance of the Golf Club, that shareholder will cease to be entitled to become a Heritage Member or to have any further interest in the Club.

Because of the number of shareholders with whom the Club has lost contact, the number of Heritage Members will be substantially fewer than the original 400 shareholders. As noted above, fewer than 100 shareholders typically participate in the Club's annual meetings. As a result, it is not possible to determine in advance how many Heritage Members there will be.

Whatever the number of Heritage Members may be, their voting rights as former shareholders will be significantly diluted by the votes of the new Voting Playing Members. Currently shareholders who are members of the BCA have, as a practical matter, enough shares to significantly influence the outcome of the votes of shareholders. That is because so few shareholders participate in or submit proxies for meetings of the Golf Club's shareholders. After giving effect to the continuance, that level of voting influence will be substantially reduced because of the number of votes of the Voting Playing Members.

Notwithstanding, former shareholders will be entitled to substantial ongoing voting rights by becoming Heritage Members and by being able to elect one director to the Board as provided in paragraph 5 below and by reason of the voting rights under paragraph 6 below.

Shareholders who come forward within one year of the effective date of the continuance will also be entitled to receive \$100 in respect to their shares notwithstanding that, upon the continuance, all shares are cancelled as a matter of law.

- 4. Voting Rights.** Each Voting Playing Member and each Heritage Member will be entitled to one vote on all matters coming before members for approval (other than matters coming before only Heritage Members in a class vote). A person who is both a Heritage Member and who meets the conditions to be a Voting Playing Member will have two votes in connection with all such matters.

Each Heritage Member will have one vote on all matters coming before the Heritage Members for approval in a class vote.

Commentary:

Both Voting Playing Members and Heritage Members will have one vote on all matters coming before the members for approval (other than matters coming before the Heritage Members in a class vote). Those members will vote together as a single class on all such matters. A person who is a Heritage Member and who meets the conditions to be a Voting Playing Member will have two votes.

Regardless of what the number of Voting Playing Members may be from time to time, the voting power of former shareholders will be significantly diluted by the voting rights of Voting Playing Members. That is the reason for giving the Heritage Members the additional right to elect one director of the Golf Club by a class vote under paragraphs 5 below and for giving the Heritage Members the additional voting rights under paragraph 6 below.

- 5. Right to Elect One Director.** As long as there are at least 25 Heritage Members, the Heritage Members will have the right, voting as a separate class, to elect one director to the Board of Directors of the Golf Club. That director is to be nominated by the BCA and must qualify to be a director by being Member (which includes being a Heritage Member).

Commentary:

Because former shareholders will have less voting influence on the election of the directors of the Golf Club, they will be given the right as Heritage Members to elect one director to the Board in a separate class vote. That ensures that the Heritage Members will continue to have representation on the Board. That director is to be nominated by the BCA as one of the

directors it is entitled to nominate under the existing agreement between the Golf Club and the BCA.

That director must be a Member which includes being a Heritage Member. Because a Heritage Member is not required to be a playing member, this director may not be a playing member of the Club. If the size of the Board is increased, the Heritage Members will not be entitled to elect any additional director on a class vote.

*Because we don't know how many Heritage Members there will be and because that number may reduce over time, the proposal is that if there are fewer than 25 Heritage Members, they will lose this right to elect a director. **Note, however, that Heritage Members will continue to have one vote in connection with all matters requiring approval of the members.***

The loss of the right to a class vote is intended to ensure that a relatively small number of Heritage Members would not have the benefit of this class voting right to elect a director. The same principle is applied to the class voting rights provided for under paragraph 6 below. The number 25 is simply an arbitrary number being proposed for this purpose.

6. Additional Class Voting Right. The articles of the Golf Club will provide that, as long as there are at least 25 Heritage Members, an ordinary resolution of the Heritage Members is required:

- (i) for the Golf Club to enter into any amalgamation, arrangement or merger of the Golf Club with another corporation or entity or for any dissolution, liquidation or winding up of the Golf Club;
- (ii) to add, remove or change any rights or conditions applicable to Heritage Members under the articles or by-laws;
- (iii) to increase the number of votes any member of any other class or group of members is entitled to cast at a meeting of members;
- (iv) to add, change or remove any provision respecting the transfer of membership by a Heritage Member;
- (v) to change the objects or purposes of the Golf Club;

- (vi) upon the dissolution, liquidation or winding up of the Golf Club, to change to whom the remaining property of the Golf Club is to be distributed after the discharge of all liabilities and the satisfaction of all obligations of the Golf Club;
- (vii) to change the manner of giving notice to Heritage Members entitled to vote at a meeting of Heritage Members;
- (viii) for Members to consider or reconsider any decision of the Board of Directors with respect to membership fees or other charges; or
- (ix) to amend the articles or by-laws of the Golf Club in a manner that would reasonably be viewed as prejudicial to the rights of a Heritage Member.

Commentary:

This paragraph is intended to protect the interests of the Heritage Members with respect to changes that could adversely affect their rights as Heritage Members.

*Note that only a **majority** vote of Heritage Members is required rather than a two-thirds vote. That is intended to avoid a relatively small number of Heritage Members being able to prevent approval of one of the actions set forth in this paragraph.*

7. Transferability of Membership Rights. A Voting Playing Membership will remain an annual membership and will not be transferable.

A Heritage Membership will be transferable only to a family member of the Heritage Member, as defined. Any such transfer must be submitted to the Golf Club for consideration by the Board. A “family member of a Heritage Member” will be defined as a child, grandchild, great grandchild, sibling, son-in-law, or daughter-in-law of such Heritage Member or any other relative approved by the Board of the Golf Club in connection with a proposed transfer.

Commentary:

Currently, playing members of the Golf Club have no right to transfer their annual membership to others. That will remain the same under the proposal.

Heritage Members, as former shareholders, are in a different position. Consistent with their rights as former shareholders, their interests as Heritage Members is intended to be a long-term continuing interest. In order to avoid that interest terminating on death, Heritage Members will have the right to transfer their membership to family members, as defined. Otherwise, the effect of the continuance would be that former shareholders would eventually lose their entire rights with respect to the Golf Club on their death.

The definition of a family member is taken from the current definition in the Golf Club's share transfer form. But the Board can approve other relatives in connection with a proposed transfer.

8. Termination of Heritage Membership. A Heritage Membership will terminate:

- (i) upon the death of the Heritage Member unless the membership is bequeathed, transferred or passes to a family member of the Heritage Member, as defined;
- (ii) upon any purported transfer of a Heritage Membership not in accordance with paragraph 7; or
- (iii) upon the failure of a Heritage Member to participate in, or submit a proxy for, two consecutive annual general meetings of the Golf Club unless such membership is reinstated by the Board in its sole discretion, on application to it.

Commentary:

This paragraph recognizes that a Heritage Membership terminates on death unless transferred to a family member. The proposal also provides in clause (iii), that a Heritage Membership terminates if the member fails to participate in, or submit a proxy for, two successive annual general

meetings of the Golf Club. That is intended to ensure that Heritage Members continue to take an active interest in the Golf Club and its affairs. If a Heritage Member is not prepared to at least vote directly or by proxy on relevant Golf Club matters, it is proposed that they should lose that right to vote.

- 9. Distribution of Remaining Property.** As long as there are at least 25 Heritage Members, the Heritage Members will be entitled to receive any remaining property of the Golf Club on any dissolution, liquidation or winding up of the Golf Club after full payment to all creditors and after compliance by the Golf Club with all outstanding obligations and liabilities, including in particular, the contractual obligations of the Golf Club to the BCA under the option agreement held by the BCA.

Commentary:

It is extremely unlikely that upon a dissolution, liquidation or winding-up, the Golf Club would have any remaining property available to distribute to members after payment of all creditors and compliance with all outstanding obligations and liabilities. That is because, among other considerations, the BCA holds an option exercisable in that event to acquire the golf course lands and all of the Golf Club assets.

The proposed by-laws will also provide that upon the dissolution, liquidation or winding-up of the Golf Club all accumulated income will be transferred to an organization designated by the Board that is a charity or not-for-profit entity under the Income Tax Act (Canada). This is to ensure that the Golf Club maintains its tax exempt status.

In any event, it is not appropriate for members of the Golf Club who are simply paying for annual playing privileges to have any contingent interest in the remaining property of the Golf Club. It also means that Voting Playing Members would have no interest in voting to dissolve, liquidate or wind-up the Golf Club.

The proposal is that the right of Heritage Members to receive the remaining property on a dissolution, liquidation or winding-up would be lost if the number of Heritage Members is less than 25. That is simply to provide that a small number of Heritage Members would not be entitled to this right. In

that circumstance, such a distribution would go to the Voting Playing Members and the Heritage Members on a pro rata basis.

But to reiterate, the right to receive the Golf Club's remaining property on a dissolution, liquidation or winding-up is irrelevant given the contractual rights of the BCA.

PROPOSED NEW BY-LAWS

New by-laws of the Golf Club will be adopted that comply with the provisions of ONCA. Those proposed by-laws will be submitted to shareholders for approval at the same time as the continuance under ONCA. Current members of the Golf Club have no right to vote on approval of the new by-laws. Those by-laws will be effective only on the date of the continuance of the Golf Club under ONCA.

The following is a summary of some key provisions of the proposed new by-laws:

- (a) there will be a minimum of three and a maximum of 10 directors provided for in the articles but there will continue to be eight directors of the Golf Club until such time as that number is changed in accordance with the by-laws; directors will continue to be elected for a two year term; with the exception of the director elected by the Heritage Members and the director representing the BCA referred to in paragraph (m) below, generally half of the number of directors will come up for election each year in accordance with the current practice;
- (b) as provided under ONCA, the directors will have a fiduciary duty to manage the affairs of the Golf Club;
- (c) a director must be a member although that will include a Heritage Member;
- (d) the directors will be required to use their reasonable efforts to conduct the affairs of the Golf Club on a break-even basis, to establish appropriate capital plans and reserves and to maintain a specific reserve in respect of the funds advanced by the BCA pursuant to the transaction entered into between the Golf Club and the BCA;

- (e) the Board will be entitled to make policies and rules with respect to all matters related to the Golf Club, its members and affairs including the rules related to the playing privileges and other rights of members;
- (f) ONCA requires that the Golf Club have a Chair who will preside at all director and member meetings; that position will likely be combined from time to time with the position of President;
- (g) the quorum for directors' meetings will remain at a majority of directors;
- (h) a quorum for meetings of members will be 20 members present in person or by proxy and entitled to vote at such meetings; and the quorum for meetings of Heritage Members will be 10 members present in person or by proxy and entitled to vote at such meetings; meetings of Heritage Members may be held in conjunction with other member meetings;
- (i) members will be able to vote at members' meetings by proxy; any proxy holder must be a member, which includes a Heritage Member;
- (j) any change or amendment to the by-laws must be passed by the Board and approved by a two-thirds vote of the members and by any approval of the Heritage Members that may be required;
- (k) no member approval will be required for membership fees and other charges established by the Board but notice of such fees and charges must be given to members in connection with the annual meeting of the Golf Club each year;
- (l) if the Golf Club proposes to have a review engagement instead of an audit of its financial statements for any financial year, that must be approved by an 80% vote of members at the relevant annual meeting of the Golf Club; the Golf Club will want to avoid the expense of a full audit;
- (m) the President of the BCA or any other officer of the BCA designate by it shall be a director of the Golf Club without the need for election by members and that person will not need to be a member of the Golf Club; that provision fulfils a contractual obligation of the Golf Club to

the BCA to propose that by-law provision; and

- (n) the directors will be entitled to authorize the Golf Club to borrow in the normal and usual course of the Club's affairs without the need for any member approval.

Commentary:

New by-laws that comply with ONCA will need to be approved in connection with the continuance of the Golf Club under ONCA. The full by-laws will be submitted to shareholders for approval at the same shareholders meeting called to approve the continuance.

The new by-laws will reflect the proposed new membership structure of the Golf Club and the provisions of ONCA.

The provision in (e) above will continue to allow the directors to provide for, as an example, the playing rights of seven-day members, five-day members and twilight members.

The Golf Club will continue to have the obligation under the agreement with the BCA to nominate for election as directors, nominees of the BCA representing one-half of the Board. It is proposed that the director to be elected by the Heritage Members be nominated by the BCA, and that the director representing the BCA under (m) be treated as the BCA's nominee.

October 3, 2025.