STATE OF SOUTH CAROLINA)	IN THE COURT OF COMMON PLEAS
)	
COUNTY OF DORCHESTER)	FIRST JUDICIAL CIRCUIT
BRYAN GRAY and COURTNEY GRAY, INDIVIDUALLY AND ON BEHALF OF OTHER SIMILARLY SITUATED MEMBERS AND FORMER MEMBERS OF THE COOSAW CREEK OWNERS' ASSOCIATION, INC. and COOSAW CREEK COUNTRY CLUB, INC.,)	CASE NO. 2024-CP-18-01170
Plaintiffs,)	**ORDER GRANTING DEFENDANT'S MOTION TO COMPEL ARBITRATION**
v.)	
COOSAW CREEK COUNTRY CLUB, INC., CHRIS MITCHELL, DEREK ROBBINS, BRADY HAIR, WOODY ENO, VICTOR RIVERA, JOHN WEIDEN, GREG GILMOUR, GLENN MILLER, BETTY PALMER, and GREGG STEFFEN,)	
Defendants.)	

THIS MATTER came before the Court for hearing via WebEx on February 3, 2024, on several outstanding motions, including the Motion to Compel Arbitration, filed September 16, 2025, by Defendants Coosaw Creek Country Club, Inc. (the "Club"), Chris Mitchell, Derek Robbins, Brady Hair, Woody Eno, Victor Rivera, John Weiden, Greg Gilmour, Glenn Miller, Betty Palmer, and Gregg Steffen (collectively, the "Club Defendants"). After the hearing, the parties filed a stipulation of dismissal without prejudice as to Defendant The Coosaw Creek Owners' Association, Inc. (the "HOA"), rending its motion moot. The Court has issued an order denying Plaintiffs' Motion for a Preliminary Injunction. Accordingly, at this time, the Club Defendants are the only remaining Defendants in this action, and the only remaining motion to be decided by the Court is the Motion to Compel Arbitration.

At the hearing, Christoper M. Ramsey, Esq., appeared as counsel for Plaintiffs. J.W. Nelson Chandler, Esq., appeared as counsel for the Club Defendants. Defendant Derek Robbins also appeared. Plaintiffs filed a Response in Opposition to the Motion to Compel Arbitration on January 31, 2025 (the "Response"), and the Club Defendants filed a Reply in Support of the Motion to Compel Arbitration on February 3, 2025. Having considered the filings, the law, and the arguments of counsel, the Court finds that the Motion to Compel Arbitration should be GRANTED for the reasons stated below.

I. BACKGROUND

This case concerns disciplinary action taken by the Club against Plaintiffs, who joined the Club in 2023 and hold one of the Club's 535 equity memberships. (Affidavit of Chris Mitchell, filed January 31, 2025 ("Mitchell Aff."), at ¶ 17). The Club is a private, non-profit entity organized under South Carolina law "to own and operate a golf, tennis, swimming and social oriented club for the recreation, pleasure, and primary benefit of the Equity Members and their families and guests." (Affidavit of J. Brady Hair, filed August 26, 2024 ("1st Hair Aff."), at ¶¶ 12, 51; Club Bylaws, Exhibit 1 to 1st Hair Aff., at Art. II). A complete statement of the factual background of this matter is found in this Court's Order Denying Plaintiff's Motion for a Preliminary Injunction, filed February 18, 2025, and is incorporated herein by reference. For purposes of the instant motion, the Court notes the following additional facts:

In applying for membership to the Club, both Plaintiffs signed a Coosaw Creek Country Club Membership Application. (Affidavit of J. Brady Hair, filed September 16, 2024 ("2nd Hair Aff."), at ¶¶ 4-6). The application contains the following statement above Plaintiffs' signatures: "By signing this application, the applicant(s) agrees to abide by all terms and conditions of the Coosaw Creek Country Club ByLaws, Membership Plan and Rules of Club Facilities, as each may

be amended from time to time." (Exhibit 1 to 2nd Hair. Aff.). Plaintiffs acknowledge that they filled out and signed this application. (Response, at p. 2).

Plaintiffs also signed the Country Club Membership Agreement, which includes a Club Closing Memorandum, at the time of their home purchase. (Response, at p. 2). This agreement states that "BUYER is aware of the . . . Club Bylaws." (Exhibit 3 to 1st Hair Aff.). The document further provides that "the Bylaws are now effective and binding as to all those individuals or entities who have title to any lot/home situated on the property known as Coosaw Creek Country Club." (*Id.*). Plaintiffs acknowledge that they signed this agreement. (Response, at p. 2).

The current Bylaws of the Club were amended effective February 17, 2015. (Exhibit 1 to 1st Hair Aff.). The following notice appears on the first page of the Bylaws in underlined, capital, and bold letters:

NOTICE OF ARBITRATION

ANY DISPUTE, CONTROVERSY, OR CLAIM ARISING OUT OF, OR IN RELATION TO, PROPERTY OWNERSHIP, CLUB MEMBERSHIP, COVENANTS, BY-LAWS, OR POLICIES OF, OR ACTIONS TAKEN BY, THE POA BOARD, THE CLUB BOARD, OR THEIR EMPLOYEES, CONTRACTORS OR AGENTS, SHALL BE RESOLVED BY MANDATORY ARBITRATION UNDERTAKEN IN ACCORDANCE WITH THE RULES AND PROCEDURES OF THE AMERICAN ARBITRATION ASSOCIATION. IN SUCH EVENT, ARBITRATION SHALL BE THE EXCLUSIVE REMEDY AVAILABLE TO THE PARTIES, AND NO RIGHT SHALL EXIST TO HAVE ANY SUCH DISPUTE, CONTROVERSY OR CLAIM LITIGATED IN A COURT OR BY JURY TRIAL.

(Ex. 1 to 1st Hair Aff.). Article XXI(3) of the Bylaws provides additional detail regarding the arbitration process. (*Id.*).

II. LAW AND ANALYSIS

In South Carolina, arbitration agreements are governed by the Uniform Arbitration Act ("SCUAA"). S.C. Code Ann. §§ 15-48-10 to -240. The SCUAA provides that a "written

agreement to submit any existing controversy to arbitration . . . is valid, enforceable and irrevocable, save upon such grounds as exist at law or in equity for the revocation of any contract." S.C. Code Ann. § 15-48-10(a) (emphasis added). "Notice that a contract is subject to arbitration pursuant to this chapter shall be typed in underlined capital letters, or rubber-stamped prominently, on the first page of the contract and unless such notice is displayed thereon the contract shall not be subject to arbitration." *Id*. South Carolina appellate courts have stated that arbitration is "favored," which "mean[s] simply that courts must respect and enforce a contractual provision to arbitrate as it respects and enforces all contractual provisions." *Palmetto Constr. Group, LLC v. Restoration Specialists, LLC*, 432 S.C. 633, 639, 856 S.E.2d 150, 153 (2021).

Plaintiffs' claims in this case fall squarely within the scope of the subject arbitration provision as they arise from Plaintiffs' Club membership, the Club's Bylaws and policies, and the alleged actions of the Club's Board of Directors and its employees. (*See* Complaint, filed July 17, 2024, at ¶¶ 3-74). Plaintiffs do not argue to the contrary. Instead, Plaintiffs contend that they should not be compelled to arbitrate because the arbitration provision is contained in the Club's Bylaws, and they did not sign the Bylaws themselves. (Response, pp. 2-3). The Court finds this argument unavailing.

The S.C. Nonprofit Corporation Act (the "Act") requires the adoption of bylaws by all non-profit corporations. *See* S.C. Code Ann. § 33-31-206(a). Those bylaws "may contain any provision for regulating and managing the affairs of the corporation that is not inconsistent with the law or the articles of incorporation." S.C. Code Ann. § 33-31-206(b). There is no requirement in the Act that bylaws be signed or separately adopted by the members. *See generally Jarmuth v. Intern. Club Homeowners Ass'n, Inc*., 2012 WL 10096357, at *7 (S.C.Com.Pl. Sept. 10, 2012). Further, "[t]he constitution, bylaws, and regulations of an association create a legally enforceable

agreement in the nature of a contract between the organization and the member . . . ." *Brown v. Spring Valley Homeowners Assn., Inc.*, 2016 WL 3595791, at *2 (Ct. App. 2016) (*citing* 7 C.J.S. Associations § 14 (2015)) (emphasis added).

In this case, the Club's Bylaws contain a **NOTICE OF ARBITRATION** in underlined, capital, and bold letters on the first page of the document. (Ex. 1 to 1st Hair Aff.). Article XXI(3) of the Bylaws provides additional detail regarding the agreement to arbitrate. (*Id*.). The arbitration provision included in the Bylaws constitutes a legally enforceable agreement with Plaintiffs as equity members of the Club. *See* S.C. Code Ann. § 15-48-10(a) (stating that such a provision is enforceable save upon the grounds to challenge any contract). In reaching this conclusion, the Court is informed by the Court of Appeals opinion in *McMillan v. Gold Kist, Inc*., 353 S.C. 353, 577 S.E.2d 482 (Ct. App. 2003). In that case, as in this case, the plaintiff (a farmer) signed documentation agreeing to be bound by the bylaws of the organization (an agricultural cooperative). The Court of Appeals found that the arbitration provision contained in the bylaws was enforceable against the plaintiff – even though the provision was adopted after the plaintiff signed the agreement. *Id*. at 359-362, 577 S.E.2d at 485-487. Though the Federal Arbitration Act applied in *McMillan* because the bylaws failed to meet the SCUAA's requirement for notice on the first page, the Court's finding that bylaws are contractually enforceable against a member applies with equal – if not greater – force in this case, where the arbitration provision was already in effect at the time Plaintiffs joined the Club and agreed to the Bylaws. *See id*. In sum, Plaintiffs are bound by their agreement to abide by the Club's Bylaws, including its arbitration provision.

Though the foregoing analysis is sufficient to grant the Motion to Compel Arbitration, the Court further finds that "South Carolina has recognized several theories that could bind nonsignatories to arbitration agreements under general principles of contract and agency law,

including (1) incorporation by reference, (2) assumption, (3) agency, (4) veil piercing/alter ego, and (5) estoppel." *Est. of Solesbee by Bayne v. Fundamental Clinical and Operational Services, LLC*, 438 S.C. 638, 647, 885 S.E.2d 144, 148 (Ct. App. 2023), *reh'g denied* (Apr. 14, 2023), *cert. denied* (Apr. 16, 2024). Here, Plaintiffs are also bound to arbitrate under the principles of incorporation by reference and estoppel. First, Plaintiffs acknowledge signing at least two documents in 2023 where they acknowledged and agreed to the binding nature of the Bylaws. (Response, p. 2). Second, Plaintiffs should be estopped from refusing to comply with the arbitration clause in the Bylaws where they have received direct benefits from the amenities provided by the Club pursuant to the Bylaws. *See generally Jarmuth*, 2012 WL 10096357, at *7 (finding that it would be inequitable to find bylaws invalid that had been "utilized for over ten years" to govern a community).

Finally, Plaintiffs argue that the arbitration provision is ineffective because it does not expressly reference the code section at issue from the SCUAA. Plaintiffs cite no case law in support of this proposition, and the Court is not persuaded because the notice provision meets the express requirement of the statute to provide notice in underlined and capitalized letters on the first page. (Ex. 1. to 1st Hair Aff.). As such, the arbitration provision at issue complies with both the spirit and letter of the law and must be enforced.

III. CONCLUSION

For the reasons stated above, Defendant's Motion to Compel Arbitration should be, and is hereby, **GRANTED.** Pursuant to S.C. Code Ann. § 15-48-20(d), this action is hereby **STAYED** in favor of arbitration.

AND IT IS SO ORDERED.

[JUDICIAL E-SIGNATURE ON FOLLOWING PAGE]

Dorchester Common Pleas

Case Caption: Bryan Gray , plaintiff, et al VS The Coosaw Creek Owners Association Inc , defendant, et al

Case Number: 2024CP1801170

Type: Order/Compel

So Ordered

S. Bryan Doby, Circuit Court Judge, No. 2784