

THE HOUSTONIAN CLUB BYLAWS

ARTICLE I Name and Purpose

The name of the club ("Club") is THE HOUSTONIAN. The Club is owned and operated by Houstonian Campus, Ltd. ("Owner"), a Texas limited partnership. Subject to the provisions of these Bylaws ("Bylaws") and the Rules and Regulations ("Rules and Regulations") concerning usage promulgated by the Owner as herein contemplated, and as may be amended by the Owner at its sole discretion, each member shall have a revocable license to use the facilities of the Club made available from time to time at 111 North Post Oak Lane, Houston, Texas 77024 (the "Club Facilities"), but shall have no ownership interest in such facilities, properties, or assets.

ARTICLE II Membership

Section 1. *Personal Memberships*

Personal Memberships must be personally held and may be designated as Individual, Couple, or Family.

A. Individual - Individual Members shall be entitled to the privileges, benefits, and uses of THE HOUSTONIAN, which may vary according to the particular category of membership.

B. Couple - Couple Members shall be entitled to the privileges, benefits, and use of THE HOUSTONIAN, which may vary according to the particular category of membership. For these purposes, Couple Memberships shall include only the member and his or her lawful spouse.

C. Family - Family Members shall be entitled to the privileges, benefits, and use of THE HOUSTONIAN, which may vary according to the particular category of membership. For these purposes, Family Memberships shall include the member, his or her lawful spouse, and their dependent children under 18 years of age, as well as all of their unmarried dependent children under 23 years of age.

Section 2. *Corporate Membership*

Corporate Memberships must be held by a firm engaged in bona fide ongoing business activities and must also be designated as Individual, Couple, or Family. A business that is formed for the purpose of purchasing a Corporate Membership shall not qualify as engaged in bona fide ongoing business activities for the purposes of these Bylaws. Corporate Memberships shall be maintained in the name of a corporation or other business entity, and the rights and privileges thereunder shall be assigned only to a particular designated bona fide owner, employee, or officer of the firm, subject to the approval of the Owner. Each Corporate Membership shall have only one designated user. The designee may be changed from time to time subject to and in accordance with Article III, Section 1 of these Bylaws. The corporation or firm and the individual designee shall be jointly and severally liable for all dues and other charges incurred in the name of the Corporate Membership. If the designee with respect to a Corporate Membership ceases to be a bonafide owner, employee or officer of the applicable corporation, then such corporation must notify the Owner of such cessation within ten (10) days after its occurrence. The Owner shall have the sole right to determine whether an entity qualifies for Corporate Membership eligibility and

whether a particular proposed designee is a bona fide owner, employee or officer of the entity. The Owner shall have the right to require documentation satisfactory to the Owner in its sole discretion relating to the bona fide business activities of an entity as well as the bona fide status of a proposed designee as an owner, officer or employee of the entity. Notwithstanding any provision to the contrary contained in these Bylaws, reference in these Bylaws to a corporation, other business entity or other firm shall mean and include reference to corporations, partnerships, limited liability companies and other business entities and reference to shareholders of a corporation or owners of a business entity shall mean and include reference to owners of any business entity, such as shareholders with respect to corporations, partners with respect to partnerships and members with respect to limited liability companies.

Section 3. *Categories of Membership*

The Owner shall have full power and authority to establish various categories of membership which may vary relative to initiation fees and dues, terms of admission, hours of operation, privileges, facilities, and such other matters as may be deemed appropriate by the Owner from time to time. Categories of membership, initiation fees, dues, charges, terms of admission, hours of operation, privileges, and facilities (for each category of membership) may be changed by the Owner from time to time.

Section 4. *Dues and Credit Limits*

Each member shall pay monthly, in advance, the requisite dues as provided by the then prevailing dues schedule. Owner reserves the right to check any member's credit and establish a credit limit. Upon review of charges/payment history, this limit may be adjusted as Owner deems appropriate.

Section 5. *Applications for Membership*

A. All membership applications and acceptances shall be made on a form provided by THE HOUSTONIAN which may be revised from time to time. Each application shall include the name of the applicant, address, phone number, family and business information, name of sponsors, and such other information as may be requested by Owner.

B. All applications for membership shall be accompanied by a deposit against the membership initiation fee in an amount fixed by Owner for the particular type of membership involved. Such deposit shall be refunded to the applicant if the application for membership is disapproved by THE HOUSTONIAN.

C. All new memberships will be subject to review and approval by Owner.

D. The Owner may establish from time to time a waiting list ("Waiting List"), which may require a deposit and shall be subject to specified waiting list procedures (the "Waiting List Procedures") in effect and as may be amended from time to time by the Owner, in its sole discretion.

Section 6. *Complaints and Disputes*

A. Complaints by members about any aspect of Club operations or



about membership privileges, transfers, or successions shall be made in writing to the General Manager of the Club or any other person designated by the Owner. All complaints shall be reviewed by the Owner.

B. SHOULD THE MEMBER AND OWNER BE UNABLE TO RESOLVE A MEMBER'S COMPLAINT, THE MEMBER AND OWNER SHALL SUBMIT THE DISPUTE TO BINDING ARBITRATION UNDER THE COMMERCIAL ARBITRATION RULES OF THE AMERICAN ARBITRATION ASSOCIATION. THE ARBITRATION SHALL TAKE PLACE IN HARRIS COUNTY, TEXAS AND SHALL BE GOVERNED BY THE LAWS OF THE STATE OF TEXAS. NOTICE OF DEMAND SHALL BE FILED IN WRITING WITH THE OTHER PARTY TO THIS AGREEMENT AND WITH THE AMERICAN ARBITRATION ASSOCIATION. A DEMAND FOR ARBITRATION SHALL BE MADE WITHIN TWO (2) YEARS AFTER THE DISPUTE HAS ARISEN, BUT IN NO EVENT SHALL A DEMAND FOR ARBITRATION BE MADE AFTER THE EXPIRATION OF THE STATUTE OF LIMITATIONS APPLICABLE TO THE DISPUTE IN QUESTION. THE RULING OF THE ARBITRATOR(S) SHALL BE FINAL, AND JUDGEMENT UPON THE AWARD RENDERED BY THE ARBITRATOR(S) MAY BE ENTERED BY ANY COURT HAVING JURISDICTION THEREOF.

Section 7. *Disciplinary Action*

Owner shall have the right to withdraw membership privileges for a limited period of time from any individual member or family member who, in Owner's good faith opinion, has behaved in a manner detrimental to the legitimate interests of THE HOUSTONIAN and its membership.

Section 8. *Termination of Membership*

Termination of membership shall result in loss of right to use THE HOUSTONIAN's facilities. Termination may occur by resignation, death, or expulsion.

A. Resignation - Members may resign from THE HOUSTONIAN at any time by giving 30 days advance written notice to Owner and paying all dues and charges accrued to the effective date of such notice or resignation. Upon termination and payment of all such amounts, the resigning member, who is not on a pay plan, shall not thereafter be subject to any dues or charges.

B. Death - In the event of a member's death, where a personally held family membership is involved, the surviving spouse (and other dependent family members where appropriate) shall continue to enjoy all the rights and privileges of such membership without payment of any transfer fee by reason of such transfer; provided however, such surviving spouse shall be obligated to pay all outstanding and future accruing dues, costs, fees and other charges relating to such membership and its use. Individual Memberships terminate at death, and transfers shall thereafter be accomplished in accordance with Section 1 of Article IV of these Bylaws.

C. Expulsion - Any member who is delinquent in payment of his or her account, who is in violation of any provision of these Bylaws or any of the other rules and regulations of THE HOUSTONIAN, or who has engaged in any conduct which Owner believes is detrimental to the legitimate interests of THE HOUSTONIAN may be expelled from THE HOUSTONIAN by the Owner. Upon a member's expulsion, such member (and any applicable designee) shall have no

further right to use any of the Club Facilities or any facilities of The Houstonian Golf Club, including without limitation, no right to use the health club facilities, swimming pool, tennis courts, hotel, spa, and Manor House, unless and until such member receives written authorization from the Owner consenting to any such use.

Additionally, upon a member's expulsion, Owner shall send that member a final statement reflecting dues and other charges accrued through the date of expulsion. The final statement must be paid within 30 days of the date of the statement. An expelled member on a pay plan shall not be relieved of any remaining note installments. Failure to pay will result in the account becoming a collection matter. Owner reserves the right to take whatever action it believes is necessary, reasonable or helpful to collect past due balances. If such member desires to be reinstated, it must comply with the provisions of Article IV, Section 4C of these Bylaws.

ARTICLE III Membership Transfers

Memberships in the Club are not to be viewed as or treated like alienable personal property. Rather, the relationship is one of the contract between Owner and the member. Consequently, transfers or assignments by the member of rights, privileges, or benefits appertaining to the membership may be made only as permitted by the provisions of these Bylaws.

Section 1. *Corporate Memberships*

A. Changing Designee (no change in ownership)

(i) A transfer may be designated, but the designee must be a bona fide owner, employee, or officer of the business owner of the membership (verification required).

(ii) Procedure - A new designee application must be submitted and will be processed as a new member application, subject to all of the required approvals of a new member. A transfer fee will be charged according to the Schedule of charges then in effect.

B. Transfer Ownership of the Membership from the Business

(i) To Another Business Entity - The membership cannot be transferred from one business entity to another as a general rule; however, transfers are permitted when the transferee is a legal successor in interest to the transferor corporation or the assignment is incident to the transfer of the entire business of the Corporate Member. Thus, transfers are permitted if the transferor is merged into a transferee corporation or the transferor is liquidated with its assets being transferred to a parent corporation in a transaction with a bona fide purpose other than effecting the membership transfer. A membership transfer is also permitted if it is incident to the transfer of the entire business or assets of a Corporate Member. A transfer of the membership to another business is not permitted if such transfer is not accompanied by a transfer of substantially all of the assets of the transferor or of substantial business assets and operations of the transferor. Thus, for example, a Corporate Membership cannot be transferred to a newly formed shell corporation or to an existing corporation except incident to the transfer of an active business to the corporation. Owner shall be supplied such proof as it deems appropriate to insure that a transfer is properly authorized under this Bylaw provision.

(ii) To An Individual - The membership can be transferred to an individual only if the individual is an owner, employee, or shareholder of the Corporate Member. After the transfer, the Corporate Membership is terminated and the membership will be a Personal

Membership and may thereafter only be transferred as permitted in Section 2 immediately below. Thus, a corporation may transfer its membership to a shareholder in a liquidating or ordinary distribution. Owner shall be supplied such proof as it deems appropriate to ensure that a transfer is properly authorized under this section. Such proof shall consist of appropriate certified minutes or consent action of the board of directors of the company approving the transfer, or, in the case of an unincorporated business, an affidavit of the principal owner of the business or such other documentation as Owner may require.

(iii) Bankruptcy - In the event of bankruptcy of the business holding a Corporate Membership, the trustee in bankruptcy may make transfers on behalf of the business only in accordance with the foregoing provisions of subsections (i) and (ii).

Section 2. *Personal Memberships*

A. All Personal Memberships (other than Resident Memberships as provided in subsection B immediately below) may not be transferred except upon division of property incident to a divorce (in the case of a Family Membership), or incident to death of the member or spouse. In the event of the bankruptcy of the holder of a Personal Membership, the Club shall continue to recognize such holder as the member so long as all financial responsibilities of the member are adequately discharged. No right to transfer such membership shall be created by reason of the holder's bankruptcy; however, the holder may put the membership on inactive status as authorized by Article IV, Section 4, below.

B. Resident Memberships

Resident Memberships, personally owned, may be transferred in accordance with this subsection. In order to transfer a Resident Membership, these procedures must be followed:

(i) The member will be solely responsible for identifying and introducing a prospective new member who is willing to acquire the membership at the prevailing initiation fee. The prevailing initiation fee MUST be paid in full to The Houstonian Club with a cashiers check.

(ii) The member must advise Director of Membership Services and introduce the prospective new member. All transactions will be processed through the office of Director of Membership Services.

(iii) All prospective members must be approved by Owner and fulfill the necessary qualifications before the transaction can be completed.

(iv) When the new member is accepted, the existing member will be advised and, if the existing member's original initiation fee was less than the prevailing initiation fee for the type of membership being transferred, the existing member will be repaid the original initiation fee by Owner. If the existing member's original initiation fee equaled or exceeded the prevailing initiation fee for the type of membership being transferred, the existing member will only be reimbursed an amount equal to the initiation fee actually received by Owner from the new member, less the then applicable transfer fee in accordance with the prevailing Schedule of Charges. The provisions of this subpart (iv) shall not apply to any transfer of a Charter Membership (as such term is defined in Article III, Section 3D of these Bylaws). Notwithstanding any provision to the contrary contained in these Bylaws, upon the transfer of a Charter Membership, the new member will be obligated to pay Owner the amounts called for in Article III, Section 3A of these Bylaws (including the then applicable initiation fee) and the existing member will be obligated to pay Owner the

amounts called for in Article III, Section 3C of these Bylaws, but the existing member will not be entitled to repayment of any of the original initiation fee or deposit paid with respect to such Charter Membership. As stated in Article III, Section 3D of these Bylaws, the Owner has no obligation to repay any of the original initiation fees or deposits paid with respect to Charter Memberships.

(v) Any new Resident Member will have a similar transfer privilege.

(vi) All forms of public advertising (i.e., newspaper, magazine, internet, anything printed or any public advertising) with respect to the sale, other disposition, existence or status of any membership in THE HOUSTONIAN are strictly prohibited. Therefore, any prospective member located by advertising will be disqualified.

Section 3. *Miscellaneous Provisions*

A. Transfer Subject to New Membership application. Any transfer contemplated under the foregoing rules will be permitted and recognized only after (i) the transferee has completed all application forms as for a new membership, paid the then applicable initiation fee for the type of membership being transferred (based on the applicable initiation fee which would be payable by the transferee if he were obtaining a new membership), and paid all applicable transfer and other fees, deposits and other amounts required by Owner and (ii) the application has been processed and approved in due course by Owner. Owner will consider the proposed transfer under the same standards as it would consider a new applicant.

B. Rights and Obligations

Until and unless Owner recognizes a transferee as a member, the person who is carried on the books as the holder will be the person entitled to all rights (including the right to receive from Houstonian Club, Inc., the former operator of the club, the ultimate return of any membership deposit relating to a Charter Membership) and will be obligated for all costs, fees, and other charges related to the membership and its use. In the case of a Corporate Membership, both the applicable corporation and its designee (including the designee's spouse if the spouse is designated to use the membership) are jointly and severally liable for all costs, fees, and other charges related to the membership and its use. In the case of a Couple or Family Membership, the individual member and spouse, if designated to use the membership, are jointly and severally liable for all costs, fees, and other charges related to the membership and its use.

C. Condition to Transfers

Transfers otherwise permitted by these rules are effective only after all outstanding costs, fees, and other charges related to the membership and its use by the transferor have been paid.

D. Charter Membership Deposits

Prior to October 1983, certain members made refundable deposits pursuant to the rules and bylaws then in effect. The ownership of such deposits shall be determined by applicable laws, including laws of testate and intestate succession. The Bylaw provisions concerning membership privileges are not intended to address ownership claims to any such deposits. The obligation to refund such deposits was and remains the obligation of the prior operator of the Houstonian Club and is not an obligation of the Owner; however, it is Owner's understanding that the prior operator of the Houstonian Club has placed in escrow with a major commercial bank in Houston, United States Treasury securities

in an amount that it has determined will be sufficient to cover 100% of the amounts to be refunded in future years to such members. As used herein, the term "Charter Memberships" shall mean the memberships in THE HOUSTONIAN attributable to such refundable deposits.

ARTICLE IV Death, Divorce, Inactive Status, Reinstatement and Marriage (to another Member)

Section 1. *Death of a Member*

A. Personal Membership

In the case of a Family Membership, the surviving spouse and dependents continue membership privileges as specified in Article II, Section 8,

(i) For Individual Memberships, the Club will recognize a transfer to another member of the decedent's immediate family, either (i) as directed by decedent's last will and testament or other testamentary direction, or (ii) as jointly designated in writing to the Director of Membership Services by the decedent's legatees or, in the case of intestacy, the decedent's heirs at law.

B. Corporate Membership

In the event of death of a designated user of a Corporate Membership, the business firm holding the membership may designate another owner, employee, or officer of the company.

Section 2. *Divorce of Members*

A. Personal Membership

All couple and/or family memberships require that the couple be married in order for both adults to remain on the same membership. In the event of a divorce, the members must notify Owner in writing once the divorce is complete and final. The Owner will recognize as the authorized holder of a Personal Membership, the spouse designated by a divorce decree, property settlement agreement, or other interspousal agreement made in contemplation of a divorce or separation. In the absence of a contrary clear direction by court decree or other binding agreement between the spouses, the Owner will continue to look to both parties for financial responsibility concerning charges incurred at the Club in the name of the membership; provided, however, that in such instance, Owner shall have the right, but not the obligation, to assign the Personal Membership to one of the spouses, in which event the spouse to whom the Personal Membership is not assigned shall cease having any membership rights or benefits effective upon any such assignment or any financial responsibility for charges incurred by the spouse to whom the Personal Membership is assigned after such assignment becomes effective. During any divorce proceeding with respect to a couple which owns a Personal Membership, the Owner, at its sole option, shall have the right to deactivate all charging privileges with respect to such membership and place such membership on a "cash-only" basis to protect Owner against charges accumulating during the pendency of the divorce proceeding.

B. Corporate Membership

If the membership is held by a business entity, it can determine who will be the designated user. The new designee must complete an application and otherwise comply with the obligations of Article III of these Bylaws regarding changing designees. The transfer fee must be submitted along with a letter of request from an officer of the

business owner of the membership. For conflicts concerning who is the appropriate designee, the Director of Membership Services may require a certified corporate resolution specifying who is the current designated user.

Section 3. *Marriage of Two Members*

If an existing member marries an existing member, the two shall be joined on one of the memberships as either a couple or a family, as appropriate. The other membership may be placed on inactive status (see Section 4, below) for an indefinite period. This membership, if personally owned, may not be transferred, unless a Resident Membership as noted in Article III, Section 2B. Should the original designee desire to reinstate this account, all existing policies regarding reinstatement will be in effect.

Section 4. *Inactive Status and Reinstatement*

A. Inactive Status

A member may request Owner to place the membership on inactive status for a period not to exceed one year. If the member is relocating his home or business more than one hundred miles from Houston, the inactive status may remain indefinitely. On or before each anniversary date of the inactivation, the member must certify to Owner, in writing, that the member continues to reside at least 100 miles from THE HOUSTONIAN and is therefore eligible to remain on inactive status. Upon request, the member shall provide written documentation of the status of the member's residence. The following provisions shall apply to a membership on inactive status:

(i) Upon member notification of a desire to deactivate, the Owner may revoke all charging privileges, in which event the member shall be on a "cash-only" basis.

(ii) All charges incurred up to the effective date must be paid in full.

(iii) All identification cards and/or access tags or cards must be returned, including any parking access card issued to or held by the member.

(iv) If the membership is being financed, responsibility for the note installments will continue. Payments continue to be due on the 15th of each month.

(v) Failure to pay will result in the account becoming a collection matter.

(vi) The Owner reserves the right to take whatever action it deems necessary, desirable or reasonable to collect past due balances.

B. Reinstatement of Inactive Membership Procedures

(i) Letters of request will be furnished to the Director of Membership Services to reinstate the membership.

(ii) The then applicable reinstatement fee must be submitted with the letter of request.

(iii) The member must complete a new application to update the membership file.

(iv) All such transactions are to be approved by the Owner.

(v) Upon satisfaction of the foregoing provisions of this Section 4B, such member's name will be placed on the Waiting List, in which event reinstatement will be subject to the Waiting List Procedures.

C. Expelled Member

(i) A member who has been expelled due to unpaid dues and charges may seek reinstatement during a period of one year following the expulsion. As a condition of reinstatement, the expelled member must pay in full the final statement which reflects dues and other charges accrued through the expulsion. The final statement must be paid within 30 days of the date of the statement to avoid a reinstatement fee. If the final statement is paid beyond this 30 day period, a reinstatement fee in the amount specified by Owner is due. If such expelled member complies with the foregoing provisions of this subpart (i) regarding reinstatement by paying all outstanding amounts (including any reinstatement fee imposed by Owner) during the one year period following such member's expulsion, then such member's name will be placed on the Waiting List, in which event reinstatement will be subject to the Waiting List Procedures. Acceptance of reinstatement of such member will be subject to the review and approval by Owner. Upon reinstatement, the member will be on a probationary status for a one-year probationary period, during which the member, if expelled during such one-year probationary period, will not again be eligible for reinstatement.

(ii) If reinstatement is not sought within one year of the expulsion, the expelled member is not entitled to reinstatement and the individual's membership is subject to approval of a new Application for Membership by the Owner and payment of the initiation fee in effect at that time. Failure to pay the final statement or any past due balances will result in the account being turned into a collection matter. The Owner reserves the right to take whatever action it believes is necessary, reasonable or helpful to collect past due balances.

(iii) A member who has been expelled will not receive reimbursement or repayment of any part of their initiation fees.

ARTICLE V Financing

Section 1. *Financing of Membership Initiation Fees*

Members may opt to finance their initiation fees by depositing 20% of the retail cost of the membership. The remaining balance may be financed over a period of three consecutive months (interest free), or up to 24 months at a reasonable rate of interest established by the Owner. Tax on the entire initiation fee is due at the time of purchase and cannot be included in the amount financed; provided however, a new member may apply for "tax exempt" status by providing a doctor's written statement in compliance with applicable state law. If a member has chosen to finance the initiation fee over a three month period and later decides to refinance the note over 24 months, a deterrent fee of 1% of the amount being financed will be assessed to the member's statement. The effective date of the refinanced note will be the original date of contract and must be brought current based on the new payment schedule. Note billings are to be kept current at all times. Notification will be sent when note balances are 30 days past due, allowing the member ten days (from date of notification) to pay. During this time, the member is placed on a cash only basis. Failure to pay will result in breach of contract and expulsion from membership. The Owner reserves the right to take all necessary action to collect from past due accounts.

Section 2. *Schedule of Charges*

All fees, dues, and other charges made by the Club hereunder for services or facilities shall be as set forth in a Schedule of Charges adopted by the Owner and amended from time to time in the sole discretion of the Owner.

ARTICLE VI Committees

The Owner may, from time to time, establish committees for the orderly conduct of the Club's affairs. Such committees may be composed of members of the Club and/or full-time management staff of the Club. The duration of the committee and function, tenure, and number of committee members shall be at the discretion of the Owner.

ARTICLE VII Management/Operations/Rules and Regulations/Status of Account/Enforcement

Section 1. *Management/Operations/Rules and Regulations*

The operation and management of THE HOUSTONIAN and its facilities shall be vested in every respect in the Owner, acting through its officers, directors, staff, outside management company, in-house managers and other persons and entities designated, from time to time, by the Owner. The Owner is authorized and empowered, and shall have the sole right, in its discretion, to make changes in the Schedule of Charges, Rules and Regulations, membership categories, membership rights and privileges, guest policies, Waiting List Procedures, benefits, hours of operation, member usage, operations, management, services, personnel and all other aspects of or relating to THE HOUSTONIAN, including the Club Facilities and all related equipment. As stated above, there are no guarantees that any particular Club Facility or service of the Club will always be made available. Specifically, but without limitation, members are advised that all parking is on space available basis. During periods of renovation in particular, parking availability may be limited and/or changed from time to time.

Section 2. *Suspended Member and Nonpayment of Dues and Charges*

All dues and charges billed to members shall be due and payable promptly upon receipt of a monthly statement. Member accounts unpaid 25 days after the billing date shall be considered past due and delinquent, and late charges equal to 1.5% of the past due amount shall be assessed to the member's next statement. In addition, in the event a member's account remains unpaid 25 days after the billing date, the Owner shall have the right at any time thereafter to charge the member's major credit card given for guarantee of payment. If any member's account shall remain unpaid for a period of 60 days from the date of first billing, and the amount due cannot be charged to the member's major credit card given for guarantee of payment, such member shall be suspended from all membership privileges. The suspended member shall be immediately notified in writing of such suspension and if payment is not received within ten days after the mailing of such notification, the member may be expelled by the Owner. Members who are suspended more than three times within a 12 month period will be expelled. A member who has been expelled will not receive reimbursement or repayment of any part of his initiation fees. Notwithstanding any provision to the contrary contained in these Bylaws, once a member has been expelled, the Owner shall have no obligation to accept such expelled member back as a member on any terms or conditions.

Section 3. Enforcement by Owner.

Owner shall have the right to enforce the provisions of these Bylaws and the Rules and Regulations of THE HOUSTONIAN by taking appropriate legal action, including seeking (i) to recover damages, (ii) injunctive relief and (iii) other legal and equitable relief.

ARTICLE VIII No Equity Rights or Vested Interest

Membership is non-equity, non-participatory and non-assessable. Membership does not imply any right or privilege to participate in or to administer business policies of the operation or maintenance of the Club Facilities and does not create any ownership, proprietary, prescriptive, or easement rights or interests of any nature in land, the Club Facilities, or any of the Owner's assets. A member acquires only a revocable license to access and use the Club Facilities, in accordance with the terms and conditions of these Bylaws, the Rules and Regulations, the Schedule of Charges, and the application for Membership, as may be amended from time to time in the sole discretion of the Owner. The Owner reserves the right, without the consent of any or all members, to reserve memberships for persons determined solely by the Owner, to discontinue operation of any or all of the Club Facilities, to sell or otherwise dispose of the Club Facilities, in whole or in part, in any manner whatsoever and to any person whomsoever, to issue, terminate or recall any membership (selectively, if so desired by Owner), any category or classification of membership or all memberships, to restructure memberships to any other structure, and to make any other changes in the terms and conditions of membership or the Club Facilities available for use by members. The Owner owns the land upon which the Club Facilities have been constructed. The Owner manages and operates the Club Facilities and is implementing these Bylaws. The Owner may, in its discretion, engage others to operate and manage all or any part of the Club Facilities.

ARTICLE IX Waiver of Liability

ANY MEMBER, FAMILY 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 OWNER, OR WHO ENGAGES IN ANY CONTEST, GAME, FUNCTION, EXERCISE, COMPETITION OR OTHER ACTIVITY OPERATED, ORGANIZED, ARRANGED OR SPONSORED BY THE OWNER, EITHER ON OR OFF THE CLUB FACILITIES, DOES SO AT HIS OR HER OWN RISK. THE MEMBER, HIS OR HER FAMILY MEMBER AND GUEST AGREES TO INDEMNIFY AND HOLD HARMLESS THE OWNER AND ITS PARTNERS AND THEIR RESPECTIVE OFFICERS, EMPLOYERS, EMPLOYEES, REPRESENTATIVES, AGENTS, SHAREHOLDERS, DIRECTORS, HEIRS, SUCCESSORS AND ASSIGNS FROM AND AGAINST ANY AND ALL LOSS, COST, CLAIM, INJURY, DAMAGE, OR LIABILITY SUSTAINED OR INCURRED BY HIM OR HER, RESULTING FROM ANY OF THE ACTIVITIES DESCRIBED ABOVE AND/OR FROM ANY ACT OF OMISSION, WHETHER DUE TO NEGLIGENCE OR OTHERWISE, OF THE OWNER OR ITS PARTNERS AND THEIR RESPECTIVE OFFICERS, MANAGERS, EMPLOYEES, REPRESENTATIVES, AGENTS OR OTHER DESIGNEES.

ARTICLE X Amendment of Bylaws

These Bylaws may be amended at any time by and at the sole discretion of the Owner without the necessity of giving notice to any member or any other person or entity.

ARTICLE XI Dissolution

Upon not less than 120 days notice to the membership, THE HOUSTONIAN may be dissolved upon the discretion of the Owner.

Agreed To By:

Signature

Date

Agreed To By:

Signature

Date