



## **The Houstonian Club Bylaws**

## Table of Contents

Article I	Name; Membership Documents	
Section 1	Name .....	1
Section 2	Membership is Revocable License to Use Club Facilities.....	1
Section 3	Rely Only on Membership Documents.....	1
Section 4	Contact Information .....	1
Article II	Membership	
Section 1	Personal Memberships .....	2
Section 2	Corporate Membership .....	2
Section 3	Categories of Membership.....	3
Section 4	Dues and Credit Limits .....	3
Section 5	Applications for Membership .....	3
Section 6	Complaints and Disputes .....	4
Section 7	Disciplinary Action.....	4
Section 8	Termination of Membership .....	4
Article III	Membership Transfers, Resident Member Resignations and Limited Refund Rights	
Section 1	Nature of Relationship .....	6
Section 2	Corporate Memberships.....	6
Section 3	Personal Memberships .....	7
Section 4	Limited Refund Rights.....	9
Section 5	Miscellaneous Transfer Provisions .....	9
Article IV	Death, Divorce, Inactive Status, Reinstatement and Marriage (to another Member)	
Section 1	Death of a Member .....	10
Section 2	Divorce of Members .....	11
Section 3	Marriage of Two Members .....	12
Section 4	Inactive Status; Expulsion and Reinstatement .....	12
Article V	Financing	
Section 1	Financing of Membership Initiation Fees .....	14
Section 2	Schedule of Charges .....	14
Article VI	Committees .....	14
Article VII	Miscellaneous Provisions	
Section 1	Management/Operations/Membership Documents .....	14
Section 2	Dues and Charges .....	14
Section 3	Enforcement by Club .....	15
Section 4	Member Responsibilities .....	15

Section 5	Traffic Safety .....	15
Section 6	Guest Policies.....	15
Section 7	Lost and Found .....	16
Section 8	Joint and Several Liability .....	16
Section 9	Right to Summon Emergency Medical Care .....	16
Article VIII	No Equity Rights or Vested Interest .....	16
Article IX	Assumption of Risk; Release; Indemnity .....	17
Article X	Amendment of Bylaws .....	18
Article XI	Dissolution .....	18
Article XII	Effective Date .....	18

# THE HOUSTONIAN CLUB BYLAWS

## ARTICLE I Name; Membership Documents

### Section 1. *Name*

The name of the club is THE HOUSTONIAN CLUB and is referred to herein as the “Club.” The Club is owned and operated by Houstonian Campus, LLC (“Owner”), a Texas limited liability company.

### Section 2. *Membership is Revocable License to Use Club Facilities*

Subject to the provisions of the Membership Documents (as defined in Article 1, Section 3, below), each Member shall be granted 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 Club Facilities, properties, or assets. Members of the Club (“Members”) agree to be bound by the terms and conditions of the Membership Documents, as amended from time to time by the Club in its sole discretion, and irrevocably agree to substitute fully the membership privileges acquired pursuant to the Membership Documents for any present or prior rights or privileges in or to use the Club Facilities.

### Section 3. *Rely Only on Membership Documents*

Membership in the Club is governed solely by and subject to (i) these Bylaws (the “Bylaws”), (ii) the application for membership submitted by the Member (the “Member Application”); (iii) the policies related to expectations of Member conduct (the “Code of Conduct”); (iv) the rules and regulations concerning usage promulgated by the Club from time to time (the “Rules and Regulations”); (v) the schedule setting forth various fees and charges applicable to Club membership and usage, as such may be updated from time to time (the “Schedule of Charges”) and such other rules as may be established from time to time by the Owner or Club in their discretion, each as may be amended by the Owner or Club in their sole discretion and as may be posted on the Club’s website at [myhoustonian.com](http://myhoustonian.com) (collectively, the “Membership Documents”). No person is authorized to make any representations or to provide any information with regard to the Club or membership in the Club contrary or in addition to the information contained in the Membership Documents. If any such representations are made or information provided, such representations or information (i) should not be relied upon as having been authorized by the Club or the Owner and (ii) is not binding on the Club or Owner.

### Section 4. *Contact Information*

When these Bylaws require a Member or other person or entity to contact the Club, such correspondence should be directed to the General Manager or the Director of Membership at the Club. The Club’s address is 111 North Post Oak Lane, Houston, Texas 77024.

## **ARTICLE II Membership**

### **Section 1. *Personal Memberships***

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

**A.** Individual - Individual Memberships shall be entitled to the privileges, benefits, and use of the Club, which may vary according to the particular category of membership.

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

**C.** Family - Family Memberships shall be entitled to the privileges, benefits, and use of the Club, which may vary according to the particular category of membership. For these purposes, Family Memberships shall include the Member, his or her spouse, and their unmarried dependent children 25 years of age and younger (“family members”).

### **Section 2. *Corporate Membership***

Corporate Memberships must be held by a legally formed business entity engaged in bona fide ongoing business activities and must also be designated as Individual, Couple, or Family. A business entity 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 the corporation or other business entity, and the rights and privileges thereunder shall be assigned only to a particular individual designated bona fide owner, employee, or officer of the entity, as determined by the Club at the Club’s sole discretion (the “Corporate Designee”), subject to the approval of the Club. Each Corporate Membership is eligible to extend membership rights to the spouse or family members provided all applicable fees and charges are paid. Each Corporate Membership shall have only one Corporate Designee. The Corporate Designee may be changed from time to time subject to and in accordance with Article III, Section 2 of these Bylaws. The business entity and the Corporate Designee shall be jointly and severally liable for all dues and other charges incurred in the name of the Corporate Membership. If the Corporate Designee with respect to a Corporate Membership ceases to be a bona fide owner, employee or officer of the applicable business entity, then such business entity or Corporate Designee must notify the Club of such change in status within 10 days following its occurrence. The Club shall have the sole right to determine whether an entity qualifies for Corporate Membership eligibility and whether a particular proposed Corporate Designee is a bona fide owner, employee or officer of the entity. The Club shall have the right to require documentation satisfactory to the Club in its sole discretion relating to the bona fide business activities of an entity as well as the bona fide status of a proposed Corporate Designee as an owner, officer or employee of the entity. This request may include (i) entity financial statements, (ii) entity resolutions, (iii) authorizations, (iv) certified documents, (v) other written consents of the business entity, or (vi) other information as reasonably requested by the Club. Notwithstanding any provision to the contrary contained in these Bylaws, reference in these Bylaws to a corporation,

business entity or firm shall mean and include reference to corporations, partnerships, limited liability companies, professional associations, limited partnerships 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 Club 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 Club from time to time. Categories of membership, numbers of memberships, initiation fees, dues, charges, terms of admission, hours of operation, privileges, and facilities (for each category of membership) may be changed by the Club from time to time in its sole discretion. Rights of various categories of memberships may be further set forth in the Membership Documents.

### **Section 4. *Dues and Credit Limits; Force Majeure***

Each Member shall pay monthly, in advance, the requisite dues as provided by the then applicable Schedule of Charges. The obligation to pay dues is not contingent upon the availability or provision of any particular facilities or services. In particular, in the case of a force majeure type event that affects all or any portion of the Club, the obligation to pay dues shall continue unabated. The Club and the Owner reserve the right to check any Member's credit from time to time and establish a credit limit applicable to the membership. Upon review of charges/payment history, this limit may be adjusted as the Club or Owner deem appropriate.

### **Section 5. *Applications for Membership***

**A.** All Membership Applications and acceptances shall be made on forms provided by the Club which may be revised from time to time. Each Membership Application shall include, at a minimum, the name of the applicant, address, phone number, family and business information, name of sponsors, and such other information as may be required by the Club. Prospective members shall also permit the Club or the Owner to conduct credit and background checks.

**B.** All Membership Applications shall be accompanied by payment of the initiation fee, as determined by the Club and reflected on the current Schedule of Charges, for the particular type and category of membership (the "Initiation Fee"). The Initiation Fee will be held by the Club as a deposit pending acceptance of the membership. Such deposit shall be refunded to the applicant if the Membership Application is not approved by the Club.

**C.** All Membership Applications will be subject to review and approval by the Club. Unless otherwise determined by the Club, (i) employees of the Club are not eligible to be Members and (ii) Members are not eligible to be employees of the Club.

## **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 Club. All complaints shall be reviewed by the Club or the person designated by the Club. The Club's policy is to not disclose the names of Members or employees who have made formal complaints against other Members or employees.

**B.** SHOULD THE MEMBER AND THE CLUB AND/OR THE OWNER BE UNABLE TO RESOLVE A MEMBER'S COMPLAINT OR DISPUTE INVOLVING ALLEGED MONETARY DAMAGES EXCEEDING \$5,000, THE CLUB AND/OR THE OWNER MAY 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 THE DISPUTE WITH THE AMERICAN ARBITRATION ASSOCIATION. A DEMAND FOR ARBITRATION SHALL BE MADE WITHIN TWO 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 JUDGMENT UPON THE AWARD RENDERED BY THE ARBITRATOR(S) MAY BE ENTERED BY ANY COURT HAVING JURISDICTION THEREOF. A MEMBER MAY NOT SUBMIT A DISPUTE WITH THE CLUB TO ARBITRATION; A MEMBER MAY ONLY SUBMIT SUCH UNRESOLVED DISPUTE TO THE COURT OF APPROPRIATE JURISDICTION IN HARRIS COUNTY, TEXAS.

## **Section 7. *Disciplinary Action***

The Club shall have the right to withdraw full or partial membership privileges for a period of time from any individual Member, family member or Corporate Designee who, in the Club's sole discretion, has behaved in a manner (i) detrimental to the interests of the Club, its membership, employees or Owner, or (ii) that constitutes conduct unbecoming of a Member. Conduct unbecoming of a Member shall include, but not be limited to, the following: (i) disrespectful or illegal behavior toward Members, employees or guests; (ii) hiring or attempting to hire any employee of the Club or otherwise interfering with any employee or contractual relationship; or (iii) violating any provisions of the Club's Membership Documents.

## **Section 8. *Termination of Membership***

Termination of membership shall result in loss of the license to use the Club Facilities. Termination may occur by resignation, death, or expulsion.

**A.** Resignation - Members may resign from the Club at any time by giving 30 days advance written notice to the Club and paying all dues and charges accrued to the effective date of such notice of resignation and taking such further actions as may be required by the Club, including

vacating the Member's locker. Upon termination and payment of all such amounts, the resigning Member shall not thereafter be subject to any dues or charges other than the obligation to repay any remaining amounts due pursuant to an Initiation Fee financing arrangement, if applicable.

**B. Death** - In the event of the death of a Member holding an Individual Membership, the Individual Membership shall be terminated unless transferred in accordance with Article IV, Section 1 of these Bylaws. In the event of the death of a Member holding a Couple Membership or a Family Membership, the surviving spouse (or, in the case of a Family Membership, the dependent family members) may elect to terminate the membership, or may elect to retain the membership in accordance with Article IV, Section 1(A). Upon a termination of membership due to death, the Club shall send the Member's estate a final statement reflecting dues and other charges accrued through the date of death. The final statement must be paid within 30 days of the date of the statement. The deceased Member's estate shall not be relieved of any remaining amounts due pursuant to an Initiation Fee financing arrangement, if applicable.

### C. Expulsion

- (i) Automatic Expulsion. Any Member who files a lawsuit against the Club or Owner, or represents, in a legal capacity or otherwise, any employee, Member or other person in a lawsuit against the Club or Owner shall be expelled from the Club and will not be eligible for reinstatement.
- (ii) Expulsion in Club's Discretion. Any Member who: (a) is delinquent in payment of any amounts due to the Club, (b) is in violation of any provision of the Membership Documents, or (c) has engaged in any conduct which the Club or Owner determines in its sole discretion is detrimental to the interests of the Club, its membership, employees or Owner, or other conduct unbecoming of a Member, may be expelled from the Club. Conduct unbecoming of a Member shall include, but not be limited to the following: (a) disrespectful or illegal behavior toward Members, employees or guests; (b) hiring or attempting to hire any employee of the Club or otherwise interfering with any employee or contractual relationship; or (c) violating any provisions of the Club's Membership Documents.
- (iii) Effect. Upon a Member's expulsion, such Member (and any applicable designee) shall have no further right to use the Club and the license granted in Article I, Section 2 of these Bylaws shall be revoked. Additionally, upon a Member's expulsion, the Club shall send the expelled 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 shall not be relieved of any remaining amounts due pursuant to an Initiation Fee financing arrangement, if applicable. The Club or Owner may take actions it believes are necessary, reasonable or helpful to collect past due balances. If an expelled Member desires to be reinstated, he or she must comply with the provisions of Article IV, Section 4.C. of these Bylaws. The Club may refuse reinstatement of prior Members for any reason, in its sole discretion. Expulsion is at the sole discretion of the Club, and Members who are expelled are not entitled to any recourse against the Club or the Owner, legal or otherwise related to such expulsion.



## **ARTICLE III Membership Transfers, Resident Member Resignations and Limited Refund Rights**

### **Section 1. *Nature of Relationship***

Membership in the Club is not to be viewed as or treated like alienable personal property. Rather, the relationship is one of 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 2. *Corporate Memberships***

#### **A. Changing Designee with No Change in Ownership of Corporate Membership**

- (i) A Corporate Member may propose a change to the Corporate Designee, provided the designee is a bona fide owner, employee, or officer of the Corporate Member. Such determination is subject to verification by the Club and payment of the applicable change in designee fee.
- (ii) A proposed new Corporate Designee must complete and submit a new Member Application. The change of Corporate Designee will be processed as a new Member Application, subject to all of the required approvals of a new Member. A new Corporate Designee will be required to abide by all of the provisions of the Membership Documents including these Bylaws. A transfer fee will be charged according to the Schedule of Charges then in effect.

#### **B. Transfer of Ownership of the Membership from the Business**

- (i) To Another Business Entity – A Corporate Membership shall not be transferred from one business entity to another; provided however, subject to payment of the applicable transfer fee as reflected on the current Schedule of Charges, transfers may be permitted when the transferee business entity is the legal successor in interest to the transferor Corporate Member or the permitted transfer is incident to the transfer of the entire business of the Corporate Member. Thus, transfers may be permitted if the Corporate Member is merged into another business entity or the Corporate Member 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. The Club shall be supplied such proof as it deems appropriate to verify that a transfer is properly permitted under this Bylaw provision. Notwithstanding the foregoing, the Club may disallow the transfer of a Corporate Membership in its sole discretion.
- (ii) To an Individual – Subject to payment of the applicable transfer fee as reflected on the current Schedule of Charges, the membership may be transferred to an individual only if the individual is an owner, employee, or shareholder of the Corporate Member. Following the transfer, the Corporate Membership shall be terminated and the

membership shall be a Personal Membership and shall thereafter be subject to all provisions relating to a Personal Membership. Upon conversion of a Corporate Membership categorized as a Resident Membership to a Personal Membership categorized as a Resident Membership, the Personal Membership categorized as a Resident Membership shall not be transferable nor shall it be entitled to any partial refund under Article III, Section 3.B.(iv). Accordingly, such transferred Resident Membership shall not be entitled to any refund right whatsoever. The Club shall be supplied such proof as it deems appropriate to ensure that a transfer is properly permitted under this section. Such proof may consist of appropriate certified minutes or consent action of the board of directors of the Corporate Member 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 the Club may require. Notwithstanding the foregoing, the Club may disallow the transfer of a Corporate Membership in its sole discretion.

- (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 3. *Personal Memberships***

**A.** Personal Memberships (other than certain 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 Couple or Family Membership), or incident to death of the Member.

**B.** Personal Memberships categorized as Resident Memberships that are issued by the Club on or after January 1, 2015 shall not be transferable except in connection with the death of the Member as provided in Article IV, Section 1, or upon division of property incident to a divorce (in the case of a Couple or Family Membership).

Personal Memberships categorized as Resident Memberships that were issued prior to January 1, 2015 may be transferred and sold one time in accordance with this subsection. Once a Resident Membership has been transferred once, it may not be sold or transferred. The transferee purchaser of any Resident Membership shall not be entitled to transfer such membership nor shall such transferee be entitled to the partial refund described in Article III, Section 4 (or any other refund). Neither the Club nor the Owner shall be responsible for any representations to the contrary made by a selling Member or otherwise. A transfer in connection with a division of property incident to a divorce (in the case of a Couple or Family Membership) shall not count as the one-time permitted transfer.

In order to consummate the one-time transfer right for a Resident Membership that was issued by the Club prior to January 1, 2015, these procedures must be followed:

- (i) The Resident 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 Club with a

cashier's check. The new Resident Member must sign an acknowledgement that the Resident Membership is no longer transferable.

- (ii) The Member must advise the Director of Membership and introduce the prospective new Member. All transactions will be processed through the office of Director of Membership.
- (iii) All prospective Members must be approved by the Club and fulfill the necessary qualifications before the transfer can be completed. A new Member, following the transfer, will be required to abide by all of the provisions of the Membership Documents including these Bylaws.
- (iv) Upon acceptance of the new Member, the existing Resident Member will be advised and, if the existing Resident Member's original Initiation Fee was less than the prevailing Initiation Fee for the type of membership being transferred, the Club will repay the existing Member the original Initiation Fee. If the existing Member's original Initiation Fee equaled or exceeded the prevailing Initiation Fee for the type of membership being transferred, the Club will repay the existing Member an amount equal to the Initiation Fee actually received by the Club 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 5.D. 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 the Club the amounts called for in Article III, Section 5.A. of these Bylaws (including the then applicable Initiation Fee) and 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 5(D) of these Bylaws, the Club has no obligation to repay any of the original initiation fees or deposits paid with respect to Charter Memberships.
- (v) New Resident Members who purchase a Personal Resident Membership as a transferee of an existing Personal Resident Membership shall not be entitled to: (a) transfer their membership under this Section, (b) a partial refund under Article III, Section 4, or (c) any other refund whatsoever.
- (vi) All forms of public advertising (e.g., newspaper, magazine and internet, including social media sites and classified advertising sites) with respect to the sale, other disposition, existence or status of any membership in the Club are strictly prohibited. Therefore, any prospective Member located by advertising will be disqualified.

**C.** 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, and provided that the Club may place the membership on a "cash only" basis. 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 for up to a one-year period.

#### **Section 4. *Limited Refund Rights***

No memberships shall have any refund rights other than Personal Memberships categorized as Resident Memberships pursuant to the following provisions:

Personal Memberships categorized as Resident Memberships issued by the Club prior to January 1, 2015, may receive a refund only upon the exercise of the one-time transfer right pursuant to the terms described in Article III, Section 3.B. No refunds or transfers may be made on any membership with outstanding amounts owed to the Club, including any remaining amounts due pursuant to an Initiation Fee financing arrangement as provided in Article V, Section 1 of these Bylaws, if applicable.

Personal Memberships categorized as Resident Memberships initially issued by the Club on or after January 1, 2015 that have not previously been subject to a transfer of membership will be entitled to receive a partial refund of the Initiation Fee equal to 15% of the initial Initiation Fee paid (less any amounts owed to the Club) upon resignation from the Club pursuant to Article II, Section 8.A. of these Bylaws, provided that such refund shall be paid only after a new Member is admitted and categorized as a Resident Member in the specific Membership classification that was resigned (i.e. Individual, Couple or Family). Prior to, and as a condition of, any such refund, the resigning Resident Membership will be placed on a wait list pending the acceptance of the new Resident Member in the appropriate classification and subject to the prior refund of other resigning Resident Members who are ahead of such Member on the wait list. This partial refund is not available for any Resident Member who purchased a membership (i) prior to January 1, 2015 whether directly from the Club or from another Resident Member or (ii) from the Club on or after January 1, 2015 in connection with a transfer of a Resident Membership. This partial refund shall not be applicable to any Resident Member who dies or is expelled. This partial refund shall not apply to Corporate Memberships classified as Resident Members.

#### **Section 5. *Miscellaneous Transfer Provisions***

**A. Transfer Subject to New Membership Application.** Any transfer contemplated under the foregoing terms will be permitted and recognized only after (i) the transferee has completed all application forms required 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 or she were obtaining a new membership), and paid all applicable transfer and other fees, deposits and other amounts required by the Club, and (ii) the application has been processed and approved in due course by the Club. The Club will consider the proposed transfer under the same standards as it would consider a new applicant.

**B. Rights and Obligations.** Until and unless the Club recognizes a transferee as a Member, the person who is carried on the books as the holder of the membership will be the person entitled to all rights and will be obligated for all costs, fees, and other charges related to the membership and its use.

**C. Condition to Transfers.** Any transfers otherwise permitted by these Bylaws shall be effective only after all outstanding costs, fees, and other charges related to the membership and its use by the transferor have been paid, including any financing arrangements.

**D. Charter Membership Deposits Prior to October 1983.** Certain Members made refundable deposits pursuant to the rules and bylaws then in effect prior to October 1983. 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 owner of the Club and is not an obligation of the Club or the Owner; however, it is the Club's and Owner's understanding that the prior owner of the Club has placed in escrow with a commercial bank, United States Treasury securities in an amount that it has determined will be sufficient to cover 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 Club granted prior to October 1983 and 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.**

- (i)** In the case of the death of a Member holding a Couple Membership, the surviving spouse may continue to maintain such membership and shall not be obligated to pay any transfer fee; 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, including any remaining amounts due pursuant to an Initiation Fee financing arrangement, if applicable. In such event, the Membership shall thereafter be classified an Individual Membership.
- (ii)** In the case of the death of a Member holding a Family Membership, the surviving spouse and/or the dependent family members (provided at least one such dependent Family Member is age 18 or older) may continue to maintain such membership and shall not be obligated to pay any transfer fee; provided however, such surviving spouse and/or dependent family members shall be obligated to pay all outstanding and future accruing dues, costs, fees and other charges relating to such membership and its use, including any remaining amounts due pursuant to an Initiation Fee financing arrangement, if applicable and may be subject to such other rules or conditions as determined by the Club. In such event, if there is only one family member remaining, the Membership shall thereafter be classified an Individual Membership. If there is more than one family member remaining, the Membership shall continue to be classified a Family Membership and the oldest remaining family member shall be designated the primary member, subject to the Club's approval.

- (iii) In the case of the death of a Member holding an Individual Membership, the Club may recognize a transfer of such Individual Membership to another member of the decedent's immediate family who is approved by the Club for membership, either: (i) as directed by decedent's last will and testament or other testamentary direction, (ii) as jointly designated in writing to the Director of Membership by the decedent's legatees or, in the case of intestacy, the decedent's heirs at law; or (iii) as determined by the final non-appealable order of a court of competent jurisdiction. Such transferee shall be required to pay an estate transfer fee and upgrade fee, if applicable, as designated on the current Schedule of Charges and shall be obligated to pay all outstanding and future accruing dues, costs, fees and other charges relating to such membership and its use, including any remaining amounts due pursuant to an Initiation Fee financing arrangement, if applicable.
- (iv) Any Personal Membership transferred upon the death of a Member pursuant to subsections (i) through (iii) above, may not be transferred again at the death of the new Member. Such transfer right may only be exercised one time per Personal Membership. In addition, if the Personal Membership is transferred at death to any person other than the surviving spouse, then any refund rights shall terminate upon such transfer.

**B. Corporate Membership.** In the event of death of Corporate Designee of a Corporate Membership, the business entity holding the membership may designate another owner, employee, or officer of the company in accordance with Article III, section 2 of these Bylaws.

## **Section 2. *Divorce of Members***

**A. Personal Membership.** All Couple and Family memberships with spousal Members require that the couple be married in order for both adults to be recognized on the same membership. In the event of a marital divorce involving a Couple or Family membership, the Members must notify the Club in writing once the divorce is complete and final as evidenced by a court order. The Club will recognize as the authorized holder of a Personal Membership, the spouse designated by a divorce decree, property settlement agreement, or other inter-spousal agreement made in connection with the divorce. In the absence of contrary clear direction by court decree or other binding written agreement between the spouses, the Club and the Owner will continue to look to both parties for financial responsibility concerning charges incurred at the Club with respect to the membership, and the Club and Owner reserve the right to convert the membership to inactive status until the matter is resolved. During any divorce proceeding with respect to a couple who owns a Personal Membership, the Club, 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.

**B. Corporate Membership.** If the membership is held by a business entity, the Corporate Member can determine who will be the designated user. The new designee must complete a Membership Application and otherwise comply with the obligations of Article III of these Bylaws regarding changing designees. The change in designee 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 the current Corporate Designee.

### **Section 3. *Marriage of Two Members***

If an existing Member marries an existing Member, the two may be joined on one of the existing memberships as either a Couple Membership or a Family Membership, as appropriate. The other membership may be placed on inactive status (see Section 4, below) for up to a one-year period, provided the other membership is active. This inactive membership, if personally owned, may not be transferred, unless categorized as a Resident Membership subject to the provisions of Article III, Section 3 of these Bylaws. Should a Member desire to reinstate the inactive membership, all existing policies regarding reinstatement will apply to such reinstatement and the applicable reinstatement fee as reflected on the prevailing Schedule of Charges must be paid by the Member.

### **Section 4. *Inactive Status; Expulsion and Reinstatement***

**A. Inactive Status.** A Member may request that the Club place the membership on inactive status for a period not to exceed one year. After one year of inactive status without reinstatement, the membership will be automatically terminated and treated as resigned. If the Member is relocating his or her primary residence more than 100 miles from the Club, the membership may be placed on inactive status for a period not to exceed 10 years. On or before each anniversary date of the inactivation, the Member must certify to the Club, in writing, that the Member continues to maintain his or her primary residence at least 100 miles from the Club Facilities and provide proof of residence. After 10 years of inactive status without reinstatement, such membership will be automatically terminated and treated as resigned. While the membership is on inactive status due to change in residency, if the Member relocates his or her primary residence within 100 miles of the Club Facilities, the Member must: (i) notify the Club, (ii) reactivate the membership, and (iii) pay the Club the applicable reinstatement fee as reflected on the prevailing Schedule of Charges, within three months of such relocation.

The following provisions shall apply to a membership on inactive status:

- (i) Upon Member notification of a desire to place the membership on inactive status, the Club may revoke all charging privileges, in which event the Member shall be on a “cash-only” basis, until the deactivation is effective,
- (ii) All charges incurred up to the effective date of the inactive status must be paid in full,
- (iii) Upon the effective date of the placement on inactive status, all identification cards and/or access tags or cards must be returned to the Membership Office, the Member has 24 hours to retrieve their belongings from their locker and access to the Club Facilities will not be permitted,
- (iv) If the membership is being financed, responsibility for the note installments will continue in accordance with the existing terms,

- (v) Failure to pay will result in the account becoming a collection matter and the Club reserves the right to take whatever action it deems necessary, desirable or reasonable to collect past due balances,
- (vi) While on inactive status, the inactive Member will not be required to pay monthly dues.

**B. Reinstatement of Inactive Membership Procedures:**

- (i) A letter requesting reactivation of the membership must be furnished to the Director of Membership to begin the reinstatement process,
- (ii) The then applicable reinstatement fee as reflected on the current Schedule of Charges must be submitted with the letter of request,
- (iii) The Member must complete a new Membership Application, or other documentation determined by the Club, to update the membership file,
- (iv) All such transactions must be submitted to the Club for approval and such approval may be granted or withheld in the Club's sole discretion, and
- (v) Upon satisfaction of the foregoing provisions of this Section 4.B., such Member shall be reinstated.

**C. Expelled Members**

- (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 all dues and other charges accrued through the expulsion and a reinstatement fee in the amount specified by the Club. Acceptance of reinstatement of such Member will be subject to the review and approval by the Club, in its sole discretion. Upon reinstatement, the Member will be on indefinite probationary status and if expelled again, will not be eligible for reinstatement.
- (ii) Members who have been expelled due to behavioral or conduct reasons are not eligible for reinstatement.
- (iii) If reinstatement is not sought within one year of the expulsion, the expelled Member is not eligible to pursue reinstatement and the individual's membership is subject to approval of a new Membership Application by the Club and payment of the initiation fee in effect at that time.
- (iv) A Member who has been expelled will not receive reimbursement or repayment of any part of his or her Initiation Fee.
- (v) If the membership is being financed, responsibility for the note installments will continue in accordance with the existing terms.



## **ARTICLE V Financing**

### **Section 1. *Financing of Membership Initiation Fees***

The Club and Owner may agree to finance Initiation Fees pursuant to a note on such terms and conditions as shall be established by the Club and the Owner. Failure to pay in accordance with the terms of the note will be a breach of contract and will result in expulsion from membership. The Club and Owner reserve the right to take all necessary action to collect past due amounts.

### **Section 2. *Schedule of Charges***

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

## **ARTICLE VI Committees**

The Club 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 management and staff of the Club. The duration of the committee and function, tenure, and number of committee Members shall be at the discretion of the Club.

## **ARTICLE VII Miscellaneous Provisions**

### **Section 1. *Management/Operations/Membership Documents***

The operation and management of the Club and its facilities shall be vested in every respect in the Owner, acting through its officers, directors, staff, outside management company (if applicable), in-house managers and other persons and entities designated, from time to time, by the Owner. The Club and the Owner shall have the right, in their sole discretion, to make changes to (i) the Membership Documents (including these Bylaws) and (ii) any aspect of the Club's operations, including without limitation, membership categories and types, membership rights and privileges, guest policies, benefits, hours of operation, Member usage, management, services and personnel. 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 a space available basis. During periods of renovation in particular, parking availability and other facilities may be limited and/or changed from time to time.

### **Section 2. *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 account. In addition, in the event a Member's account remains unpaid 25 days after the billing date, the Club and the Owner shall have the right at any time thereafter to charge the

Member's credit card given for guarantee of payment. If any Member's account remains unpaid for a period of 60 days from the date of the first billing, and the amount due cannot be charged to the Member's credit card given for guarantee of payment, such Member shall be suspended from all membership privileges. The suspended Member shall be notified in writing of such suspension and if full payment is not received within 10 days after the mailing of such notification, the Member may be expelled by the Club. Members who are suspended more than three times within a 12-month period are subject to expulsion, at the sole discretion of the Club. In addition to the remedies provided above, the Club and the Owner may pursue all available remedies in order to recover any amounts owed to the Club and the Owner whether arising through membership account activity or a financing obligation, including without limitation, turning such matter over to a collection agency.

### ***Section 3. Enforcement by Club***

The Club shall have the right to enforce the Membership Documents of the Club by taking appropriate legal action, including seeking (i) to recover damages, (ii) injunctive relief and (iii) other legal and equitable relief. Club management has the authority to notify Members in writing of rule infractions and take appropriate measures to ensure that the Member and guests abide by the Membership Documents. Members are responsible for their behavior and that of their family members and guests.

### ***Section 4. Member Responsibilities***

Each Member is responsible for their own conduct, as well as that of their family members and guests. Each Member is responsible for all liabilities, losses, costs or damages caused by the Member, their family members and guests.

### ***Section 5. Traffic Safety***

Members must exercise caution when driving on the Houstonian Campus property. Numerous pedestrians, including children and the elderly, use the Club drive, sidewalks and outdoor track. DRIVERS MUST YIELD TO PEDESTRIANS AT ALL TIMES. The speed limit on campus is 10 mph and in parking lots and the garage is 5 mph.

### ***Section 6. Guest Policies***

All guests must: (i) be accompanied by the Member, (ii) complete a guest liability waiver at the Club lobby desk, (iii) present photo identification and (iv) pay the guest fee prior to using the Club. A Member may not be a guest of another Member in order to gain different membership privileges. For example, an Associate Member may not access areas designated for the use of Resident Members by being the guest of a Resident Member. There is a limit of four guests per day per membership. Should a Member wish to have more than four guests, a written request to the Director of Membership must be submitted one week in advance. The Director of Membership will then contact the Member regarding applicable fees. A guest may not use the Club more than twice during a calendar month and shall not exceed 12 guest visits per calendar year. Individual guests of a Resident Member will not be charged a guest fee. Arrangements for unaccompanied

guests must be made in advance with the Director of Membership. Unregistered or unauthorized guests will be asked to leave the Club immediately and the Member will be subject to disciplinary action. Expelled or suspended Members may not be the guest of another Member. Out-of-town guests may use the Club for more than two consecutive days if a written request is made to, and approved by, the Director of Membership. Such approval may vary, based on Club usage and requested access times. Unauthorized use of the Club by a non-Member may result in criminal trespass charges. Guest policies are intended for non-Member use, meaning a Member may not gain additional rights by being the guest of another Member.

### ***Section 7. Lost and Found***

Neither the Club nor the Owner are responsible for lost, stolen or damaged items anywhere on the Houstonian campus, which includes without limitation, (i) all Club Facilities; (ii) spa facilities; (iii) hotel/resort facilities; (iv) the meadow, grounds and outdoor track; and (v) parking areas (collectively, the “Houstonian Campus”). Valuables are not to be left in lockers. Personal lock boxes are available in the Associate locker rooms and inside lockers located in Resident locker rooms. Members and guests should not leave personal items (i.e., shoes, bags, etc.) outside of lockers unattended, and should keep lockers locked at all times. Lost and found item inquiries should be made through the Club lobby desk. Items turned in and not claimed after 30 days may be donated to local charities. Members and guests must always keep all personal belongings on their person or in a locker.

### ***Section 8. Joint and Several Liability***

In the case of a Corporate Membership, both the applicable Corporate Member and its Corporate 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.

### ***Section 9. Right to Summon Emergency Medical Care***

The Club, and its employees, shall have the right, but not the responsibility, to summon emergency medical care for a Member, family member or guest (including minors) using the Club Facilities in the event an employee, in their reasonable opinion, determines such emergency medical care is warranted.

## **ARTICLE VIII No Equity Rights or Vested Interest**

Membership in the Club is non-equity, non-participatory and non-assessable. Membership does not imply or infer 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 and equipment or any of the Club’s assets. A Member acquires only a revocable license to access and use the Club Facilities, in accordance with the terms and conditions of the Membership Documents, each as

may be amended from time to time in the sole discretion of the Club or the Owner. The Club and the Owner reserve the right, without the consent of any or all Members, (i) to reserve memberships for persons determined solely by the Club, (ii) to discontinue operation of any or all of the Club Facilities, (iii) to sell or otherwise dispose of the Club Facilities, in whole or in part, in any manner whatsoever and to any person whomsoever, (iv) to issue, terminate or recall any membership (selectively, if so desired by the Club or the Owner), any category or classification of membership or all memberships, (v) to restructure memberships to any other structure, and (vi) to make any other changes in the terms and conditions of membership or the Club Facilities available for use by Members. 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 Assumption of Risk; Release; Indemnity**

**ANY MEMBER, FAMILY MEMBER, GUEST OR OTHER PERSON WHO, IN ANY MANNER, MAKES USE OF OR ACCEPTS THE USE OF THE HOUSTONIAN CAMPUS AND ANY CLUB FACILITY, APPARATUS, APPLIANCE, 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 HOUSTONIAN CAMPUS AND CLUB FACILITIES (COLLECTIVELY, THE “ACTIVITIES AND USE”), (i) DOES SO AT HIS OR HER OWN RISK AND EXPRESSLY ASSUMES ALL DANGERS AND RISKS ASSOCIATED WITH THE ACTIVITIES AND USE, INCLUDING BUT NOT LIMITED TO, THE RISK OF INJURY OR DEATH AND DAMAGE TO OR DESTRUCTION OF PROPERTY AND (ii) ON BEHALF OF HIMSELF OR HERSELF AND ALL HEIRS, ADMINISTRATORS, LEGAL REPRESENTATIVES, FAMILY MEMBERS, SUCCESSORS AND ASSIGNS, DOES HEREBY FULLY AND FOREVER DISCHARGE, RELEASE, AGREE TO DEFEND, INDEMNIFY AND HOLD HARMLESS (a) THE OWNER, ITS MEMBERS, MANAGERS, PARTNERS, OPERATORS, OFFICERS, DIRECTORS, INVESTORS, EMPLOYEES, VOLUNTEERS, COACHES, CONTRACTORS, VENDORS, AFFILIATES, AGENTS AND SUBSIDIARIES; AND (b) ALL OF THEIR RESPECTIVE EMPLOYEES, OFFICERS, DIRECTORS, SHAREHOLDERS, OWNERS, MEMBERS, MANAGERS, PARTNERS, AGENTS, ATTORNEYS, INSURANCE PROVIDERS, REPRESENTATIVES, CONSULTANTS AND CONTRACTORS, AND FOR EACH OF THE PARTIES IN (a) AND (b) ABOVE, THEIR RESPECTIVE HEIRS, SUCCESSORS AND ASSIGNS (COLLECTIVELY, THE “RELEASED PARTIES”), FROM ANY AND ALL LIABILITIES, INJURIES, RIGHTS OF ACTION, CAUSES OF ACTION, LOSSES, DAMAGES, CLAIMS, DEMANDS, LOSS OF COMPENSATION, COSTS AND EXPENSES (INCLUDING ATTORNEYS’ FEES, COURT COSTS, COSTS OF INVESTIGATION AND EXPERT FEES) WHETHER RELATED TO PROPERTY DAMAGE, PERSONAL INJURY, DEATH OF PERSONS OR OTHERWISE (COLLECTIVELY, “CLAIMS”), WHETHER THE SAME BE KNOWN, ANTICIPATED OR UNANTICIPATED, THAT MAY OCCUR AS A DIRECT OR INDIRECT RESULT OR ARISING OUT OF, REGARDING OR RELATING TO THE**

**ACTIVITIES AND USE, WHETHER DUE TO NEGLIGENCE OR OTHERWISE, OF THE RELEASED PARTIES.**

**The provisions of any state, federal or local law providing that a release shall not extend to claims, demands, injuries or damages which are unknown or unsuspected to exist at that time, to the person executing such release, are hereby expressly waived.**

**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 Club may be dissolved upon the discretion of the Club, subject to and in accordance with applicable law.

**ARTICLE XII Effective Date**

These Bylaws are effective as of August 1, 2017.