

NOTE: THE BYLAWS OF THE CLUB MUST BE FOLLOWED AT ALL TIMES
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**BYLAWS
OF
THE MEMORIAL FOREST CLUB
A NONPROFIT CORPORATION
HOUSTON, TEXAS
(Amended and Restated January, 2012)**

**ARTICLE 1
OFFICES**

Principal Office

1.01 The principal office of the corporation in the State of Texas shall be located in the City of Bunker Hill Village, County of Harris.

Registered Office and Registered Agent

1.02 The corporation shall have and continuously maintain in the State of Texas a registered office, and a registered agent whose office is identical with such registered office, as required by the Texas Nonprofit Corporation Act. The registered office may be, but need not be identical with the principal office of the corporation in the State of Texas, and the address of the registered office may be changed from time to time by the Board of Directors.

**ARTICLE 2
MEMBERS**

2.01 The corporation shall have a maximum of 525 members. Each member must be the owner and resident of a residence in Memorial Forest, Sections I, II, III, and IV; Memorial Hollow, Sections I, II, III, IV, V, VI, VII, and VIII; Memorial Woods, Sections I and II; Frostwood, Sections I, II, and III; Tealwood, Sections I, II, III, and IV; Whispering Oaks, Sections I, II, III, IV, V, and VI, and Colony West; Warrenton, Naughton, and Bunker Hill Village; Reidel Estates; Bunker Hill Woods; Bunker Hill Plaza; Rainhollow Plaza; Bunker Hill Gardens; Long Meadows, Sections I and II; Winding Brook; Memorial Pines, Sections I and II; and Erin Glen.

One Certificate of Membership per household as provided for in Article 7 of these bylaws will be issued.

No more than 20 members may move outside of these boundaries and retain their membership.

The privileges of membership shall extend to each member and the member's family that is permanently residing in such residence.

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Election of Members

2.02 Members must be approved by the Board of Directors. An affirmative vote of two-thirds of the Directors shall be required for approval. Said approval shall be recorded in the minutes of the Board.

Voting Rights

2.03 Each member household shall be entitled to one vote on each matter submitted to a vote of the members.

Termination of Membership

2.04 The Board of Directors, by affirmative vote of two-thirds of all of the members of the Board, may suspend or terminate the membership of any member of the corporation who becomes ineligible for membership or who shall be in default in the payment of dues for the period fixed in Article 10 of these bylaws. See also the provisions in Section 2.07.

Resignation

2.05 Any member may resign by filing a written resignation, with the Membership Director, but such resignation shall not relieve the member so resigning of the obligation to pay any dues, assessments, or other charges theretofore accrued and unpaid. The resigning member shall along with the written resignation, surrender such member's certificate of membership for sale or a notarized indemnity of loss certificate.

Reinstatement

2.06 Upon written request signed by a former member and filed with the Secretary or designated director, the Board of Directors may, by the affirmative vote of two-thirds of the members of the Board, reinstate such former member to the membership on such terms as the Board of Directors may deem appropriate.

Transfer of Membership

2.07 Membership in this corporation is not transferrable or assignable except to persons approved to membership by the Board of Directors. A member may sell his/her membership to a purchaser of his/her house, subject to approval by the Board of Directors. No member of the corporation shall advertise or permit his/her membership to be advertised for sale. Any member violating this Section of the bylaws shall be guilty of conduct injurious to the best interests of this corporation and for such conduct the member may be disciplined by the Board of Directors or his/her membership terminated by them. A member must notify the Board of Directors of his/her intent to sell the

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membership with the purchase of his/her house. Said purchaser is subject to the approval by the Board of Directors. After approval, purchaser must provide an application sheet and pay a transfer fee prior to issuance of a Certificate of Membership. If approval of purchaser is denied by the Board, said membership must be sold back to Memorial Forest Club at the prevailing rate. Contractors purchasing homes from members in good standing are not eligible to have memberships transferred to them individually or their business entities, associate or employees.

Non-Liability of Members

2.08 The members shall not be personally liable for the debts, liabilities, or obligations of the corporation.

ARTICLE 3 MEETINGS OF MEMBERS

Annual Meeting

3.01 An annual meeting of the members shall be held during the month of January each year, at a time and place designated by the Board of Directors, for the purpose of electing Officers/Directors and for the transaction of other business as was included in the Section 3.04 Notice of Meeting. If the election of Directors shall not be held on the day designated by the Board of Directors for the annual meeting, or at any adjournment thereof, the election is to be held by the Board of Directors immediately.

Special Meeting

3.02 Special meetings of the members may be called by the President, the Board of Directors, or not less than one-tenth of the members having voting rights.

Place of Meeting

3.03 The Board of Directors may designate, within the area defined for membership eligibility, the place of meeting for any annual or special meeting of members called by the Board of Directors. If no special meeting place is designated, the meeting shall take place at the registered office of the corporation.

Notice of Meetings

3.04 Written or printed notice stating the place, day, and hour of any meeting of members shall be delivered, either personally or by mail or electronic mail, to each member entitled to vote at such meeting, not less than two (2) weeks nor more than four (4) weeks before the date of such meeting, by or at the direction of the President, or the Secretary, or the officers or persons calling the meeting. The subject matter of all items

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to be voted upon at the meeting shall be identified in the Notice. Notice may be delivered personally (which shall be deemed the time of delivery) or sent by U.S. Mail, or electronic mail. If mailed, the Notice of a meeting shall be deemed to be delivered three days after the Notice was deposited in the United States mail addressed to the member at his address as it appears on the records of the corporation, with sufficient postage attached. If sent by electronic mail, delivery shall be deemed to have occurred at the day and time of the notice being sent. Notices shall be sent to the latest address on file for each member.

Quorum

3.05 Members holding one-tenth (1/10) of the votes entitled to be cast, represented in person or by proxy, shall constitute a quorum. The vote of the majority present, or represented by proxy, at a meeting at which a quorum is present, shall be the act of the members meeting, unless a greater number is required by law, the articles of incorporation, or the bylaws. If a quorum is not present at any meeting of members, a majority of the members present may adjourn the meeting from time to time and reset pursuant to a Section 3.04 Notice of Meeting.

Proxies

3.06 At any meeting of members, a member entitled to vote may vote by proxy executed in writing by the member. In order to be valid, a proxy must list all matters scheduled to come before the meeting, as stated in the Section 3.04 Notice of Meeting, and affirmatively give the designated holder of the proxy the right to vote on any issues on which the member did not vote. Accompanying the Notice of Meeting shall be a proxy allowing the member to vote his preference on each issue and giving the Secretary the right to vote the proxy on all such matters (in which the member did not vote) in accordance with the vote of a majority of the Board of Directors attending the meeting. To be valid, a proxy must be turned into the Secretary prior to the call to order of the meeting. Any person whose valid proxy has been submitted in accordance with this Section shall be considered to be a person present at the meeting for all purposes. A proxy becomes void if a proxy with a later date is turned into the secretary in a timely manner, or if the member attends the meeting in person. Should a member appear in person after a proxy has been voted, said member may not change the vote that was taken when the proxy was in effect.

ARTICLE 4

BOARD OF DIRECTORS

General Powers

4.01 The affairs of the corporation shall be managed by its Board of Directors. Directors must be members of the corporation in good standing.

Number, Tenure, and Qualifications

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4.02 The number of Directors of this corporation shall be ten. The number of Directors may be increased or decreased, but to not less than three, from time to time by amendment to these bylaws, but no decrease shall have the effect of shortening the term of any incumbent Director.

Tenure shall be for a term of three (3) years for each officer/director elected and each Director shall hold office until his/her successor is elected/qualified or until his/her earlier resignation, removal, or death. Any person nominated for the office of President shall have been a member in good standing of the club for at least 5 years prior to election. The following classes shall be elected on a rotating schedule as follows:

Class One (1): Secretary, Rental, Facilities, Tennis

Class Two (2): President, Social, Swimming

Class Three (3): Vice President/Communications, Treasurer, Membership

Regular Meetings

4.03 A regular annual meeting of the Board of Directors shall be held without other notice than this bylaw, immediately after, and at the same place as, the annual meeting of members. The Board of Directors may provide by resolution the time and place, within the area defined for membership eligibility, for holding of additional regular meetings of the Board without other notice than such resolution.

Special Meetings

4.04 Special meetings of the Board of Directors may be called by or at the request of the President or any two Directors. The person or persons authorized to call special meetings of the Board may fix any place, within the area defined for membership eligibility, as the place for holding any special meeting of the Board called by them.

Notice

4.05 Notice of any special meeting of the Board of Directors shall be given at least seven days previously thereto by written notice delivered personally or sent by mail or electronic mail to each Director at this address shown by the records of the corporation. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail so addressed with postage thereon prepaid or sent to the last known electronic mail address.

Any Director may waive notice of any meeting. The attendance of a Director at any meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special

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meeting of the Board need be specified in the notice or waiver of notice of such meeting, unless specifically required by law or these bylaws.

Quorum

4.06 A majority of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board; but if less than a majority of the Directors are present at said meeting, a majority of the Directors present may adjourn the meeting from time to time without further notice.

Manner of Acting

4.07 The act of a majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, unless the act of a greater number is required by law or these bylaws.

Vacancies

4.08 Any vacancy occurring in the Board of Directors and any directorship to be filled by reason of an increase in the number of Directors shall be filled by the Board of Directors. A Director elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office.

Compensation

4.09 Directors shall not receive compensation for services in such a capacity; but nothing herein contained shall be construed to preclude any Director from serving the corporation in any other capacity and receiving compensation therefore.

Informal Action by Directors

4.10 Any action by law to be taken at a meeting of Directors, or any action which may be taken at a meeting of Directors, may be taken without a meeting if a consent in writing setting forth the action so taken shall be signed by all of the Directors. All actions must be entered into the minutes of the prior meeting. Said minutes shall be subject to approval by the Board of Directors at the next meeting.

ARTICLE 5 OFFICERS

Officers

5.01 The officers of the corporation shall be a President, one or more Vice Presidents (the number thereof to be determined by the Board of Directors), a Secretary, a Treasurer, and such other officers as may be elected in accordance with

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the provisions of this Article. The Board of Directors may elect or appoint such other officers, including one or more Assistant Secretaries or one or more Assistant Treasurers, as it shall deem desirable, such officers have the authority and perform the duties prescribed, from time to time, by the Board of Directors. Any two or more offices may be held by the same person, except the offices of President and Secretary.

Election and Term of Office

5.02 The officers of the corporation whose terms have expired, the successors or replacements shall be elected annually by the Board of Directors at the regular annual meeting of the Board of Directors. If the election of officers shall not be held at such a meeting, such election shall be held immediately by the Board of Directors. New offices may be created and filled at any meeting of the Board of Directors. Each officer shall hold office until his/her successor shall have been duly elected and qualified.

Removal

5.03 Any office elected or appointed by the Board of Directors may be removed by the Board of Directors whenever in its judgment the best interests of the corporation would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the officer so removed.

Vacancies

5.04 A vacancy in any office because of death, resignation, disqualification, or otherwise, may be filled by the Board of Directors for the unexpired portion of the term.

President

5.05 The President shall be the principal executive officer of the corporation and shall in general supervise and control all of the business and affairs of the corporation. He/She shall preside at all meetings of the members and of the Board of Directors. He/She may sign, with the Secretary or any other proper officer of the corporation authorized by the Board of Directors, any deeds, mortgages, bonds, contracts, or other instruments which the Board of Directors have authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated to the Board of Directors by these bylaws or by statute to some other officer or agent of the corporation; and in general he shall perform all duties incident to the office of President and such other duties as may be prescribed by the Board of Directors from time to time. The President will appoint a nominating committee of three members with at least one current member of the Board of Directors prior to the Annual Meeting to elicit qualified members for the available positions of officers/directors of the club.

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Vice President

5.06 In the absence of the President or in the event of his inability or refusal to act, the Vice President (or in the event there may be more than one Vice President, the Vice Presidents in the order of their election) shall perform the duties of President, and when so acting shall have all the powers of and be subject to all the restrictions upon the President. Any Vice President shall perform such other duties as from time to time may be assigned to him/her by the President or Board of Directors.

Treasurer

5.07 If required by the Board of Directors, the Treasurer or designated Agent shall give a bond, which may be paid for by the club, for the faithful discharge of his/her duties in such sum and with such surety or sureties as the Board of Directors shall determine. He/She or designated Agent shall have charge and custody of and be responsible for all funds and securities of the corporation; receive and give receipts for moneys due and payable to the corporation from any source whatsoever, and deposit all such moneys in the name of the corporation in such banks, trust companies, or other depositories as shall be selected in accordance with the provisions of Article 6 of these bylaws; and in general perform all the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him/her by the President or Board of Directors. The Designated Agent (s) shall be supervised by the Treasurer but held accountable to the Board of Directors.

Secretary

5.08 The Secretary must keep and record all minutes, motions, resolutions, both formal and informal of the meetings of the members and of the Board of Directors in one or more books provided for that purpose; give all notices in accordance with the provisions of these bylaws or as required by law; be custodian of the corporate records and of the seal of the corporation, and affix the seal of the corporation to all documents, the execution of which on behalf of the corporation under its seal is duly authorized in accordance with the provisions of these bylaws; the Secretary or individual designated by the Board shall keep a register of the post office address of each member which shall be furnished to the Secretary by each member; the Secretary must maintain a record of the class and terms of office for each officer/director; and, in general, perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him/her by the President of the Board of Directors.

Assistant Treasurers and Assistant Secretaries

5.09 If required by the Board of Directors, the Assistant Treasurers shall give bonds for the faithful discharge of their duties in such sums and with such sureties as the Board of Directors shall determine. The Assistant Treasurers and Assistant

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Secretaries in general shall perform such duties as shall be assigned to them by the Treasurer or the Secretary or by the President of the Board of Directors.

ARTICLE 6
CONTRACTS, CHECKS, DEPOSITS, AND FUNDS

Contracts

6.01 The Board of Directors may authorize by a resolution any officer or officers, agent or agents of the corporation, in addition to the officers so authorized by these bylaws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the corporation. Such authority may be general or confined to specific instances. All agents & employees must be approved annually with a formal resolution by the Board of Directors.

Checks and Drafts

6.02 All checks, drafts, or orders for the payment of money, notes, or other evidences of indebtedness issued in the name of the corporation shall be signed by such officer or officers, agent or agents of the corporation and in such manner as shall be from time to time determined by resolution of the Board of Directors. In the absence of such determination by the Board of Directors, such instruments shall be signed by the Treasurer or an Assistant Treasurer and countersigned by the President or a Vice President of the corporation.

Deposits

6.03 All funds of the corporation shall be deposited from time to time to the credit of the corporation in such banks, trust companies, or other depositories as the Board of Directors may select.

Gifts

6.04 The Board of Directors may accept on behalf of the corporation any contribution, gift, bequest, or device for the general purposes or for any special purpose of the corporation.

ARTICLE 7
CERTIFICATE OF MEMBERSHIP

Certificates of Membership

7.01 The Board of Directors may provide for the issuance of certificates evidencing membership of the corporation, which shall be in such form as may be determined by the Board. Such certificates shall be signed by the President or a Vice

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President and by the Secretary or an Assistant Secretary and shall be sealed with the seal of the corporation. All certificates evidencing membership shall be consecutively numbered. The name and address of each member and the date of issuance of the certificate shall be entered on the records of the corporation. If any certificate shall become lost, mutilated, or destroyed, a notarized indemnity of loss certificate is required as proof of membership. Such requirements for indemnity will be set by the Board of Directors.

Issuance of Certificates

7.02 When an applicant has been approved for membership and has paid all fees and dues that may be required, a certificate of membership shall be issued and delivered to the applicant by the Secretary or designated director as provided for under provisions of Paragraph 7.01 of this Article 7 above.

**ARTICLE 8
BOOK AND RECORDS**

8.01 The corporation shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its members and Board of Directors, and shall keep at the registered or principal office a record giving the names and addresses of the members entitled to vote. All books and records of the corporation may be inspected by any member or his agent or attorney for property purpose at any reasonable time.

**ARTICLE 9
FISCAL YEAR**

9.01 The fiscal year of the corporation shall begin on the first day of January and end on the last day in December in each year.

**ARTICLE 10
DUES**

Annual Dues

10.01 The Board of Directors may determine from time to time the amount of initiation fee, if any, payable to the corporation by members. The amount of annual dues payable by members shall be recommended by the Board of Directors and shall be approved by the members at the annual meeting of members. No assessment upon the membership shall be made except by approval of the members.

Payment of Dues and Fees

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10.02 Dues shall be payable in advance at the end of February in each fiscal year. Late fees shall be assessed on such basis as determined by the Board of Directors. Dues of a new member shall be prorated from the first day of the month in which such new member is approved for membership, for the remainder of the fiscal year of the corporation. If said dues and fees are not received, the Board of Directors shall assess a late fee monthly.

Default, Suspension and Termination of Membership

10.03 When any member shall be in default in the payment of dues for a period of two months from the beginning of the fiscal year or a period for which dues become payable, his membership may thereupon be terminated by the Board of Directors in the manner provided in Article 2 of these bylaws. Memberships in arrears of late fees may therefore be suspended until all fees are paid in full.

10.04 When a membership is determined to be in default, a check for the membership value at the time shall be sent to the last known address of the member and said member shall have 6 months to cash the check or the amount due is considered null and void and no re-issuance of a check shall be made after the time limit.

ARTICLE 11
SEAL

11.01 The Board of Directors shall provide a corporate seal, which shall be in the form of a circle and shall have inscribed thereon the name of the corporation and the words "Corporate Seal of The Memorial Forest Club."

ARTICLE 12
WAIVER OF NOTICE

12.01 Whenever any notice is required to be given under the provisions of the Texas Non-Profit Corporation Act or under the provisions of the articles of incorporation or the bylaws of the corporation, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

ARTICLE 13
LIMITATION OF LIABILITY; INDEMNIFICATION AND
INSURANCE OF DIRECTORS AND OFFICERS

Limitation of Liability

13.01 A director shall perform his duties as a Director in a manner he reasonably believes to be in the best interest of the corporation, and with such care as an ordinarily prudent person in a like position would use under similar circumstances. In performing

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his duties, a Director shall be entitled to rely on information, opinions, reports, or statements, including financial statements and other financial data, in each case prepared or presented by:

- (a) one (1) or more officers or employees of the corporation whom the Director reasonably believes to be reliable and competent in the matters presented; or
- (b) counsel, public accountants, or other persons as to matters which the Director reasonably believes to be within such person's professional or expert competence.

A person who so perform his duties shall have no liability by reason of or having been a Director of the corporation.

An officer of the corporation who shall perform his duties in the manner set forth above in this Section 13.01, relying to the extent applicable on information, opinions, reports, or statements set forth therein, shall have no liability by reason of being or having been an officer.

Indemnification

13.02 (a) Actions Other Than Those by or in the Right of the Corporation. The corporation shall indemnify, to the full extent permitted by law, any person who was or is a party or is threatened to be made a party (including a witness) to any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative (other than an action by or in the right of the corporation), by reason of the fact that he is or was a director or officer of the corporation, against expenses (including attorney's fees), judgments, fines, and amounts paid in settlement, actually and reasonably incurred by him in connection with such action, suit, or proceeding if he acted in good faith, in a manner he reasonably believed to be in or not opposed to the best interests of the corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. The termination of any action, suit, or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that such person did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the corporation, and with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was not unlawful.

13.02 (b) Action by or in the Right of the Corporation. The corporation shall indemnify, to the full extent permitted by law, any person who was or is a party or is threatened to be made a party (including a witness) to any threatened, pending, or completed action, suit, or proceeding by or in the right of the corporation to procure a judgment in its favor by reason of the fact that he is or as a director or officer of the corporation, against expenses (including attorney's fees) actually and reasonably

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incurred by him in connection with the defense or settlement of, or appearance connected with such action, suit, or proceeding if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the corporation; provided, however, that no indemnification shall be made in respect of any claim, issue, or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of his duty to the corporation unless and only to the extent that a court, upon application, shall determine that, despite the adjudication of liability but in view of all circumstances of the case, such person is fairly and reasonably entitled to indemnification for such expenses.

13.02 (c) **Successful Defense of Action.** Notwithstanding, and without limitation of, any other provision of this Article 13, to the extent that a director or officer of the corporation has been successful on the merits or otherwise in defense of any action, suit, or proceeding referred to in paragraph (a) or (b) of this Section 13.02 or in defense of any claim, issue, or matter therein, he shall be indemnified against expenses (including attorney's fees) actually and reasonably incurred by him in connection therewith.

13.02 (d) **Determination Required.** Any indemnification under paragraph (a) or (b) of this Section 13.02 (unless ordered by a Court) shall be made by the corporation only as authorized in the specific case upon a determination that indemnification of the director or officer is proper in the circumstances because he has met the applicable standard of conduct set forth in such paragraph. Such determination shall be made, (i) by the Board of Directors by a majority vote of a quorum consisting of directors who were not parties to the particular action, suit, or proceeding, or (ii) if such a quorum is not obtainable, or, even if obtainable, a quorum of disinterested directors so directs, by legal counsel in a written opinion, or (iii) by the members.

13.02 (e) **Advance of Expenses.** Expenses incurred with respect to any action, suit, or proceeding, whether civil, criminal, administrative, or investigative, specified in Sections 13.02 (a) and 13.02(b) of this Article 13, may be paid by the corporation in advance of the final disposition of such action, suit, or proceeding, as authorized by the Board of Directors and upon receipt of a satisfactory undertaking by or on behalf of the director or officer to repay such amount unless it ultimately be determined that he is entitled to be indemnified by the corporation as authorized by the Board of Directors and as authorized in this Section 13.02.

13.03 **Insurance.** The corporation may, when authorized by the Board of Directors, purchase and maintain insurance on behalf of any person who is or was a director or officer of the corporation, against any liability asserted against, and incurred by him in such capacity, or arising out of his status as such, whether or not the corporation would be required to indemnify him against such liability under the provisions of Section 13.02 of this Article 13.

13.04 **Nonexclusivity; Duration.** The indemnifications, rights, and limitations of liability provided by this Article 13 shall not be deemed exclusive of any other

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indemnifications, rights, or limitations of liability to which any person may be entitled under any bylaw, agreement, vote of members, or disinterested directors, or otherwise, either as to action in his official capacity, or as to action in another capacity while holding office, and they shall continue although such person has ceased to be a director or officer and shall inure to the benefit of this heirs, executors, and administrators. The authorization to purchase and maintain insurance set forth in Section 13.03 of this Article 13 shall likewise not be deemed exclusive.

ARTICLE 14
AMENDMENTS TO BYLAWS

14.01 These bylaws may be altered, amended, or repealed and new bylaws may be adopted by a vote of two-thirds (2/3) of the members present, or represented by proxy, at a meeting at which a quorum is present. Any proposal to alter, amend, or repeal these bylaws or to adopt new bylaws shall be presented, in writing, to the Secretary either by the Board of Directors or by a petition signed by at least onetenth (1/10) of the voting members of the corporation. Notice of such proposal shall be provided to the members of the corporation in the manner required for notice of a special meeting of members.