

MEMBERSHIP BYLAWS

OF

TOWER CLUB

Effective as of

September 1, 2013

TABLE OF CONTENTS

ARTICLE I. CLUB INFORMATION 1

1.1. Name and Address..... 1

1.2. Membership Bylaws..... 1

1.3. Ownership and Management..... 1

1.4. Purpose..... 1

1.5. Rules and Regulations..... 1

ARTICLE II. FACILITIES 2

2.1. Availability of Facilities..... 2

2.2. Board of Governors..... 2

ARTICLE III. MEMBERSHIP

3.1. Qualifications..... 2

3.2. Eligibility..... 2

3.3. Privileges..... 3

3.4. Membership..... 4

3.5. Total Memberships Available..... 4

3.6. Resignation from Membership..... 4

3.7. Death of Member..... 5

3.8. Divorce..... 5

3.9. Transfers Outside Club Procedures and Pledge of Memberships..... 5

3.10. Transfer..... 5

3.11. Redemptive Right..... 6

ARTICLE IV. MEMBERSHIP CATEGORIES AND CLASSIFICATIONS 6

4.1. Resident Memberships..... 6

4.2. Nonresident Memberships..... 6

4.3. Corporate Memberships..... 6

4.4. Young Executive Memberships..... 7

4.5. Dues-Exempt Memberships..... 8

4.6. Change in Membership Category or Classification..... 8

ARTICLE V. FINANCIAL OBLIGATIONS 8

5.1. Financial Responsibility..... 8

5.2. Dues..... 9

5.3. Payment and Late Charges..... 9

5.4. Setoff..... 10

ARTICLE VI. DISCIPLINARY ACTION 10

6.1. Grounds..... 10

6.2. Delinquent Accounts..... 10

6.3. Member Discipline/Grievance Committee..... 10

6.4. Consequences of Suspension or Expulsion..... 11

ARTICLE VII. MISCELLANEOUS	12
7.1. Associations.....	12
7.2. Notices.....	12
7.3. Liability for Injuries; Release.....	12
7.4. Personal Property.....	12
7.5. Arbitration.....	13
7.6. Independent Entity.....	13
7.7. Binding Effect; Indemnification.....	14
7.8. Associate Club Privileges.....	14
7.9. Society Privileges	15
7.10. Amendment to Bylaws.....	15

TOWER CLUB

MEMBERSHIP BYLAWS

ARTICLE I. CLUB INFORMATION

Section 1.1. Name and Address.

The name of this club is Tower Club (“Club”). The Club is owned and operated by Tower Club of Dallas, Inc. (the “Owner”). The address of the Club is Thanksgiving Tower, 48th Floor, 1601 Elm Street, Dallas, Texas 75201-4759.

Section 1.2. Membership Bylaws.

These membership bylaws (the “Bylaws”) amend, supercede and replace in their entirety any prior bylaws and/or membership plans of the Club and set forth the terms and privileges of membership in the Club and the policies and procedures under which the Club is operated. These Bylaws are subject to change from time to time in the sole and absolute discretion of the Owner.

Section 1.3. Ownership and Management.

The Club shall be managed solely by the Owner and the General Manager of the Club (“General Manager”) selected by the Owner from time to time. The Club is not an equity club, and no Member shall, by virtue of Club membership, be an owner or partner of the Club or of the Owner or have any ownership or equity right or interest in the Club or any of the assets of the Club or the Owner.

Section 1.4. Purpose.

The purpose of the Club is to operate as a private club for the social and recreational benefit of its Members (as defined herein). The foregoing shall not limit the conduct of business at the Club by the Owner as the Owner determines in its discretion.

Section 1.5. Rules and Regulations.

The Owner may establish and amend from time to time rules and regulations (“Rules and Regulations”) for the control and operation of the Club and its Facilities (as hereinafter defined); and for the conduct and attire of Members while using the Club. The Rules and Regulations shall become effective immediately upon the posting of a copy in a conspicuous place at the Club, or by posting on the Club’s website, or upon their mailing to Club Members. The provisions of these Bylaws shall control in the event of any conflict or inconsistency between these Bylaws and the Rules and Regulations.

ARTICLE II. FACILITIES

Section 2.1. Availability of Facilities.

The Owner reserves the right, in its sole and absolute discretion, to discontinue or modify operation of any or all of the Facilities (as hereinafter defined) or any other use privileges, including use privileges at other clubs and locations (“various use privileges”); to sell or otherwise dispose of the Facilities; to make any other changes in the terms and conditions of membership, including the use of the Facilities or the various use privileges available for use by Members. Use of the Facilities and the various use privileges may be discontinued, restricted or reserved from time to time as determined by the Owner and such discontinuance, restriction or reservation shall not result in any reduction or abatement of membership dues. The Owner may extend privileges of the Club, the right to use the Facilities and the various use privileges to such other persons and upon such terms as the Owner may from time to time prescribe.

Section 2.2. Board of Governors.

A Board of Governors comprised of Members of the Club will be formed at a time deemed appropriate by the Owner. Such Board of Governors shall, upon request by the General Manager, provide advice and counsel as to the operation of the Club and as to the Rules and Regulations of the Club. The General Manager of the Club, as representative of the Owner, shall have the sole right to appoint the members of a Board of Governors, or set forth a method or methods for the election of the Board of Governors in the Rules and Regulations. The Rules and Regulations may also provide for the number of persons who sit on the Board of Governors, the length of service, the formation of committees, and other matters affecting the composition and operation of the Board of Governors. If the Rules and Regulations do not contain such information, the General Manager may determine each of the above in his or her discretion.

ARTICLE III. MEMBERSHIP

Section 3.1. Qualifications.

Any person at least eighteen (18) years of age shall be eligible to apply for membership in the Club, subject to the additional eligibility requirements set forth for each category of membership below.

Section 3.2. Eligibility.

Selection for membership in the Club shall be in accordance with procedures, criteria, rules and regulations established from time to time by the Owner. Invitations to membership shall be extended without regard to age, race, national origin, gender, religion, sexual orientation or disability. Candidates for membership must complete and submit an application and agreement in the form established by the Owner from time to time (the “Candidate Application”). The Owner may accept or reject any invitee or applicant in its sole discretion, and the decision of the Owner in this regard shall be final. The Owner from time to time may, in its discretion, form a Membership

Committee from the general membership of the Club to meet on a monthly basis to review applicants and make recommendations to the Owner for approval of new membership applicants. The proceedings of any Membership Committee formed shall be confidential. The Owner shall have the final approval of all membership applicants.

Membership candidates shall be composed of those (i) reputable and financially qualified business entities, or (ii) financially qualified persons of good character over the age of eighteen (18), and in each case who have completed a Candidate Application and paid the appropriate Initiation Payment (as hereinafter defined in Section 3.4 below). Invitations to be extended and unsolicited Candidate Applications received will be evaluated on the basis of the following criteria:

- (a) Interest of an invitee, candidate and/or business entity in the use of a Club membership for social promotion and/or professional purposes;
- (b) Financial responsibility and qualification of the invitee, candidate, and/or business entity; and
- (c) Compatibility of an invitee, candidate and/or business entity (or its Corporate Designee) with Members with respect to social and business settings.

Section 3.3. Privileges.

Candidates accepted for membership are entitled to membership privileges in the selected membership category as such privileges and amenities are available and as may exist from time to time. Each membership shall have one eligible person designated as the Primary Member (the "Primary Member"). The Primary Member's family shall be entitled to the same privileges as the Primary Member. The term "family" shall mean the Member's spouse, Spousal Equivalent or Spousal Designee (as those terms are defined below) and children. The term "children" shall mean the unmarried children of the Member, the Member's spouse, Spousal Equivalent, or the Spousal Designee, who reside in the Primary Member's permanent residence, under the age of twenty-one (21), or under the age of twenty-three (23) and attending college on a full time basis. Those persons having a right to the same privileges as Primary Member will be collectively referred to herein as "Member(s)."

The spousal relationship may be evidenced by a marriage license or its equivalent under state law. In those situations where the spousal relationship is evidenced by a state law equivalent to a marriage license, the person who is not the Primary Member may be referred to herein as the "Spousal Equivalent." In the event the spousal relationship is not evidenced by either a marriage license or its equivalent under state law, (which such equivalent may include a certificate of domestic partnership or civil union), a Primary Member may designate one person (the "Spousal Designee") to receive the same privileges as the Primary Member, so long as: (a) the designated person resides in the Primary Member's residence, (b) is considered by and held out to the public as Primary Member's spouse or as having a spousal relationship with Primary Member, and (c) the Primary Member and the Spousal Designee have executed a statement acceptable to the Owner stating the foregoing information. The Spousal Designee must be presented in writing and approved by the

Owner (which approval may be withheld by the Owner in its sole discretion) and may not be changed more than once in any twelve (12) month period.

The enjoyment of membership privileges by any person entitled thereto pursuant to this Section is subject to the terms, conditions and restrictions of these Bylaws, any Rules and Regulations as may be adopted by the Owner from time to time, and subject to the terms of Member's Candidate Application. Any violation of the provisions of these Bylaws or the Rules and Regulations by the Member, the Member's spouse, Spousal Equivalent or Spousal Designee, children, or guests shall be grounds for disciplinary action by the Owner as set forth in Article VI below.

Section 3.4. Membership.

Membership in the Club shall be evidenced by a copy of the Candidate Application signed by the Member(s) and the Owner indicating approval of the candidate for membership by the Owner. The Owner may also, in its discretion, provide Members with a certificate to evidence membership in the Club (the "Membership Certificate"). Members shall have a nonexclusive, revocable license to use the Facilities in accordance with the terms and conditions of the Member's membership category and classification, and as such Facilities are made available for Member use. The membership of the Club shall consist of the membership categories and classifications as the Owner may establish from time to time. The Owner shall have the authority to establish, modify, close, or discontinue any category of membership and any classification within such category as the Owner from time to time may determine, in its sole discretion, to be in the best interests of the Club. The Owner shall from time to time, in its sole discretion, prescribe or modify initiation fees, dues, periodic economic incentives, privileges, and restrictions applicable to each category and classification of membership. Without limiting the types of memberships which may be offered from time to time by the Owner, the Owner may require, or may have required in the past, two general types of initiation payments, an initiation deposit ("Initiation Deposit") and an initiation fee ("Initiation Fee") (collectively, the Initiation Fee and Initiation Deposit are referred to herein as the "Initiation Payment"). The type of Initiation Payment required by the Owner for a particular membership is set forth on each Member's Candidate Application and may be refundable, in whole or in part, as set forth in the Member's Candidate Application. The Owner shall have the right, in its sole discretion, to establish (and amend from time to time) the amount of any Initiation Payment required for a particular category or classification of membership.

Section 3.5. Total Memberships Available.

The total number of memberships issued in any category or classification and the privileges accorded each category and classification shall be determined by the Owner.

Section 3.6. Resignation from Membership.

A Member may resign from the Club at any time by giving advance written notice to the Owner. Such resignation will be effective thirty (30) days following the date the resignation is received by the Owner.

Section 3.7. Death of Member.

Any membership in any membership category or classification shall terminate upon the death of the last surviving member on the membership (regardless of whether the Primary Member or the spouse/Spousal Equivalent is the last to die), or in the case of a corporate membership, upon the dissolution, liquidation, or other ceasing to exist of the business entity holding the corporate membership. Where a membership includes a Spousal Designee, the membership shall terminate upon the death of the Primary Member and the Spousal Designee shall have no continuing rights to use the membership.

Section 3.8. Divorce.

In the event a Club membership in any category or classification is held by persons in a spousal relationship (including spouses or Spousal Equivalents, but not a Spousal Designee) and the spousal relationship is subsequently separated or divorced, the Club membership shall be awarded to one spouse as set forth in a separation agreement, divorce decree, or equivalent. A membership in any category or classification is not divisible. After receipt of the written separation agreement, divorce decree, or equivalent, all rights, benefits and obligations of the membership shall be deemed to have been awarded to the spouse designated therein as the Member. The other spouse can apply for membership in the same manner as any new candidate for membership once the existing membership has been awarded. In the absence of a written separation agreement, divorce decree, or equivalent, or other instrument designating the Member, the membership may be suspended by the Owner unless or until the Owner is provided with notice, in writing and signed by both Members, instructing the Owner as to which Member will retain the membership. During the pendency of divorce or separation, liability for all obligations under the membership will remain unchanged. If the Owner, in its sole discretion, determines that prospects of payment are impaired or the spouses are unable to make temporary arrangements for the membership satisfactory to the Owner, the Owner can suspend all charging and use privileges under the membership.

Section 3.9. Transfers Outside Club Procedures and Pledge of Memberships.

Any attempted transfer of a membership by a Member outside of the procedures set forth in these Bylaws, whether by sale, gift, testamentary disposition, or otherwise, shall be of no force and effect and shall confer no membership rights or rights to use the Club upon the transferee. Memberships may not be pledged; however, in the event a membership is pledged, in contravention of these Bylaws, to a secured party lender who subsequently forecloses upon the membership, the membership may not be used, held or resold by the secured party and must be placed by the secured party with the Club for resale.

Section 3.10. Transfer.

All memberships are nontransferable and no Member may sell, transfer, assign, pledge, hypothecate or otherwise encumber a membership, whether voluntary or involuntary. Any such action shall be of no force or effect.

Section 3.11. Redemptive Right.

The Club may redeem a Member's membership by repaying the Member the Initiation Payment (without interest or premium of any kind) paid to the Club. Upon such payment, all of Member's rights to use the Club shall immediately cease, and the Member shall automatically relinquish, release and discharge the Owner, the Club, its employees, agents, shareholders, members, managers, affiliates and assigns from any and all liability, injury, loss, damages or claims against the Club associated with the membership and/or the redemption thereof. The Owner shall determine, in its sole and absolute discretion, whether any Member whose membership has been redeemed by the Owner shall be permitted to utilize the Club's facilities or enter onto the Club's premise as a guest of another member.

ARTICLE IV. MEMBERSHIP CATEGORIES AND CLASSIFICATIONS

Section 4.1. Resident Memberships.

A Resident Membership allows the Member (whose principal residence is located within a fifty (50) mile radius of the Club) to use all of the dining and social facilities made available at the Club from time to time by Members and their guests as well as any other privileges and benefits so designated by the Club and the Owner, from time to time. Resident Memberships are not transferable. The Club may offer from time to time one or more classifications of Resident Memberships with different privileges and benefits.

Section 4.2 Nonresident Memberships.

A Nonresident Membership may be offered by the Club from time to time, at the Owner's discretion, to any Member in membership categories and classifications designated by the Owner whose residences and places of business are located outside a fifty (50) mile radius of the Club. A Member holding a Nonresident Membership shall be allowed all the privileges of membership afforded by the Club for the applicable membership category and class, but may be entitled to pay dues and/or an Initiation Payment at reduced levels as from time to time established by the Owner. If any Nonresident Member moves his or her residence or begins to work within the fifty (50) mile radius of the Club, the Member shall be ineligible for any Nonresident Membership and must immediately apply for membership in any available membership class. In the event a Member holding a Nonresident Membership subsequently becomes ineligible for the Nonresident Membership class, all membership privileges shall be suspended unless and until the Member has obtained a new membership. The Member shall receive a credit toward any Initiation Payment for such new membership equal to the amount of the Initiation Payment paid for the Nonresident Membership. A Nonresident Membership is not transferable.

Section 4.3. Corporate Memberships.

At the Owner's discretion, Club may offer, from time to time, Corporate Memberships in any membership classifications and/or classifications designated by the Owner in its sole discretion, and such memberships shall be applied for and issued in the name of the business entity (the

“Corporation”) that is to own the membership. Corporate Memberships are not transferable from the Corporation to another business entity. The Corporation shall have the right to designate a director, officer or employee of the Corporation entitled to exercise and enjoy the privileges of membership (“Corporate Designee”). Privileges of membership are as set forth in this Article IV, for the applicable classification in which the Corporate Membership is issued, and include the family privileges provided to Members in Section 3.3 herein. Each Corporate Membership shall have only one (1) Corporate Designee, who must be approved by Owner in the same manner as other candidates for membership. The Corporate Designee may be changed by the Corporation from time to time, subject to (i) the approval by the Owner of the substitute Corporate Designee in the same manner as other candidates for membership, (ii) payment by the Corporation of the then current redesignation fee and (iii) compliance with the then current redesignation policy of the Club which may, among other things, limit the frequency of or determine permitted intervals for Corporate Designee changes. The Club will provide monthly invoices for dues, charges, and other usage fees, directly to the Corporate Designee. However, the Corporation and the Corporate Designee shall be jointly and severally liable for payment of all dues, charges and other usage fees under the Corporate Membership. The purchase of any membership by a Corporation and any subsequent change in the Corporate Designee must be authorized in writing by an officer, director or principal of the Corporation. Corporate Memberships in all membership classes shall terminate upon the dissolution, liquidation or cessation of the legal existence of the Corporation. If the Corporation is a sole proprietorship, the Corporate Membership shall terminate upon the death of the principal. Provisions of these Bylaws and of the Club’s Rules and Regulations which, by their nature apply to natural human beings (such as, by way of example and not limitation, provisions related to personal conduct, dress code, usage of the Facilities, and participation in committees), shall apply to the Corporate Designee.

Section 4.4. Young Executive Memberships.

At the Owner’s discretion, Club may offer, from time to time, Young Executive Memberships in membership classifications designated by the Owner only to individuals under the age of forty-one (41). Young Executive Memberships are not transferable. A Member holding a Young Executive Membership shall be allowed all of the privileges of membership afforded by the Club for the applicable category and classification of membership, but may defer a portion of the Initiation Payment, if applicable, until the Member’s forty-first (41st) birthday and may enjoy a preferred base monthly dues rate until the Member’s forty-first (41st) birthday. The amount of the Initiation Payment to be deferred, if any, shall be established by the Owner from time to time. On or before the Member’s forty-first (41st) birthday, the Member must convert the membership from the Young Executive category of membership to an available class and category of membership in order to continue membership in the Club. To convert the membership, the Member must pay (i) any deferred portion of the Initiation Payment, if applicable, which shall be equal to the difference between the amount of the Initiation Payment paid by the Member at the time of the acquisition of the Young Executive Membership and the amount of the Initiation Payment in effect at such time for the category and classification of membership selected on the date of conversion, and (ii) the full standard dues rate associated with the selected category and classification of membership.

Section 4.5. Dues-Exempt Memberships.

At the Owner's sole discretion, the Club may offer, from time to time, Dues-Exempt and/or Honorary Memberships in membership categories and classifications designated by the Owner. Such Dues-Exempt and/or Honorary Members will be entitled to the privileges of the membership category and classification designated by the Owner, without the payment of required base monthly Club dues (and for Honorary Members, without the payment of any Initiation Payment).

Dues-Exempt Memberships shall terminate upon the earlier of (i) the death of the Member (see below), (ii) the Member's resignation from the Club or other termination of the membership in accordance with these Bylaws, or (iii) the date on which the Owner ceases to own or operate the Club. Upon the death of the Member, the Dues-Exempt Membership will be held by the then current spouse or Spousal Equivalent of the Member, and will terminate upon the death of such spouse or Spousal Equivalent, regardless of whether such spouse or Spousal Equivalent remarries after the death of the Member. Dues-Exempt Memberships are not transferable, unless otherwise noted on the Candidate Application or any addendum thereto.

Honorary Memberships may be renewed or terminated by the Owner from time to time, at the Owner's discretion. In the event that the Club establishes a maximum capacity of dues-paying members in any membership category or classification, Honorary Memberships shall not be included for purposes of calculating the number of dues-paying members in such membership category or classification. Honorary Memberships are not transferable.

Dues-Exempt Members and Honorary Members remain responsible for all usage charges and fees, and upgrade dues for additional privileges, including but not limited to upgrade dues for participation in the ACI Program, the Society, or Optimal Network Experiences, if such benefits are made available to such Dues-Exempt Members and/or Honorary Members.

Section 4.6. Change in Membership Category and/or Classification.

At the Owner's sole discretion, Club may, from time to time permit an upgrade or downgrade of a membership category or classification. In this event, the Owner reserves the right to set forth the policies and procedures for such upgrade or downgrade of a membership category or classification, and condition any such upgrade or downgrade upon acceptance of and compliance with the policies and procedures by Member. The Owner may discontinue permitting upgrades and/or downgrades at any time, in its sole and absolute discretion, without notice to the Member.

ARTICLE V. FINANCIAL OBLIGATIONS

Section 5.1. Financial Responsibility.

Each Member shall be legally and financially responsible for the acts and omissions, including damage to Facilities, of Member, as well as those of Member's spouse, Spousal Equivalent or Spousal Designee, children, and guests. Further, each Member shall expressly be financially

responsible to pay for any charges or other indebtedness incurred by the Member, the Member's spouse, Spousal Equivalent or Spousal Designee, children, and guests.

Section 5.2. Dues.

Each Member shall pay monthly, in advance, the requisite dues for the Member's category and classification of membership. The Owner shall have the right, in its sole discretion, to establish (and amend from time to time) the dues for each category and classification of membership and for the sub-categories and sub-classifications thereof. The amount of dues, fees and other charges payable by each Member shall depend upon the category and classification of membership held by the Member.

The obligation to pay dues is not dependent on the availability of all the Facilities or the frequency of use. Repair and maintenance of Facilities and/or other occurrences may make it necessary for the Owner to change hours of use or restrict the use of the Facilities or to close the Club temporarily. The Owner will not reduce or suspend dues during the time when the Facilities, in whole or in part, are not available.

The Owner shall have the right, in its sole discretion, to provide invoices for dues, charges and other amounts payable from Member, by mail, by electronic mail, or by any other reasonable means selected by Owner.

Section 5.3. Payment and Late Charges.

The Club account of each Member shall be due and payable upon receipt of the monthly statement. Any account which remains unpaid for a period of thirty (30) days after the billing date shall be considered delinquent, and the Club shall assess a late charge as established by the Club from time to time in its sole discretion, but in no event more than the maximum amount allowed by law for handling past due accounts for each billing period on an amount that is delinquent. In the event the amount charged is in excess of the maximum amount provided for under state law, the Club may refund any overpayment without penalty. The Club may, in its sole discretion, require each Member to furnish the Club with at least one valid commercial credit card number and/or valid bank account number and to authorize use thereof by the Club for payment of the Member's account or past due accounts; the specific terms of the use of such credit card or bank account by the Club shall be set forth in a separate authorization executed by the Member. The Owner may require from time to time, in its sole and absolute discretion, that payment for the Initiation Payment, dues, charges and/or other amounts payable by the Member be made by one or more requisite form(s) of payment. The Member will be solely responsible for ensuring the Club has a current credit card number and expiration date and/or or current bank account information on file at all times. Payments on delinquent accounts shall be applied first to reduce late charges, then to reduce accrued dues and food & beverage charges (with the payment applied to reduce the oldest past due balances first), and then to any other charges.

Section 5.4. Setoff.

At any time and from time to time, the Owner may setoff any and all amounts due and owing a Member against any and all amounts due and owing the Owner by such Member or the Member's successors or assigns. In addition to the foregoing and to all liens upon and rights of setoff against the monies or other property of a Member by law or hereunder, the Owner shall have, with respect to a Member's obligations to the Owner under these Bylaws, or otherwise, and to the extent permitted by law, a contractual possessory security interest in and right of setoff against, and each Member hereby assigns, conveys, delivers, pledges and transfers to the Owner all of the Member's right, title and interest in and to, the Member's membership in the Club and all initiation payments, moneys, and other property of such Member now or hereafter in the possession of or on deposit with the Owner, whether held jointly with someone else, or whether held for safekeeping or otherwise.

ARTICLE VI. DISCIPLINARY ACTION

Section 6.1. Grounds.

The Owner shall have power to reprimand, suspend, expel, or otherwise discipline any Member and/or Member's spouse, Spousal Equivalent or Spousal Designee, or children for committing any violation of these Bylaws or the Rules and Regulations; or for conduct unbecoming a Member; or for any offense against the best interests of the Club; or for other good cause determined by the Owner in its sole discretion. The Owner shall further have the power to reprimand, suspend, expel, or otherwise discipline any Member for nonpayment of dues and accounts as set forth in these Bylaws and/or the Rules and Regulations.

Section 6.2. Delinquent Accounts.

When the account of any Member of the Club shall remain unpaid for a period of sixty (60) days after the billing date, the Owner may, by notice to the Member, suspend indefinitely the Member's charging privileges and the use of the Club by the Member and the Member's spouse, Spousal Equivalent, or Spousal Designee and children. Such notice of suspension may be included with the statement of account mailed to the Member or sent under separate cover. If payment is not made within thirty (30) days after depositing the notice of suspension in the mail, such Member's membership will automatically be terminated by the Owner without further notice to the Member or action by the Owner. A membership terminated for nonpayment may be reinstated, if at all, at the sole discretion of the Owner and upon such terms as the Owner may determine.

Section 6.3. Member Discipline/Grievance Committee.

The Owner may from time to time appoint a Grievance Committee consisting of at least three (3) Members from the general membership which shall function as a hearing tribunal with respect to questions involving discipline of any Member for causes other than nonpayment of dues or other amounts owing. The Grievance Committee may be a standing committee of the Club or may be appointed on an ad hoc basis by the General Manager. Complaints concerning the conduct of any Member and/or any Member's fitness or suitability for membership in the Club shall be submitted in

writing to the General Manager, who shall decide if the matter is to be referred to the Grievance Committee. Referral to the Grievance Committee is not a matter or right, but is in the sole discretion of the General Manager. Failure of the General Manager to refer such complaint to the Grievance Committee shall mean either that the Owner has determined that the charge in such complaint lacks sufficient substantiality to proceed thereon or that the Owner has taken or will take such disciplinary action as the Owner deems appropriate. The General Manager may also at any time initiate a complaint to the Grievance Committee for purposes of conducting a hearing. Written notice of a hearing on any such complaint or charge shall be sent by the Club to the last known address of the Member by ordinary United States mail. The notice shall specify in general terms the acts complained of, the date, time, and place of hearing, and, upon request by the Member, the Member in question shall be provided a copy of the Bylaws of the Club. The Owner may, in its sole judgment, deem it in the best interests of the Club to suspend the Member and/or Member's spouse, Spousal Equivalent, Spousal Designee and/or children, until the grievance procedure has been completed and a final decision rendered. At the hearing, the Grievance Committee's function shall be to determine the facts concerning the complaint based upon the evidence presented. All such hearings shall be closed, except as to Member charged, witnesses, and a representative of the Owner. Formal rules of evidence shall not apply to any such hearing, provided that the Member in question shall have the opportunity to cross-examine all witnesses present, if any, who testify in person against him or her, to produce witnesses on his or her own behalf, to explain any evidence against him or her, and to submit at such hearing any written or oral argument. The Member is not entitled to be represented by counsel, and no such representation will be allowed. The Grievance Committee shall issue a recommendation in writing to the Chairperson of the Board of Governors and to the General Manager as representative of the Owner. The Owner shall review the recommendation and issue a final decision. The decision of the Owner as to sufficiency of the cause for expulsion, suspension or other disciplinary action shall be final and shall be mailed to the Member as provided above. In reaching its decision, the Owner shall not be bound by the recommendation of the Grievance Committee.

Section 6.4. Consequences of Suspension or Expulsion.

In the event a Member is expelled or temporarily suspended from the Club, such Member, and any other person (i.e., the Member's spouse, Spousal Equivalent, or Spousal Designee and children) who would also be entitled to the rights and privileges of such membership, shall be permanently barred in the event of expulsion (unless separate membership is obtained by such other persons) or temporarily barred during the period of suspension, as the case may be, from admittance to the Club, both under the Member's own membership and as a guest of another Member. No dues abatement or reduction will apply during any period of suspension. Expulsion results in the termination of the expelled Member's membership. In the event of expulsion or suspension, notice by any means directed to the Member's last known address, shall be sufficient. Expulsion or suspension does not entitle the Member to any hearing or appeal. Expulsion does not affect Member's right to receive a refund of Member's Initiation Deposit (if applicable), as set forth in Member's Candidate Application; however, all other rights of membership are terminated upon expulsion.

ARTICLE VII. MISCELLANEOUS

Section 7.1. Associations.

Members from time to time may form associations or groups which meet at the Facilities and share a common interest, which such common interest may or may not be related to Facilities and activities. The Owner does not assume any responsibility nor accept or incur any liability for the activities of any such association or group. Each association or group may develop its own rules or policies for self-governance, provided that no association rules or policies may be contrary to or in conflict with these Bylaws, or the Rules and Regulations, or the policies established by the Owner. The Owner reserves the right to restrict or terminate the use of the Facilities by any association which the Owner determines to be contrary to the philosophy or best interests of the Club.

Section 7.2. Notices.

Except where otherwise clearly specified herein, whenever any notice, statement, billing or other communication is required or permitted to be given a Member under these Bylaws, it shall be given in writing and shall be sent by United States mail, postage prepaid, addressed to Member's last known address on file in the office of the Club. Any notice, statement, billing or other communication so sent shall be deemed to have been given and received on the third business day following the date of its deposit in the United States mail.

Section 7.3. Liability for Injuries; Release.

While using the Facilities or participating in Club events, whether on or off the premises, Members and their guests are charged with the responsibility of using proper judgment and caution at all times. Neither the Club nor the Owner assumes any liability for injuries caused to or incurred by any Member, user, or guest or for damage to property resulting from the use of the Facilities. In consideration of the privileges described herein, each Member and each person using the Facilities, equipment and amenities of the Club through a Member's membership, expressly agrees that **(i) all use of the Facilities, equipment and amenities is undertaken at the sole risk of the user, and the Owner shall not be liable for any injuries or damages to any Member or any other persons; and (ii) the Owner and its affiliates, officers, directors, shareholders, managers, members, agents and employees shall not be subject to and are hereby released and forever discharged from any claims or demands whatsoever, including, without any limitation, those claims or demands resulting from acts or omissions of active or passive negligence on the part of the Owner or its affiliates, officers, directors, shareholders, managers, members, agents or employees.**

Section 7.4. Personal Property.

The Owner does not guarantee the security of personal property. Each Member and each person using the Facilities is required to take precautions against theft and to properly secure all articles of personal property. In consideration of the privileges described herein, each Member and each person using the Facilities, equipment and amenities agrees that the Owner is not responsible or

liable for articles damaged, lost or stolen in or about the Club, or left in lockers, including, but not limited to, jewelry, and other similar personal items, or for loss or damage to any property, including, but not limited to, automobiles and the contents thereof. Any storage facilities or lockers provided at the Club are offered as a convenience to Members and others and the Owner does not represent or warrant that the lockers or storage facilities are safe and secure, nor does it guarantee that any items placed therein are or will be secure.

Section 7.5. Arbitration.

Any controversy (other than collection cases brought by the Owner against a Member for nonpayment of dues, charges and accounts and disciplinary matters for which a decision has not been rendered by the Club) arising out of, or relating in any way to these Bylaws, or the Rules and Regulations, or any Member's membership shall be settled by binding arbitration administered by an arbitrator selected by the American Arbitration Association (the "Arbitrator"), in accordance with its rules. A judgment upon an award rendered by the Arbitrator may be entered in any court having jurisdiction. The initiating party shall give written notice to the other party of its decision to arbitrate by providing a specific statement setting forth the nature of the dispute, the amount involved, the remedy sought, and the hearing locale requested. The initiating party shall be responsible for all filing requirements and the payment of any and all fees according to the rules of the Arbitrator. The Arbitrator shall award to the prevailing party, if any, as determined by the Arbitrator, all of its costs and expenses including reasonable attorney's fees, Arbitrator's fees, and out-of-pocket expenses of any kind. The Owner and Member agree that the Arbitrator cannot award more than the Initiation Payment paid for the membership pursuant to the Member's Candidate Application, and in no event shall the Owner or the Club be liable for any incidental, indirect, speculative, special, consequential, punitive, or exemplary damages of any kind. The parties agree to waive any right to trial by jury as well as any rights to appeal the final arbitration finding (but not the waiver of any rights to make interlocutory appeals with respect to any preliminary or procedural arbitration findings). The arbitration shall be limited solely to the dispute or controversy between the Member, the Owner and the Club, except that affiliates of the Owner and the Club may also participate at the sole election of the Owner and the Club. Member cannot act as a class representative, a private attorney general or in any representative capacity, or participate as a member of a class with respect to claims that are subject to arbitration hereunder. Should any Member, Member's spouse, Spousal Equivalent or Spousal Designee, or children (or representative for any children) fail to abide by the jurisdictional forums provided for in this Section and institute a lawsuit or action against or involving the Club or the Owner, the Member's membership may be terminated, and the Member's transferability rights, if any, shall be forfeited.

Section 7.6. Independent Entity.

The Members recognize and acknowledge that the Owner is an independent entity, chartered under the laws of the State of Texas, to whom the Members will solely look and who is solely responsible for the obligations and liabilities of the Owner recited herein, arising hereunder, or in any manner related to the transactions contemplated hereby. The Members further recognize and acknowledge that no other entity or entities, including (i) the Owner's parent company or companies, (ii) any individual, or (iii) any entity affiliated with the Owner which may form, organize, provide

services to, provide loans and funds to, negotiate for, provide personnel to, make representations on behalf of, and from time to time take actions on behalf of or for the benefit of the Owner, by direct dealings with the Members or those acting for them, is in any manner liable or responsible for the obligations and liabilities of the Owner, whether recited herein, arising hereunder, or in any manner related to the transactions contemplated hereby, including, but not limited to, the refund of the Initiation Deposit, if applicable.

Section 7.7. Binding Effect; Indemnification.

IN CONSIDERATION OF THE RIGHTS AND PRIVILEGES OF MEMBERSHIP, EACH MEMBER AGREES, ON HIS OR HER OWN BEHALF, AND ON BEHALF OF HIS OR HER FAMILY AND GUESTS, TO BE BOUND BY THESE BYLAWS AND THE RULES AND REGULATIONS. FURTHERMORE, EACH MEMBER AGREES (I) TO HOLD HARMLESS THE OWNER AND ITS AFFILIATES, OFFICERS, DIRECTORS, SHAREHOLDERS, MANAGERS, MEMBERS, AGENTS AND EMPLOYEES, (II) TO INDEMNIFY THE SAME FROM ANY CLAIM, LIABILITY OR LOSS WHICH RESULTS FROM OR IS CONNECTED WITH ANY VIOLATION OF THESE BYLAWS OR THE RULES AND REGULATIONS BY THE MEMBER, MEMBER'S FAMILY OR GUESTS, OR ANY DISPUTE ARISING FROM MEMBERSHIP, OR ANY USE OF THE FACILITIES OR PREMISES (INCLUDING THE USE, MISUSE OR FAILURE OF ANY EQUIPMENT USED BY THE MEMBERS OR THE MEMBER'S FAMILY OR GUESTS), INCLUDING BUT NOT LIMITED TO ANY CLAIMS OR DEMANDS WHATSOEVER RESULTING FROM ACTS OR OMISSIONS OF ACTIVE OR PASSIVE NEGLIGENCE ON THE PART OF THE OWNER OR ITS AFFILIATES, OFFICERS, DIRECTORS, SHAREHOLDERS, MANAGERS, MEMBERS, AGENTS OR EMPLOYEES.

Section 7.8. Associate Club Privileges.

The Club shall participate as an "Associate Club" offering two-way privileges in the Associate Clubs International Program (the "ACI Program"). Reciprocal privileges are set forth in the Clubs and Resorts Guide section of *Private Clubs* magazine or as may otherwise be provided by the Club from time to time. Members of the Club may qualify for some level of participation in the ACI Program at the Associate Clubs listed in the most current roster of *Private Clubs* magazine or as may otherwise be provided by the Club from time to time. Certain participation levels may require additional charges for participation by the Member. The privileges will be subject to the applicable terms, conditions and restrictions (including radius restrictions) of the ACI Program and the appropriate level of ACI Program benefits selected by Member. The participating Associate Clubs may have additional limitations and participants are requested to pay all usage fees as may be required under the rules and regulations of a particular Associate Club. The terms, conditions and restrictions of the ACI Program and the participating Associate Clubs shall be subject to change or termination from time to time, and at any time. Radius restrictions are applicable to the Club and the Members, and are based upon the distance from the Member's Club and each Member's residences and places of business. Restrictions can apply from more than one residence or place of business if the administrator of the ACI Program determines in its discretion that a Member has more than one place of residence or business.

Section 7.9 Society Privileges.

The Club shall participate in the Dallas/Fort Worth Society of Clubs (the “Society”), a reciprocal program administered by Society Management, Inc. Each Member participating in the Society is expected to abide by the bylaws and rules of each participating club. Participation in the Society requires additional charges for participation by the Member. Not all categories of membership are eligible for participation in the Society. The Owner may determine from time to time in its discretion which categories may be eligible for participation in Society.

Section 7.10. Amendment to Bylaws.

The Owner shall have the right, without notice, to adopt new Bylaws and amend, modify, or waive these Bylaws at any time and from time to time. New Bylaws will supercede and replace any prior Bylaws of the Club; amendments or modifications shall supercede and replace any prior Bylaws with respect to the terms amended or modified. Any such new Bylaws, amendments, modifications or waivers shall be effective immediately upon adoption by the Owner; a copy of the same shall be made available to the general membership either by posting on the Club’s website, posting in the Club, delivery to the membership, or other reasonable method as determined by the Owner in its discretion.