

**BY-LAWS OF THE
ROCKPORT COUNTRY CLUB MEMBERS' ASSOCIATION
A PRIVATE, NON-PROFIT CORPORATION**

**ARTICLE I
NAME**

- 1.01** The name of the Club shall be ROCKPORT COUNTRY CLUB MEMBERS' ASSOCIATION.
- 1.02** The terms "Corporation", "Club", and "Association" are used interchangeably in these By-Laws and specifically refer to the Rockport Country Club Members' Association.

**ARTICLE II
PURPOSE AND ORGANIZATION OF THE CLUB**

- 2.01** The Club shall be a non-profit corporation chartered by the State of Texas. The purpose for which the Club is organized is the establishment and maintenance of a social organization with a clubhouse, golf course, swimming pool, tennis courts and other facilities to be operated exclusively for the pleasure, recreation and other non-profit purposes of the members and for any other lawful purpose. All income, other than that required to operate the Club, shall be put into improvements of the property, and there shall be no division of any such income among the members.
- 2.02** These By-Laws shall contain the basic rules and laws for governing the operation of the Rockport Country Club Members' Association.
- 2.03** The offices of the Corporation shall be located on the Club property in Rockport, Aransas County, Texas.
- 2.04** The Club has both male and female members. In these By-Laws, pronouns of one gender include the other gender, for simplicity of drafting language and without implying gender bias.

**ARTICLE III
OFFICES**

- 3.01** The Corporation shall have and continually maintain in the State of Texas a registered office and a registered agent whose address is identical with such registered office, as required by the Texas Non-Profit Corporation Act. The registered office shall be identical with the principal office of the Corporation in the State of Texas.

**ARTICLE IV
MEMBERSHIP**

- 4.01** All members of the Rockport Country Club Members' Association who are in good standing, will be listed by the Club Secretary on the Club's membership roll by membership category and

carried forward as members of the Club subject to the terms and conditions of these By-Laws. All members, regardless of category, shall become such only by approval of the Board of Directors and shall be subject to the following provisions:

- (a) Candidates for membership shall be made on the forms prescribed by the Board of Directors, contain all the information requested therein and shall be assigned to the Membership Committee. Such Membership Committee shall make its recommendations to the Board of Directors.
- (b) Election to membership shall be by a two-thirds (2/3) majority of the Board of Directors. Voting shall be done at Board of Directors meeting or by electronic mail. If approved, the President shall extend by letter an invitation to the applicant to become a member of the Club.
- (c) All persons so elected to membership in the Club shall be at least twenty-one (21) years of age.
- (d) If a candidate does not, within such period as may be from time to time fixed by the Board of Directors, accept or reject such invitation, it shall be withdrawn by the President.

4.02 The Club shall have two broad categories of memberships, which shall be designated as Regular Memberships and Associate Memberships.

- (a) **Regular Memberships** entitle members to use all the facilities of the Club. The Board of Directors shall, from time to time, set the terms and conditions for the use of Club facilities by members and their guests.
 - 1. Lifetime Members: In recognition of their past contribution to the Club, Lifetime Memberships have been given to G. Jim Hasslocher and to Eugene Rogan. Upon their death, the membership will pass to their widow. Upon the death of their widow, the membership will automatically terminate. Hereafter, no other such memberships shall be given. Lifetime Members will be entitled to the same use of Club facilities as Regular Members and will be required to pay the same fees, charges and assessments as Regular Members, except they will pay no monthly dues.
 - 2. Founding Members: Founding Members are those present members of the Club who were issued a Regular Membership in conjunction with the purchase of one or more lots at the time Rockport Country Club Estates was first being developed. A list of such members is on file in the office of the Club. If said Founding Member should sell the last of his lots, the Founding Member may retain his membership and have the privilege to nominate the purchaser of his lot for membership in the Club as herein provided in paragraph 4.01; and if said nominee is approved for membership, he shall also become a member after the appropriate transfer fee is paid. After this privilege has been exercised one time, the person

shall no longer be considered to be a Founding Member and his name shall be deleted from the file.

3. Resident Members (Voting). Such members shall be those members who have been elected to such membership category by the Board of Directors, have paid all the required dues and fees and who have their primary domicile* in Aransas County.
4. Non-Resident Members (Voting). Such members shall be those members who have been elected to such membership category by the Board of Directors, have paid all the required dues and fees and who have their primary domicile* outside of Aransas County.

*Primary domicile shall be determined by the member's Homestead Exemption designation.

5. Corporate Members (One Designated Voting Member). Corporations, approved by the Board of Directors, must designate a minimum of two and a maximum of five dues paying member candidates. All candidates must be certified employees of the corporation and be approved by the Board of Directors.
6. Young Executive Members (Voting)
Such membership shall be those individuals between the ages of 21 and 40 and will have the same privileges as a Regular Resident Member, but pay the dues of an Associate Membership.
The status of Young Executive Memberships will be determined by the age of the younger spouse, regardless of in whose name the membership is held.
7. Military Members (Non-Voting). A military membership is available for active duty personnel assigned to the military bases in the region. This membership is considered temporary and will terminate when the person is transferred from the region. Membership requires approval by the Board of Directors. The initiation fee is waived, but does require a deposit. Dues are paid at the same rate as non-resident members. The membership will be reviewed annually for renewal. A military member may elect to become a Regular Resident member and the deposit will be applied to the initiation fee.

(b) **Associate Memberships** entitle the member to use all the facilities of the Club, but with limited access to golf on a fee basis. The Board of Directors shall, from time to time, set the terms and conditions for the use of Club facilities by members and their guests.

1. Associate Memberships (Voting). Associate members shall be those members who have been elected to such membership category by the Board of Directors and have paid all the required dues and fees.

2. Dining Members (Non-Voting). Dining Members shall be those members who have been given dining privileges by the Board of Directors and have paid all the required dues and fees.

(c) **Tennis Only Memberships** entitles the member the use of the tennis facility only. There are no dining, golfing, fitness centers, or pool privileges associated with this membership. The Board of Directors shall, from time to time, set the terms and conditions for the use of the tennis courts by these members and their guest.

1. Single Tennis Membership (Non-Voting). Ages 21 and above. A single membership shall be a member who has been elected to such membership category by the Board of Directors and has paid all the required dues and fees.
2. Family Tennis Membership (Non-Voting). Family members shall be those members who have been elected to such membership category by the Board of Directors and have paid all the required dues and fees.

4.03 The Board of Directors may, from time to time, authorize special club access categories in conjunction with the Club's overall marketing efforts.

4.04 The total number of Regular Memberships shall not exceed 450. The Board of Directors may, from time to time, set limits on the number of memberships within all categories.

4.05 Upgrade and Downgrade of Memberships. Any member electing to upgrade their membership to a higher category may do so, if such memberships are available, by paying the difference between the initiation fee the member paid for the member category they currently hold and the present initiation fee for the member category into which they wish to upgrade. A member who has not downgraded to any membership category in the last twelve months may downgrade to any then currently available membership category without paying any additional initiation fee.

4.06 Special Transfers of Membership. Certain transfer rights were acquired early in the Club's development and are no longer available. These members acquired the right to transfer memberships that are connected to real estate ownership (lots or condominiums) or to pay maintenance fees on property they own in order to have the right to offer a membership with the property at the time of its transfer. The appropriate transfer fees apply to these transfers and they must comply with all other conditions for membership. The transfer rights expire as the specific real estate is sold or otherwise transferred. Complete details are maintained in the Club office.

4.07 Only the Club is allowed to grant or transfer memberships in the Association and then only as provided herein. Except as provided for herein membership transferability of voting membership categories will be available only when a membership category is full, as determined by the Board of Directors. At that time, a member can place his membership on a list of individuals desiring to release their membership for transfer to an individual wishing to join the Club in the same membership category. As long as the membership category is full, the Club will transfer these memberships on a chronological order basis. The Board of Directors will determine and publish the amount to be refunded to transferring members based on a percentage

of the then current initiation fee. All members placing their membership on the transfer list must continue to pay their dues until a transfer is finalized. Should the member elect to leave the Club and discontinue paying their dues, their name shall be removed from the transfer list.

- 4.08** No individual shall be refused admission to the Club on the basis of gender, race, color or religion.

ARTICLE V PRIVILEGES OF MEMBERSHIP

- 5.01** Each member elected to membership privileges shall receive written proof of membership from the Association along with a membership number under which all charges shall be made. Memberships entitle their holders to the personal privileges as herein described, but they do not constitute property rights.
- 5.02** Members of the Association and their families may enjoy all Club privileges and use of facilities subject to the rules, which may from time to time be determined by the Board of Directors. The word “families” shall be construed to include the following: (a) the named membership holder (“member”), (b) the member’s spouse or domestic partner, and (c) any of the member’s unmarried dependent children under the age of twenty-three (23) and (d) any of the member’s minor grandchildren. A “domestic partner” is defined as a relationship between two people of the same or different sex residing in the same household who, while not married, never the less represent themselves to the public as a couple. Privileges afforded under this section shall be granted only upon the member’s submission of written identification of these individuals to the Club.
- 5.03** The Board of Directors shall have the right to withdraw any privilege from any member of a family who, in its opinion, has conducted himself in a manner detrimental to the best interests of the Association.
- 5.04** Either husband or wife is eligible to serve on the Board, but not simultaneously, even though the membership certificate may bear the name of only one spouse. See Article 11.04
- 5.05** Upon the member’s death resignation, or dismissal from Club Membership, said membership is neither transferable not assignable, except as provided herein. In the event of the death or resignation of the member, the membership may be transferred or assigned to the member’s surviving spouse, domestic partner or adult child subject to board approval. The member’s adult child must be at least twenty-one (21) years of age. The Surviving spouse, domestic partner or adult child may assume privileges and responsibilities to the Association without the payment of an initiation fee. The adult child must submit written application and comply with all provisions of Article 4.01. Should any dispute arise between two or more persons eligible to receive a membership under this section, a written agreement as to who will receive the membership must be provided to the Board within six (6) months of the death or resignation of the member, otherwise the right to transfer and the membership both lapse.

5.06 In the event of a divorce, a membership shall not be partitioned or divided, so as to create two (2) memberships from one (1), or create tenants-in-common or joint owners thereof, by divorce decree or a decree declaring the marriage annulled. The decree may award the privileges of membership to either the husband or the wife for his or her exclusive use. One spouse loses all membership privileges when a divorce becomes final. If the decree fails to provide for awarding the membership to either the husband or the wife, then the membership shall remain with the person originally elected to such membership.

5.07 In the event a Regular Resident Member sells his personal Residence homestead in Aransas County and transfers title to such personal residence to another person, his membership may be transferred to the buyer of such personal residence upon such terms and conditions, including transfer fees, as the Board of Directors may establish, which shall include such information forms as the Board of Directors may require to determine compliance with the conditions of the transfer and the buyer's compliance with all other conditions of membership. Any Regular Resident Member seeking to transfer his membership hereunder must continue to pay dues and fees until such time as the transfer may be approved and finalized.

5.08 The transfer privileges in 5.05, 5.06, and 5.07 may only be exercised when the membership is transferred within the same membership category. Should the receiving member wish to upgrade or downgrade the category of membership, they may do so according to the provisions of Article 4.05.

ARTICLE VI GUESTS

6.01 Any member in good standing may invite guests to the Club upon such terms and conditions as the Board of Directors may determine from time to time. Such matters shall be addressed in the Club's Rules and Regulations.

ARTICLE VII RESIGNATIONS, SUSPENSIONS AND EXPULSIONS

7.01 Resignations of members must be in writing and contain a future month end date for termination of membership privileges. A resignation in writing will be accepted by the Board at its next regular scheduled meeting providing that the member's account is in good standing. A member is responsible for all charges incurred prior to the effective date of the resignation.

7.02 The excessive use of intoxicating liquor, or violation of any State or Federal law regulating the use thereof, or any activity prohibited by or in violation of any State or Federal law on the premises of the Club, or conduct unbecoming a member, are prohibited. Any such violation or conduct on the part of any member or his guest shall subject the member to suspension or expulsion from the Club.

7.03 Any member of the Association may be suspended or expelled by a two-thirds (2/3) vote of the Board of Directors, where, in the judgment of the Board, his conduct is improper or contrary to

the best interests of the Club, injurious to its reputation or violates its Rules and Regulations. Failure to pay his accounts or obligations to the Association as provided herein shall also subject the member to suspension or expulsion.

Prior to the suspension or expulsion of the member, he shall be notified in writing by the Secretary/Treasurer of the Board of Directors and shall have the right to be heard before the Board on the issue. Such hearing must be requested in writing within ten (10) days of a next regularly scheduled Board meeting.

- 7.04** All indebtedness to the Association by members is payable within thirty (30) days after the date of billing. If the account remains unpaid at the expiration of thirty (30) days, the member may be suspended or expelled by the Board of Directors and no further credit shall be extended.
- 7.05** A member who, upon the advice of a medical doctor, cannot play golf or tennis for medical reasons may be granted a medical leave of absence subject to the approval of the Membership and By-Laws Committee. To make a request, the member must provide the General Manager with a completed Club Medical Leave of Absence Request Form with an attached letter from at least one medical doctor setting forth, in sufficient detail, the medical reason for the request. If the Medical Leave of Absence is granted, the member and all others that have club privileges pursuant to that membership are entitled to use the Club facilities to the same extent as Associate Members except there will be no access to golf, the driving range or tennis. A medical Leave of Absence may be requested for up to six (6) months. At the end of the first six months, the member may ask for an additional six month extension which must be submitted and approved in the same manner as the first request. Any additional extensions will be considered, approved, or rejected in the discretion of the Board. A member on a Medical Leave of Absence will pay monthly club dues of one-third (1/3) of the Regular Resident Membership monthly dues and will be responsible for all other required club financial payments. A change of status to Medical Leave does not constitute a change of the member's membership category.

ARTICLE VIII DUES, FEES AND CHARGES

- 8.01** The Board of Directors may determine, from time to time, the amount of the initiation fee, activation fee and any other fee, as well as the monthly dues payable to the Association by members of each membership category.
- 8.02** Dues shall be payable in advance on the first day of each month or in any other manner as the Board of Directors shall establish in accordance with these By-Laws. Dues of a new member shall be prorated from the first day of the month in which such new member is elected to membership.
- 8.03** The owner of the membership shall be financially liable for all charges made by him, his family members and guests.

**ARTICLE IX
ASSESSMENTS**

- 9.01** There shall be no assessments of any kind upon any type of membership except by a majority vote of the members voting in person or by a signed written ballot at the annual meeting of the membership or at a special meeting of the membership called for that purpose.

**ARTICLE X
MEETING OF MEMBERS**

- 10.01** An annual meeting of the members shall be held during the month of March of each year on a day and at a time to be selected each year by the Board of Directors. Such meeting shall be for the purpose of electing Directors and for the transaction of such other business as may come before the meeting.
- 10.02** Special meetings of the members may be called by the President, a majority of the Board of Directors present and voting, or by a written petition signed by not less than fifty (50) members having voting rights.
- 10.03** The annual or a specially called meeting of the members shall be held at the clubhouse facilities of the Association in Aransas County, Texas.
- 10.04** Written or printed notice stating the place, day and hour of any meeting of the members shall be delivered, either personally or by mail, to each member entitled to vote at such meeting. Such notice shall be not less than ten (10) or more than fifty (50) days before the date of such meeting and shall be given by the Secretary/Treasurer.

In the case of a special meeting or when required by statute or these By-Laws, the purpose or purposes for which the meeting is being called shall be stated in the notice. If mailed, the notice of a meeting shall be deemed to be delivered when deposited in the United States mail addressed to the member at his address as it appears on the records of the Association with postage thereto prepaid.

- 10.05** Only Regular and Associate voting members, as defined in Article 4.02, shall be entitled to vote on the election of the Board of Directors and any matters presented to the membership for approval. Each Member family shall be entitled to single vote, which may be cast by either the member or their spouse/domestic partner. Members shall be entitled to vote on the subject matter under consideration only when their dues and accounts are current at the time a vote is to be taken. With respect to Corporate memberships, only the designated corporate representative is entitled to vote.
- 10.06** Twenty percent (20%) or more voting members attending in person or by signed ballot (which would only be needed at the annual membership meeting when new Directors are elected) shall constitute a quorum at such meeting. If a quorum is not present, no business may be conducted and the meeting shall be immediately adjourned.

10.07 At any meeting of the membership, a member may vote in person or by signed written ballot, with the exception that voting on the election of Directors, Amendment of By-Laws or Assessments must be by written ballot only. In order for a member to vote by written ballot, such ballot must be signed by the member and indicate the membership number. Such written ballots must be received by mail or in person prior to the start of the meeting. Ballots may also be collected at the meeting.

ARTICLE XI NOMINATING COMMITTEE

11.01 The President shall, at least ninety (90) days before the annual meeting, appoint a Director to chair a Nominating Committee. Such Director will then select four (4) eligible voting members, including not more than one current Director. The appointees shall be subject to the approval of the President. Within ten (10) days after the formation of the Nominating Committee, the names of the committee members shall be posted on the Club bulletin board. The membership shall be notified of the names of the committee members in writing or by the Club's regular monthly bulletin to its members, not less than sixty (60) days before the annual meeting.

11.02 The Nominating Committee shall make nominations from the eligible voting membership of at least one more than the number of those required to fill vacancies on the Board caused by vacancies or the expiration of terms. Candidates must be a member in good standing for a minimum of two years prior to their election and have sat on any standing committee for at least one year.

11.03 Fifty (50) voting members or ten percent of the current voting membership, whichever is greater, may also nominate candidates for Director by nominating petitions signed by the nominees and filed with the Secretary/Treasurer not less than twenty (20) days before the Annual Meeting. Such candidates must also meet the criteria to be a Director as state in 11.02. The name of such nominees shall also be posted on the Club's bulletin board, with certification by the Secretary/Treasurer that the candidates have been duly nominated.

11.04 Even though the membership card may bear the name of only one person, the Member, spouse, or domestic partner are each eligible to serve on the Board, but not simultaneously.

11.05 There shall be no nominations for Director made in any other manner than described in 11.02 and 11.03.

11.06 If the election is to be conducted by mail, each member entitled to vote shall, at least fifteen (15) days before the meeting, be mailed a ballot containing the names of the candidates, accompanied by an information sheet about each candidate. Such notification shall indicate whether the candidates were nominated by the Nominating Committee or by petition. This ballot shall be returned to the Club office in a sealed envelope to be furnished with the ballot.

11.07 The vote shall be conducted by mail or by secret ballot at the meeting, but in either case, the Board of Directors shall appoint three (3) tellers to tally the ballots at the Annual Meeting. The

tellers shall check the qualifications of those voting count the ballots and report the results of the election at the Annual Meeting.

- 11.08** Each member who votes may vote for the full number of Directors to be elected and no more. Any ballot indicating a vote for more than the full number of Directors to be elected shall be considered a “no vote” and not counted.
- 11.09** Should the number of candidates on the ballot exceed the number of vacancies, the candidates who receive the most votes shall be declared elected.
- 11.10** In the event of a tie in the number of votes for two or more candidates, the candidates receiving the highest number of votes shall be deemed elected for the first two openings. Should there be a tie for the third opening, the Board of Directors shall immediately adjourn and vote by secret ballot, without any discussion of the candidates, to break the tie. If the full complement of nine (9) Directors is present, they shall all vote. If there is an even number of Directors present, the senior Officer shall not vote, unless that vote is necessary to break a tie.

ARTICLE XII BOARD OF DIRECTORS

- 12.01** The affairs of the Corporation shall be managed by its Board of Directors.
- 12.02** The number of Directors shall be nine (9). Each Director shall hold office for a term of three (3) years. A Director may not be nominated to serve consecutive terms, but may be nominated to serve an additional term after being off the Board for a period of one year.
- 12.03** When a time and date is set for the annual meeting of the members, the Board of Directors shall also set a time and date for a regular meeting of the Board next following the meeting of members.
- 12.04** Special meetings of the Board of Directors may be called by or at the request of the President or any three (3) Directors.
- 12.05** Notice of any special meeting of the Board of Directors shall be given at least two (2) days previously thereto by written notice delivered personally, by fax, mail or electronic mail to each director at his address as shown by the records of the Association. 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 meeting of the Board need be specified in the notice or waiver of notice of such meeting, unless specifically required by law or by these By-Laws. Directors must be present at the meeting to vote and cannot vote by proxy.

- 12.06** Any meeting of the Board of Directors may be held by a telephone conference call in which all or certain of the Directors are not physically present at the place of the meeting, but all participate in the conduct thereof by telephone.
- 12.07** A majority of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board. If a majority is not present, no business may be conducted and the meeting immediately adjourned, except as stated in Article 12.07 (2) where an emergency meeting must be called to handle a crisis situation.
- 12.08** 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 by these By-Laws.
- 12.09** Any vacancy occurring (during a term of office) in the Board of Directors shall be filled by the Board of Directors. A Director elected by the Board to fill a vacancy shall be elected for the unexpired term of his predecessor in office.
- 12.10** A member of the Board of Directors who, if not otherwise excused by the President, fails to attend three (3) consecutive regular meetings shall be required to resign his position on the Board or be removed by the Board of Directors under Section 13.03 of these By-Laws.
- 12.11** Should a Director have a direct or indirect interest in any corporation, contract or firm that may be under consideration to enter into contract or other transaction between the Club and said Director, corporation or firm, that Director shall be allowed to be present at any meetings in which the Directors review his specific proposal. However, said director shall be excused from any meetings or discussions during which the Directors review other proposals from interested firms, discuss all such proposals and vote on an outcome.
- 12.12** Any action required by law to be taken at a meeting of the 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 the Directors.
- 12.13** The organization and personnel policies shall be established and determined by the Board of Directors.
- 12.14** In the event a Director shall be named a party to litigation or any claim or allegation is made against a Director arising directly as a result of the Director's act or omissions or alleged acts or omissions as a member of the Board of Directors which required the Director to defend said litigation, claim or allegation, or pay any financial damages resulting there from, the affected Director shall be held harmless and indemnified by the Association for all costs of defense, liability or financial damages that result from such litigation, claim or allegation. This By-Law shall be applicable insofar as it is not in conflict with federal or state statute or common law.

ARTICLE XIII OFFICERS

- 13.01** 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/Treasurer, and such other officers as may be elected in accordance with the provisions of this article. The Board of Directors may elect or appoint such other officers as it shall deem desirable, such officers to have the authority to perform the duties prescribed by the Board of Directors. Any two or more offices may be held by the same person, except neither the President nor a Vice President may at the same time hold any other office.
- 13.02** The officers of the Corporation shall be elected annually by the Board of Directors at the first special meeting of the Board of Directors following the annual meeting of the members. If the election of officers shall not be held at such meeting, such election shall be held at the next regular meeting of the Board. New offices may be created and filled at any meeting of the Board of Directors. Each officer shall hold office until his successor shall have been duly elected and shall have qualified.
- 13.03** Any officer elected or appointed by the Board of Directors may be removed by a majority of the Board of Directors whenever, in its judgment, the best interests of the Corporation would be served thereby.
- 13.04** Any 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.
- 13.05** The President shall be the principal executive officer of the Corporation and shall supervise and control all of the business and affairs of the Corporation. He shall preside at all meetings of the members and of the Board of Directors and shall vote only if necessary to break a tie vote. He may sign, with the Secretary/Treasurer 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 has authorized to be executed, except in such cases as where the signing and execution thereof shall be expressly delegated by the Board of Directors or these By-Laws or by statute to some other officer or agent of the Corporation. 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.
- 13.06** 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 be more than one Vice President, the Vice Presidents, (in order of their election) shall perform the duties of the President, and when so acting shall have all the powers of and be subject to all restrictions upon the President. Any Vice President shall perform such other duties as from time to time may be assigned to him by the President or Board of Directors.
- 13.07** If required by the Board of Directors, the Secretary/Treasurer shall give a bond for the faithful discharge of his duties in such sum and with such surety or sureties as the Board of Directors shall determine. He shall have charge and custody of and be responsible for all funds and securities of the Corporation, receive and give receipts for monies due and payable to the

Corporation from any source whatsoever, and deposit all such monies 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 XV of these By-Laws: and perform all the duties as from time to time may be assigned to him or agent by the President or by the Board of Directors.

13.08 The Secretary/Treasurer shall keep the minutes 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 the By-Laws or as required by law; be custodian of the corporate records and 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 By-Laws; keep a register of the post office address of each member which shall be furnished to the Secretary/Treasurer by each member; and perform all duties incident to the office of Secretary/Treasurer and such other duties as from time to time may be assigned to him or agent by the President or the Board of Directors.

ARTICLE XIV COMMITTEES

14.01 All committee chairpersons shall be appointed by the President and shall serve at the pleasure of the Board of Directors. The membership of each committee shall be composed of at least two (2) Directors and such other members or spouses of members as may be appropriate. All committee members shall be selected by the committee chairpersons and approved by the President subject to the advice and consent of the Board of Directors.

14.02 Each member of a committee shall continue as such until the next annual meeting of the members of the Corporation and until his successor is appointed, unless the committee shall be sooner terminated, or unless such member be removed from such committee, or unless such member shall cease to qualify as a member thereof.

14.03 Each Committee shall appoint a Secretary to take minutes and prepare a report to be forwarded to the Board of Directors prior to the next Board of Directors meeting.

14.04 Vacancies in the membership of any committee may be filled by appointments made in the same manner as provided in the case of original appointments and the person appointed shall fill the unexpired term of the person being replaced.

14.05 A majority of the whole committee shall constitute a quorum and the act of a majority of the members present at a meeting at which a quorum is present shall be the act of the committee.

14.06 Each committee may adopt rules consistent with these By-Laws or with rules adopted by the Board of Directors.

14.07 There shall be the following standing committees with duties and responsibilities as outlined. The chairperson shall report directly to the President and Board of Directors with their respective committee recommendations.

- (a) **Executive Committee**
The Executive Committee shall consist of all the Officers of the Board of Directors and hold such meetings as may be called by the President or any two members of the Committee. The role of this committee shall be advisory.
- (b) **Finance Committee**
The Finance Committee shall exercise oversight of the general financial affairs of the Club, shall review and approve the Club's annual budget as submitted by the General Manager, shall render advice to the Board on the Club's financial and fiscal conditions and shall make recommendations for the improvement of the financial status of the Club. The committee shall exercise general supervision over the funds of the Club, with access to the books and accounts, shall supervise audits of the Club's records and shall report monthly to the Board regarding the financial status of the Club. The Club's Secretary/Treasurer shall be the chairperson of the committee.
- (c) **House and Entertainment Committee**
The House Committee shall be charged with monitoring the physical condition of the clubhouse, member use of the clubhouse, entertainment, the quality of food and beverages served, the level of service provided and the condition of the grounds and buildings adjacent to the clubhouse.
- (d) **Greens Committee**
The Greens Committee is charged with the responsibility for the proper maintenance and development of the golf course and adjacent grounds according to the quality and competitive levels members' desire.
- (e) **Membership and By-Laws Committee**
The Membership Committee is charged with evaluating and recommending persons nominated for membership. It is also charged with suggesting, and once approved, implementing all policies and procedures, and activities dealing with the introduction, consideration and submission of candidates for membership. Other duties include: reviewing requests for medical leave, implementing marketing programs, including, but not limited to special promotions, collateral material and web site. Working with the General Manager and Board of Directors to enhance communication to the membership, including, but not limited to newsletter, web site, surveys, etc. The Committee shall also recommend changes or additions/deletions to the By-Laws in accordance with Article XX.
- (f) **Swim-Tennis Committee**
The Swim-Tennis Committee shall be responsible for overseeing the rules and regulations governing the use of the swim, tennis and fitness facilities and its equipment by members and their guests. Said rules and regulations, as approved by the Board of Directors, shall be posted on the swim, tennis and fitness premises. The committee shall recommend the acquisition of such equipment as may be necessary to adequately maintain and operate the swimming pool, tennis and fitness facilities.

(g) **Golf Committee**

The Golf Committee shall be responsible for overseeing the rules and regulations for golf play and ensure that a comprehensive, quality program of golf play, instruction and competition is available to members and their guests.

**ARTICLE XV
CONTRACTS, CHECKS, DEPOSITS AND FUNDS**

- 15.01** The Board of Directors may authorize any officer(s) or agent(s) of the Corporation, in addition to the officers so authorized by these By-Laws, to negotiate any contract and deliver any instrument in the name of and on behalf of the Corporation. Such authority may be general or confined to specific instances, but in all cases approved by the Board of Directors.
- 15.02** 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(s) or agent(s) of the Corporation and in such manner as shall from time to time be determined by the resolution of the Board of Directors. In the absence of such determination by the Board of Directors, such instrument shall be signed by the Secretary/Treasurer and countersigned by the President or a Vice President of the Corporation.
- 15.03** 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.
- 15.04** The Board of Directors may accept on behalf of the Corporation any contribution or in trust, gift, bequest or devise for the general purposes or for any special purpose of the Corporation.
- 15.05** The Board of Directors shall have the power to expend the funds of the Club and to create and give security for indebtedness in the name of the Club for the purpose of carrying out the objectives and purposes thereof. The Board of Directors is empowered to renew, extend, rearrange or consolidate any and all such outstanding obligations and to cause evidence of such action to be duly executed and delivered by the Club officers. Nothing contained in these By-Laws shall limit the power of the Club, acting through its membership, Board of Directors or officers to pledge, mortgage or encumber its property, real or personal, in security and any duly authorized indebtedness of the Club.

Notwithstanding the stated authority of the Board of Directors in 15.05 above, the Board shall not have the power or authority to incur any indebtedness for capital expenditure on behalf of the Club in excess of One Hundred Thousand Dollars (\$100,000) without the prior approval of the members. The Board may not purposely subdivide the expenditure so as to avoid this limitation. This limitation shall not apply to repair, renovation or replacement of any existing facility or equipment owned or leased by the Club. Further, notwithstanding the foregoing, the long-term indebtedness of the Club shall never exceed the aggregate total of Five Thousand Dollars (\$5,000) times the number of voting members of the Club as of the date the indebtedness is incurred, or such greater amount as may be approved by a majority vote of the members voting in person or by a signed written ballot at the annual meeting of the membership or at a special

meeting of the membership called for that purpose. For purposes of this Article 15.06, long-term indebtedness is defined as that portion of any indebtedness incurred by the Club with a maturity greater than twelve (12) months.

ARTICLE XVI BOOKS AND RECORDS

- 16.01** The Corporation shall keep, and cause to be kept by any appropriate person or entity for purposes of the tax exempt status of the Corporation, correct and complete books and records of accounts, including such records as are necessary or desirable to preserve the exempt status of the Corporation pursuant to Section 5.01 (c) (7) of the Internal Revenue Code and the regulations promulgated there under, as the same may hereafter be amended. The Corporation shall also keep minutes of the proceedings of its members, Board of Directors and committees having any of the authority of the 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 any proper purpose at any reasonable time.
- 16.02** An annual outside audit of the books and records of the Corporation by a Certified Public Accountant will be required and shall be ordered by the Board of Directors at the end of each fiscal year.

ARTICLE XVII FISCAL YEAR

- 17.01** The fiscal year of the Corporation shall begin on the first day of January and end on the last day of December in each year.

ARTICLE XVIII SEAL

- 18.01** 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 "ROCKPORT COUNTRY CLUB MEMBERS' ASSOCIATION"

ARTICLE XIX WAIVER OF NOTICE

- 19.01** Whenever any notice is required to be given under the provisions of the Texas Non-profit Corporation Act, the Texas Business Organization Code or under the provisions of the articles of incorporation or the By-Laws of the Corporation, a waiver hereof 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 XX
AMENDMENTS TO BY-LAWS

20.01 These By-Laws may not be altered, amended or any portion thereof repealed except by a two-thirds (2/3) vote of the voting members who are present in person or by written ballot at any Annual Meeting or Special Meeting called for that purpose; and of which fifteen (15) days previous notice shall have been given to each voting member, together with a copy of the amendments to be offered or an accurate statement of the purpose and effect of such amendments.

ADOPTED this 31st day of MARCH, 2018

ROCKPORT COUNTRY CLUB MEMBERS' ASSOCIATION
A Non-Profit Corporation