

**THE WALDEN ON LAKE HOUSTON COUNTRY CLUB
RULES AND REGULATIONS**

This document sets forth the terms and privileges of Membership in the Club and the policies and procedures under which the Club is operated. The obligation of enforcing these Rules lies primarily in the hands of a carefully trained staff whose principle responsibility is to assure members of all the courtesies, comforts and services to which they are entitled. It is the duty of the membership to know its Rules and to cooperate with Club Management and staff in the enforcement of these Rules.

These Rules are effective August 16, 2006 and are subject to change from time to time at the sole election of Club Management.

**ARTICLE I
DEFINITIONS AND APPLICATION**

1.1 THE CLUB

The "Club" refers to the facilities provided at The Walden on Lake Houston Golf and Country Club located at 18100 Walden Forest Drive. The "Owner" refers to the Owner of Walden on Lake Houston Golf and Country Club.

1.2 CLUB MANAGEMENT

"Club Management" refers to Century Golf Partners Management, LP which manages the Club and its successors in interest. "Manager" refers to the general manager of the Club. Club Management has authority over the affairs of the Club.

1.3 BOARD OF GOVERNORS

The Walden Board of Governors (BOG) is established to create a partnership between the Club membership, Club management, and ownership. The BOG is elected by and serves at the pleasure of the Club membership. The BOG works to insure the best experience for members of Walden on Lake Houston and to provide Member programs and activities at the Club. The number and term of office of members of the Board of Governors shall be determined by the Board of Governors.

Club Management hereby indemnifies and saves harmless and agrees to defend the BOG and its individual members from all suits, actions, losses, damages, claims, or liability of any character, type, or description, including without limiting the generality of the foregoing, all expenses of litigation, court costs, and attorney's fees, including but not limited to, those for claims alleging injury or death to any person, or injury to any property, received or sustained by any person or persons or property, arising out of, or occasioned by, the operation of the Club, including but not limited to any acts or omissions alleged as to the conduct, advice or decisions of the BOG, whether occurring prior to or after the date hereof.

1.4 MEMBERSHIP

(a) A "Membership" is the contractual privilege by which designated persons enter onto the Club for the exclusive purpose of using and enjoying the available facilities at the times and in the manner set forth in these Rules. A "Member" is the person obligated for the payment of all fees, dues, fines and charges. Members agree to be bound by these Rules as presently enacted or hereafter amended. Amendments to the Rules may be announced either by publication in the Club's newsletter or by posting at the Club. The Rules as amended or supplemented will be maintained in the Manager's office and are available for review upon request.

(b) The Walden Country Club is not an equity club. Membership is nonequity and nonparticipatory. Membership does not imply any right or privilege to participate in or to administer the Club business policies and does not create any vested or proprietary right of any kind in land, the Club, Club Management or the assets of Club Management or the Club. Membership does not create any presumption that the facilities or services that are now or hereafter available will continue to be available. Membership privileges should not be viewed as an investment and no person obtaining membership privileges should expect to derive any economic benefits from membership in the Club. These Rules and Regulations, Application for Membership and other membership documents have not been reviewed nor endorsed by any federal or state authority.

(c) Membership may be subject to disciplinary action, including fines, suspension or revocation, in accordance with these Rules.

(d) Club Management shall have the right to discontinue offering any categories of membership, to create additional categories or classes of membership from time to time conferring such rights and privileges and imposing such obligations as it deems appropriate, and to prescribe the qualifications and requirements for membership in any such class or category. However, Club Management may not discontinue offering Social/Athletic Memberships to Resident Members as defined in Section 1.9 below.

1.5 FEES, DUES, AND CHARGES

All membership initiation fees or deposits, transfer fees, dues, fines and miscellaneous charges and fees, whether paid annually, monthly or otherwise, shall be determined solely by Club Management. Club Management reserves the right to modify, change and add to these fees, deposits, dues, fines, and charges at its sole discretion. Membership in good standing is always conditioned upon prompt payment in full of fees, deposits, dues, fines, and charges.

A member may be subject to disciplinary action, including forfeiture of membership, for failure to meet financial obligations to the Club as set forth in Article IV. The schedule of fees, deposits, dues, fines, and charges in effect at any given time is available for review at the membership office.

1.6 MEMBERSHIP USE

For family memberships, membership entitles a Member, his or her spouse and all unmarried dependent children under the age of twenty-two (22) and who are full-time students to use the Club, provided all applicable fees, deposits, dues, fines, and charges are timely paid.

1.7 APPLICABILITY OF RULES

These Rules apply to all members, Member's families, business designees, and guests.

1.8 NON-MEMBER USE OF CLUB

Club management shall have the right to allow non-members to use the golf course and driving range, tennis facilities, swimming facilities, clubhouse, and other facilities located at the Club during designated times, including non-member tournaments, banquets, weddings, private parties, and other functions.

1.9 RESIDENT MEMBERS

(a) Upon the acquisition of a lot or home in Walden on Lake Houston Development, each owner is obligated to obtain a Social/Athletic Membership in the Club and must pay the appropriate deposits, dues and fees to the Club. Each owner must maintain a Social/Athletic Membership as long as he or she owns the lot or home. Said Social/Athletic Membership is further defined in the "Declaration of Covenants, Conditions and Restrictions for Walden on Lake Houston" recorded June 10, 1982 File No. H484912 and Document No. 016-98-0450 at the County Clerk's Office of Harris County, Texas ("CC&R's). Said CC&R's are hereby incorporated therein, as if fully set forth in these Rules and Regulations.

(b) For purposes of these Rules and Regulations, Members subject to the requirement of Section 1.9(a) will be referred to as "Resident Members".

ARTICLE II PRIVILEGES AND CLASSIFICATIONS OF MEMBERSHIPS

2.1 FULL GOLF

This membership entitles the Primary Member and his or her family as specified in Section 1.9 to all privileges of the golf course and driving range, swimming facilities, tennis facilities, fitness center, and clubhouse. The primary Member's spouse and family may not have golf privileges at the primary times as may be designed by Club Management. At Management's election, for an additional charge to be determined by Club Management, both spouses may be designated as primary Members.

2.2 ASSOCIATE GOLF

This membership entitles the Member to all privileges of the golf course and driving range on Tuesday through Friday only. This membership also entitles the Member to all privileges of the swimming facilities, tennis facilities, fitness center and clubhouse for the entire week except as Members' use of the Club is limited as provided in these rules.

2.3 FULL RACQUET

This membership entitles the Member to all privileges of the racquet facilities, tennis facilities, swimming facilities, fitness center, and clubhouse. Full Racquet Members are not entitled to use the golf course

2.4 SOCIAL / ATHLETIC

This membership entitles the Member to all privileges of the swimming facilities, fitness facilities and clubhouse. Social / Athletic Members are not entitled to use the racquet facilities, tennis facilities or the golf course and driving range except Social/Athletic Members may use the golf course one time each year on a tee availability basis and upon payment of guest fees.

2.5 JUNIOR EXECUTIVE GOLF

This membership is designed to encourage application from young business and professional people 18 to 39 years of age, by making a Full Golf membership available to them at reduced monthly dues. Full monthly dues shall be payable when a Junior Executive Golf Member reaches age 40.

2.6 PRIMARY/ALTERNATE MEMBERSHIP DESIGNATION

For all family memberships, the Member may be required to designate primary and alternate Members either at the time of applying for membership, or in the case of existing Members, within fifteen (15) days of request by Club Management to do so. The designations shall be made in the sole discretion of the applicant or Members. The spouse of the primary Member and all other family Members as specified in Section 1.6 shall be alternate Members. Family members other than spouses shall not have any rights to a primary Membership upon the death of a primary Member. In certain cases, only the primary Member may be entitled to golf privileges at the primary times as may be designated by Club Management. Individual Members are always considered primary Members. Notwithstanding the foregoing, at Club Management's election, and upon payment of such charges as are established, both spouses may be designated as primary Members.

2.7 TRANSFERABLE MEMBERSHIPS

(a) Transferability

(i) General. The provisions of this Section 2.7 shall apply only to Members holding memberships expressly designated as transferable memberships ("Transferable Memberships"). Notwithstanding anything in these Rules to the contrary, no Membership shall be transferable unless the Membership Deposit for said Membership has been paid in full. Any holder of a fully paid Transferable Membership in good standing may transfer such membership only in the manner set forth in this Section 2.9 and elsewhere in these Rules. No member shall independently sell or transfer his or her membership.

(ii) No Advertising. No member shall publicly advertise his or her membership for sale, or permit such advertisement.

(iii) Transfer Rights.

(1) A Member holding a Transferable Membership desiring to resign his or her membership shall notify Club Management in writing of such intention. Club Management may purchase such Transferable Membership or may, at its option, cause it to be reissued to a person of Club Management's choice upon such terms and conditions as are set forth in these Rules. No Transferable Membership shall be sold or transferred except in the manner herein provided. No obligation is imposed upon Club Management to guarantee the sale or re issuance of a Transferable Membership to any third party, or a repurchase by Club Management. No sale of any class of Transferable Membership shall be made to any person who at the time of the proposed sale then holds a Transferable Membership in the same classification.

(2) During the period after a Member has notified Club Management of the desire to resign his or her Transferable Membership and prior to the tender to said Member of the Re issuance Fee (as defined below), the member may revoke the election to resign by written notice and payment of a cancellation fee, if one has been established by Club Management.

(3) Upon the receipt of the notice referred to in Subsection (1) above and subject to the re issuance procedures set forth in Section 2.8 below, the name of the membership applicant, if any, whose name first appears on a waiting list established by Club Management for persons desiring to obtain a resigning Member's particular class of Transferable Membership in the Club shall be notified that a Transferable Membership of the desired class of Membership is available for purchase from a resigning Member. Should the applicant fail to accept the membership on the terms offered, the next applicant on the waiting list shall be notified, and so on in the order of the waiting list until the acceptance is received. It is expressly understood that the procedures set forth in Section 2.9(b) may result in the sale of numerous original issuance Transferable Memberships and the passage of a significant period of time before resigning Member's membership is reissued to a new Member.

(4) Upon receipt of the selling price established therefore, Club Management shall (1) cause the Transferable Membership of the resigning Member to be cancelled; (2) reissue the membership to the new Member, and (3) pay to the resigning Member the Re issuance Fee as hereinafter provided in these Rules, less all dues and other charges of said Member which remain outstanding.

(iv) Assessments and Dues, Use of Rights and Privileges. A resigning Member shall be obligated to pay, on a timely basis, all dues and other incurred charges until his or her Transferable Membership has been reissued in accordance with Section 2.9(b) below, unless otherwise provided in these Rules. Such resigning Member shall continue to have all the rights and privileges in the Club enjoyed by his or her class of Transferable Membership until the Transferable Membership has been cancelled.

(b) Re issuance Procedure.

(i) Payment to Member Upon Re issuance. A Member holding a Transferable Membership who resigns shall be entitled to a re issuance fee ("Re issuance Fee") subject to and in accordance with the

provisions of Section 2.7(a)(iii) above. The amount of the Re issuance Fee shall be fifty percent (50%) of the amount of the Membership Deposit actually received by Club Management from the re issuance by Club Management of such Transferable Membership less such other charges, dues and assessments as may be outstanding against such resigning Member. The Re issuance Fee shall further be reduced by any prior refund of the Resigning Member's Membership Deposit. Payment of the Re issuance Fee shall be in accordance with the applicable re issuance procedure set forth below. The Re issuance Fee remitted to a resigning Member shall constitute a repayment (either partial or full, depending on the amount) of the original Member Deposit, if any, of the resigning Member. Club Management may, in its sole and absolute discretion, change the re issuance procedure to accommodate extenuating circumstances, including changing the Re issuance Fee applicable to transfers of subsequently issued Transferable Memberships.

(ii) General Procedure: Priority List. in accordance with the provisions of Section 2.7(a)(iii)(4) above. The amount of the Re issuance Fee shall be fifty percent (50%) of the amount of the Membership Deposit actually received by Club Management from the reissuance by Club Management of such Transferable Membership less such other charges, dues and assessments as may be outstanding against such resigning Member. The Reissuance Fee shall further be reduced by any prior refund of the Resigning Member's Membership Deposit. Payment of the Reissuance Fee shall be made in accordance with the applicable reissuance procedure set forth below. The Reissuance Fee remitted to a resigning Member shall constitute a repayment (either partial or full, depending on the amount) of the original Member Deposit, if any, of the resigning Member. Club Management may, in its sole and absolute discretion, change the reissuance procedure to accommodate extenuating circumstances, including changing the Reissuance Fee applicable to transfers of subsequently issued Transferable Memberships.

(iii) Miscellaneous. Notwithstanding anything contrary in this Section 2.7, no resigning Member shall be entitled to payment of a Reissuance Fee unless and until such Member follows the procedures set forth in these Rules. Further, there shall be deducted from the Reissuance Fee due to a resigning Member, any, dues or any other charges of such Member which remain unpaid, including, without limitation, any amounts that have accrued between the effective date of resignation or termination and the date the resigning Member's Membership is cancelled. After receipt by the resigning Member of the Reissuance Fee, the resigning Member shall no longer have any claim as a Member of the Club.

2.8 NONTRANSFERABLE MEMBERSHIPS

Except for the specific memberships designated as transferable memberships, all other memberships are not transferable. Members with nontransferable memberships may resign their memberships at any time upon payment of all outstanding obligations, dues and other charges.

ARTICLE III MEMBERSHIP POLICIES

3.1 ELIGIBILITY

(a) Membership in the Club is by invitation only. Memberships are being offered to select persons who are invited to membership and are approved for membership. Financially qualified individuals of good character, over the age of eighteen (18) shall be considered for membership without regard to race, color, national origin, sex, religious preference, sexual orientation or creed.

(b) A person qualified for membership shall become a Member after (i) submitting a formal application, including an agreement to abide at all times by the Rules as then enacted or thereafter amended; (ii) satisfactory completion of any period of provisional status that may be established; (iii) formal approval of the application by Club Management; and (iv) payment of, or satisfactory arrangement to pay, the Membership Deposit and any other initial fees and dues related to membership.

3.2 LEAVES OF ABSENCE

Leaves of absence are not permitted. There is no policy permitting inactive status.

3.3 RESIGNATION

(a) A Resident Member may not resign his or her Social/Athletic Membership. If such Member upgrades to a golf membership or other membership and later resigns his or her golf membership or other membership, he or she is still required to maintain a Social/Athletic Membership as described in Section 1. 9.

(b) A member who has an annual Full Golf, an annual Associate Golf or an annual Full Racquet membership may also not resign his or her membership during the twelve (12) month term of the membership.

(c) Except for a Resident Member with a Social/Athletic Membership and a Member with an annual membership, a Member may resign at any time upon providing Club Management with thirty (30) days prior written notice, but no resignation

shall be effective until the date (the "Effective Date") that the Member's financial obligations to the Club have been settled. No refund or proration of any deposits, fees or dues will be made to any Member resigning from the Club. Resigning Members remain liable for all dues and charges accrued up to the Effective Date of their resignation. Resigning Members holding Transferable Memberships shall forfeit their right to Reissuance Fees unless said Members strictly comply with the transfer provisions set forth in Section 2.7 above.

3.4 TRANSFERS

(a) With respect to a family membership, upon the death of the primary Member, the membership shall, upon the written request of an alternate Member who is the decedent's spouse (but not child) within six (6) months of the death, continue and said spouse shall become the primary Member. In the event the spouse elects not to become the primary Member and retain the membership, the spouse shall not be required to pay dues, fees and assessments accruing after the primary Member's death. Upon the expiration of the six (6) month period, or sooner upon receipt of notice not to retain the membership from the spouse, the decedent's membership shall terminate and shall thereafter be subject to sale by Club Management in accordance with these Rules. Upon the death of both the primary Member and the spouse of the primary Member, the membership shall terminate and may not be transferred to any heir or other person named in a will or bequest, and the estate shall have no interest in the membership.

(b) In the event of a dissolution of the marriage of a Member, only one spouse shall retain membership privileges unless the other spouse purchases a new membership at the then prevailing Membership Deposit, dues, and fees for the category of membership purchased and subject to the availability of a membership in that category. The determination of which spouse will retain membership privileges shall be made by either personal agreement between spouses or judicial determination. Until such a determination is made, both spouses shall retain their existing respective rights to use the Club provided that both shall continue to be jointly and severally liable for dues, fees and assessments during said time period. Absent a valid court order, Club Management will not under any circumstances become involved in any domestic dispute regarding the ownership or privileges of membership. All primary and alternate Members agree to hold the Owner of the Club, the Club Management, Manager, and their employees and agents harmless from any and all liability arising out of the disposition of a membership pursuant to a court order believed in good faith to be valid and enforceable. This Section 3.4(b) is expressly subject to the Member's obligation to defend, indemnify, and hold harmless as provided in Section 13.1.

3.5 REPURCHASE

(a) With the exception of a Social/Athletic membership held by a Resident Member, Club Management reserves the right to terminate any membership for any reason it deems is in the best interest of the Club, by paying to the Member the then current Membership Deposit amount. This right of repurchase and buyout may be exercised with or without the Member's permission and even if the Member is in good standing and has paid all outstanding dues and charges.

(b) If Club Management elects to repurchase the membership of a Member who has outstanding dues or charges, the Club shall have the right to offset such dues or charges against the amount to be paid to said Member.

3.6 UPGRADES/DOWNGRADES IN MEMBERSHIP STATUS

Requests for upgrades in a Member's membership category, privileges or charges must be made in writing. Manager shall have the absolute right to approve or disapprove such a request. Approval may be subject to conditions including payment of applicable increases in Membership Deposits and dues and the availability of a membership in the requested category. Members shall be permitted to downgrade their membership category once during the life of the membership upon written request to the Club. Once a Member has downgraded, he or she shall not be permitted to upgrade his or her membership until at least twelve (12) months have passed, and only after the Member has paid all the dues which he or she would have paid during the period of downgrade had the membership not been downgraded.

3.7 DISPUTES

With regard to any claim or dispute regarding the ownership of a membership, Club Management shall be entitled to rely on the membership application and may confirm ownership of that membership in the name of the person listed as the Primary Member on the application. Club Management will not become involved in any domestic or other dispute concerning ownership or issuance of a membership and shall not have any liability or responsibility for the resolution of such disputes. This Section 3.7 is expressly subject to the Member's obligation to defend, indemnify, and hold harmless as provided in Section 13.1.

**ARTICLE IV
PAYMENT OF DUES AND CHARGES**

4.1 STATEMENTS AND PAYMENTS

Monthly statements are prepared on the last day of each month and normally mailed within two (2) to three (3) working days thereafter. Payment is due and must be received (not merely postmarked) by the last day of the following month. A twenty-five dollar (\$25.00) late charge for balances under \$1,000, \$50 over \$1,000 will be added to all outstanding balances not timely paid each month. Notwithstanding the foregoing, Club Management may place any Member on a cash basis for any or all services otherwise provided for credit, at any time. Members may elect to have their dues and charges charged directly to a credit card. The Club may charge such Members an additional fee for this direct credit card billing. Club Management may, at its election, require all Members to keep an active major credit card number and billing information on file together with an authorization for Club Management to bill to such credit card for purposes of collection of delinquent amounts pursuant to the provisions of Section 4.2(b) below.

4.2 PAST DUE, DELINQUENCY AND REVOCATION

(a) 30-Days Past Due. If a Member's account becomes thirty (30) days past due, the Member will be notified by mail and/or telephone that his or her charging privilege has been suspended.

(b) 60-90 Days Past Due. Any Member whose account becomes sixty (60) days past due will be notified by certified mail and/or telephone that his or her membership privileges will be suspended if payment is not received within 10 days. The fact of this delinquency may be posted at the Club. The Club Management may automatically bill any Member's account which is more than sixty (60) days past due to any major credit card of said Member on file at the Club.

(c) 90 Days Past Due. The membership of any Member whose account is more than ninety (90) days delinquent will be notified by certified mail and telephone that his or her membership privileges have been suspended and that his or her membership will be revoked and forfeited to Club Management if payment is not received within 10 days. Such forfeiture shall not prejudice or affect in any manner the right of Club Management to collect such delinquent indebtedness. Any Member whose membership has been revoked shall forfeit his or her right to Reissuance Fees under Section 2.7 (b) above. The Club Management may automatically bill any Member's account which is more than ninety (90) days past due to any credit card of said Member on file at the Club.

(d) Frequent Delinquency Revocation. The membership of any Member whose account becomes more than sixty (60) days past due three (3) times in any twelve (12) month period either consecutively or nonconsecutively, may, at Club Management's election, be revoked and forfeited. Such forfeiture shall not prejudice or affect in any manner the right of Club Management to collect such delinquent indebtedness. Any Member whose membership has been revoked shall forfeit his or her right to Reissuance Fees under Section 2.7(b) above.

4.3 RETURNED CHECKS

All Members shall be charged an additional twenty-five dollars (\$25.00) on their statement for any checks returned from the bank for insufficient funds or Club Management's actual cost of recovery, whichever is greater.

4.4 CREDITING OF ACCOUNT

Members with any questions regarding charges on their statement should contact Club Management's accounting office. All bills must be paid in full, and any credits due to the Member will be credited on the following month's statement. Under no circumstances may a Member adjust his or her own account. A credit may never be taken against any initiation fee or deposit.

4.5 FOOD CHARGES

All food and beverage charges are subject to a service charge and to applicable sales tax.

**ARTICLE V
INFRACTIONS AND DISCIPLINE**

5.1 VIOLATIONS

Any Member who violates these Rules is subject to suspension and/or immediate revocation of membership. All Members found to be in violation of the Rules may be denied all Club privileges, including the privilege of charging goods and services. This denial of privileges may apply to one or more family members at Club Management's sole discretion.

5.2 SUSPENSION

(a) Club Management shall at all times have the absolute right to suspend for a definite or indefinite time the membership privileges of any Member who has violated any rule, regulation or policy established by Club Management or whose behavior is disruptive to the operation of the Club.

(b) A suspended Member shall be required to pay monthly dues during the period of suspension. A suspension may be lifted by Club Management, in its sole discretion, upon receipt of evidence that any wrongs committed have been redressed and any offensive behavior will not be repeated.

5.3 NOTIFICATION OF VIOLATIONS

Club Management shall prepare a written notice within thirty (30) days of an infraction describing the violation, noting all parties involved, and specifying the penalty established. This notice shall be mailed to the Member and a copy of the notice shall be placed in the Member's file.

5.4 HEARING FOLLOWING SUSPENSION

(a) A Member whose membership is suspended may request a review hearing to be held before the Manager or, if the Member does not wish the hearing to be held before the Manager, he or she may so advise Club Management, in which case, the regional director for private clubs or another designated representative of Club Management shall serve as the hearing office. The Member's request for a hearing must be delivered to Club Management not more than fifteen (15) days following the date upon which the Member receives the notice of suspension.

(b) The review hearing will be conducted within thirty (30) days from the date that the Member's request for hearing is delivered to Club Management. The Member may attend in person or by representative. Following the hearing, the Manager or designated representative of the Club will make a decision which shall be final and binding.

5.5 REVOCATION

Except for a Social/Athletic Membership held by a Resident Member, a membership may be revoked and the rights of any person or persons entitled to privileges under that membership may be terminated for any of the following reasons:

- (a) Commission of any felony or misdemeanor theft at the Club.
- (b) Ninety (90) day delinquency or frequent delinquency, as defined in Section 4.2.
- (c) Willful destruction of the Club or staff, Member, or guest property.
- (d) Physical or gross verbal abuse of staff, Members or guests.
- (e) Continued and repeated violations of these Rules.
- (f) Conduct injurious to the reputation of the Club or its Members.
- (g) Conduct which seriously detracts from Club Management's absolute right to manage the Club and preserve its financial integrity.
- (h) Following a suspension, if a Member again violates the rule or policy that led to the previous suspension within twelve (12) months of the infraction, or if the Member violates another rule or policy that would result in suspension within twelve (12) months of the infraction.

5.6 PROCEDURE FOR REVOCATION

Club Management will prepare a written notice of revocation which shall be delivered by certified mail to the terminated Member. Upon revocation, all past Membership Deposits and monthly dues paid by the Member shall be forfeited to the Club and the Member shall thereafter have no rights or privileges. Revocation shall not prejudice or affect in any manner the right of Club Management to collect any delinquent indebtedness. Any Member whose membership has been revoked shall forfeit his or her right to Reissuance Fees under Section 2.7(b) above.

ARTICLE VI HOUSE AND GROUNDS RULES

6.1 HOURS OF OPERATION

The schedule of operation for the various facilities within the Club shall be published in the Club newsletter or posted at the Club, but is subject to change to accommodate special events. The clubhouse may be closed to Members every Monday, except on holidays which fall on Monday and except for special events. The entire Club, including the golf course, tennis courts and swimming facilities, will be closed on December 25th. The schedule of operation is also subject to change due to weather conditions.

6.2 SPECIAL FUNCTIONS

Club Management shall endeavor to publish all special Member functions in the Club newsletter or to post such functions at the Club, including dinner dances, banquets and special social functions.

6.3 MEMBERSHIP CARDS

(a) Each primary Member and alternate Member will be issued membership cards. A Member may also request that membership cards be issued to dependent children.

(b) Presentation of the membership card may be required for purchases and activities at the Club. Each Member must carry his or her card while at the Club. Members are not permitted to lend or give their card to others for any reason. Violation of this rule may result in expulsion. Club Management may ask Members at any time for verification of identity.

(c) Lost or stolen cards must be immediately reported to the membership director at which time a temporary card will be issued and a new permanent card ordered for a charge of five dollars (\$5.00).

6.4 CHARGING PRIVILEGES

Members have the option of paying for the purchase of merchandise, food and beverages, and services in cash or by a charge to their membership billing account. Club Management reserves the right to suspend or place limits upon a Member's charging privilege or require a deposit from a Member.

6.5 GUESTS

Members may bring guests to the Club at designated times and subject to such rules and policies as established by Club Management, including the payment of applicable guest fees. Every guest is limited to twelve (12) visits per year, with a maximum of one (1) visit per month. Members are responsible for the conduct of, all obligations and debts incurred by, and any damage caused by, their guests. Guests playing golf or tennis must be in the company of their host Member at all times unless otherwise approved by Manager, in its sole discretion. Club Management, in its sole discretion, may deny guest privileges to any individual.

6.6 MINORS

(a) Any unmarried dependent child under the age of twenty-two (22) years who is a full-time student is considered a minor for the purpose of these Rules. However, a person between eighteen (18) and twenty-two (22) years of age who owns a membership is not considered a minor.

(b) Member parents or guardians of minors are directly responsible for the actions of their minor children and guests' children. In the event of violations of these Rules or other policies by minors, restrictions may be imposed on family use of the Club.

(c) Alcoholic beverages may not be sold to any person under the age of twenty-one (21). Minors are not permitted at any bar or in any card rooms.

(d) Minors under the age of fourteen (14) years entering the Club must be accompanied and supervised by an adult member at all times, except when properly qualified and enrolled in any junior golf or tennis program.

(d) No children under the age of six (6) are permitted on the golf course.

(e) Use of the Club by minors may be limited or restricted.

6.7 PROPER CONDUCT

(a) Members are to conduct themselves in a manner which will not interfere with other Members or their guests' enjoyment of the Club. Obnoxious or abusive language and rude or boisterous behavior is prohibited.

(b) The golf course is to be used for golf play only. Other recreational activities, including, but not limited to, biking, roller skating, skateboarding, and recreational walking are not permitted on the golf course.

6.8 SMOKING POLICY.

It is the policy of Walden On Lake Houston Country Club to provide that the 19th Hole, Main Dining Room and general club areas will be non-smoking while the Overlook Lounge and Locker Rooms will be designated smoking areas. This policy is subject to continual review and change at the discretion of management and the Board of Governors.

6.9 MEMORIAL POLICY.

No Personal monuments, markers, plaques (etc) in any form will be allowed anywhere on Club Property.

6.10 REPORTING INJURIES

Any injury to persons or damage to property should be reported immediately to the Manager or other responsible staff member.

6.11 DRESS CODE

(a) Golf. Shirts must be worn at all times on the golf course and within the social area of the Club. Men's shirts must have collars. Shorts must be of bermuda-length or a style specifically designed for golf. Golf shoes which are in compliance with the Club's posted spikeless policy must be worn on the course.

All the following types of clothing are prohibited on the golf course: denim pants (so-called 'jeans') of all types and designs; short shorts, cutoffs, running shorts; tennis length skirts; T-shirts, tank tops and sweatshirts.

(b) Tennis. Members must wear appropriate attire in styles specifically designed for tennis at all times while using the tennis facilities. No tank tops are permitted. No black sole shoes of any type are permitted on the tennis courts.

(c) Swimming. Only proper swimming attire is permitted in the pool area. Cutoffs are prohibited. Parents may wear street clothes with rubber soled shoes when they are present to supervise their children. Golf shoes are not permitted in the pool area. Wet bathing suits are not permitted outside the pool area. Bathing caps are optional. Hair pins may not be worn in the water. No golf clubs, golf balls or other nonswimming equipment is allowed in the pool area.

(d) Dining Room/Overlook Lounge. Country Club casual in good taste is the appropriate attire in the Dining Room or the Overlook Lounge of the clubhouse, but as a minimum, patrons must meet the dress code set forth in section 6.11(a) Golf above. Dress restrictions in the Dining Room and the Overlook Lounge may be imposed or waived for specifically designated events at Club Management's discretion. When this occurs, management will give advance notice of the proper dress code.

(e) 19th Hole Casual attire to include jeans and tee shirts in good taste is the appropriate dress in the 19th Hole. However, tank tops, ragged jeans, short shorts or cutoffs, and any other attire deemed by Management not to be in good taste are prohibited.

(f) General Attire. In general, attire and grooming shall not be offensive to other Members or their guests. Members are responsible for seeing that their guests conform to this dress code. Club Management reserves the right to refuse dining room privileges to anyone it determines to be in violation of the dress code.

6.12 LOCKER ROOMS

(a) Lockers in the clubhouse may be rented by Members on an annual basis, pursuant to a locker rental agreement to be executed between the Member and the Club. Lockers, if available, are obtained by arrangement with the Club and are billed on the Member's statement.

(b) Members and their guests must change shoes and clothes in the locker rooms only. Changing of shoes or clothes in the parking lot is prohibited.

(c) Members specifically agree that the Owner of the Club, Club Management, and their agents and employees are hereby held harmless against, and are not responsible for, any losses, damages or claims which may arise from the Member's use of said lockers.

6.13 GRATUITIES

A service charge is added to all food and beverage checks. Tipping of Club personnel is permitted when special or individual services are provided.

6.14 COMPLAINTS

Employees are to be treated in a courteous and considerate manner. No employee shall be reprimanded in any way by a Member. Any complaints regarding service rendered by Club personnel must be made to the Manager. Depending upon the severity of the complaint, Club Management may require the Member to make the complaint in writing along with the complaining Member's signature. Members are requested to report misbehavior or violations of rules or laws committed by employees, other Members or guests to the Manager, and all violations will be subject to appropriate disciplinary action.

6.15 PARKING

All Members must drive and park motor vehicles in accordance with applicable laws and posted regulations. Members drive and park their motor vehicles at the Club at their own risk. The Owner of the Club, Club Management and their employees and agents are hereby held harmless against and are not responsible for, any loss or damage to Member motor vehicles or any contents thereof while being driven or parked at the Club. Parking is permitted only in designated areas. Overnight parking is prohibited.

6.16 ANIMALS

With the exception of seeing eye dogs, pets or other animals are not permitted anywhere at the Club at any time, regardless of whether they are on leash or are attended.

ARTICLE VII GOLF

7.1 GENERAL

(a) Golf rules regulations, procedures, and policies may be established from time to time by Club Management and will be available in the pro shop. Such rules, regulations, procedures, and policies shall supplement these Rules.

(b) Every player must adhere to the Club's posted policy with respect to shoe wear, as the Club is a spike less facility.

identification while playing and must produce the same for inspection if requested.

(c) No hand or pull carts are allowed on the course at any time

7.2 STARTING

(a) Subject to Subparagraph (b) below, golf play is to begin on the first tee of the first nine holes and then proceed to the second nine holes to complete eighteen holes.

(b) Club Management may direct players to begin play on the second nine holes and thereafter play the first nine holes. Players may also be directed to start on a hole other than the first or tenth hole in order to accommodate a "shotgun start" or similar type of start.

(c) All players that begin on a hole other than the first hole must check in with the pro shop before continuing on, so that the starter may control traffic on the course.

(d) All players must register with the pro shop at least ten (10) minutes before commencing play, so that the starter may control traffic on the course.

7.3 WEEKDAY TEE RESERVATIONS

Tee reservations for golf on weekdays may be made pursuant to Club Management's posted or published policies.

7.4 WEEKEND AND HOLIDAY TEE RESERVATIONS

Tee reservations for golf on weekend days and holidays may be made pursuant to Club Management's posted or published policies. Tee reservations will not be taken before 8:00 a.m. Guest play will be limited pursuant to the Club's posted policy on guest play unless the Member has obtained prior approval from the Manager.

7.5 NONRESERVATION PLAY

Players without reservations shall be assigned available tee times that have not been reserved.

7.6 DESIGNATED TEE TIMES

Club Management may, from time to time, designate tee times only for primary Members. These designated tee times will be published in the Club newsletter and posted at the Club.

7.7 PRACTICE

When practicing, members are to use the driving range and practice range only. Under no circumstance are the regular tees, greens or fairways to be used as practice areas. When playing the course, each player may have only one ball in play at all times, except when, pursuant to USGA Rules, a provisional ball is to be played.

7.8 PLAYING GROUPS

(a) No more than five (5) players per group are permitted, unless prior approval has been obtained from the head golf professional.

(b) In the case of groups with less than four players, the starter, at his discretion, may fill the group with other waiting players.

7.9 SLOW PLAY

If a playing group of golfers falls one clear hole behind the group in front, the slow group must invite the group behind it to play through. If play is delayed on account of a lost ball, the group playing behind should be invited to play through. Should either of these conditions occur and the group playing behind the slow group or behind the group with the lost ball is not invited to play through, it is the right and privilege of such group playing behind to ask permission to play through. The slow group of players or the group with the lost ball is then required to take positions on the course out of play and shall remain stationary until the invited group has played through. The invited group must play through once the invitation has been received, in order that following groups will not be delayed. A group also must step aside and let the group behind play through any time the course marshal so instructs.

7.10 ENFORCEMENT

Play on the course is governed by USGA Rules, with the exception of any local rules which take precedence when printed on the scorecard or posted. The golf professional or the course marshal are empowered to enforce all golf course rules. Violation of any golf rule may result in a fine and/or a disciplinary letter being written to the player by the Manager. Three such letters in the Member's file is grounds for immediate suspension of golfing privileges.

7.11 GOLF CARTS

- (a) Carts may be operated by anyone sixteen (16) years of age and older, provided that person has a valid driver's license.
- (b) Cart rental fees are mandatory unless waived by Club Management.
- (c) Privately owned carts are permitted on the Club premises only upon compliance with the requirements of Section 7.19 below.
- (d) Members are liable for any personal injury or property damage that results from the use of a cart owned or checked out in their name. Members are further liable for any damage to or loss of carts and must pay all repair costs necessitated by their use of a cart.

7.12 CART OPERATION

- (a) Carts are to carry no more than two (2) riders and two (2) golf bags at any time. Children under six (6) years of age are not permitted to ride on carts.
- (b) Drivers must read the operating instructions on the cart prior to usage and obey such instructions. No one is to operate a cart with a flat tire, or any other mechanical failure that is apparent or observed.
- (c) Carts are to be returned to the staging area. The Member who rents a cart will be fined if a cart is left in the parking lot or any other nondesignated area.

7.13 CART ROUTES

Carts are always to be driven on the cart paths. Drivers must observe and obey all signs, stakes, roped off areas and other markers used to guide carts. When necessary, carts may be driven to the golf ball only on a ninety degree (90) angle from the cart path, unless otherwise modified or restricted by Club Management posted or published policies. Carts are not to be driven over sprinkler heads. Cart drivers are to avoid areas that are newly planted, wet, or under repair, and should not approach any closer than ten (10) yards to any tee, green, bunker, or their respective shoulders. Carts must remain on cart paths on par 3 holes at all times.

7.14 MINOR PLAY

- (a) No child under twelve (12) years of age is permitted to play the golf course unless accompanied by an adult, Member parent or guardian. Children under six (6) years of age are not permitted on the course at any time.
- (b) Golf play by Minors may be restricted to designated hours. Adults have priority over Minors at all times, with the exception of Club Management sponsored Minor golf programs.

7.15 GUEST PLAY

- (a) No more than three (3) guests per Member are permitted at any time unless approved in advance by Club Management. Guest play may be modified from time to time pursuant to Club Management's posted or published policies.
- (b) All other rules governing guests' attendance and participation in Club activities apply to golf guest play.

7.16 SUPERVISION OF PLAY

The golf professional, acting under the supervision of the Manager, has responsibility for supervision and control of all matters relating to play on the golf course. The golf professional may refuse privileges to anyone who, in his or her judgment, violates the rules of play, etiquette or dress code. Responsibility for such supervision may be delegated to starters or marshals.

7.17 REGISTRATION FOR PLAY

All members and their guests must register with the pro shop starters prior to using the golf course.

7.18 GOLF INSTRUCTION

Instruction in golf is offered under the supervision of the Club's golf professional. No charges will be assessed if a scheduled lesson is canceled twenty-four (24) hours or more in advance. If a Member cancels a lesson less than twenty-four (24) hours before the scheduled time of the lesson, or fails to appear for a scheduled lesson, the Member will be charged the lesson rate then in effect.

7.19 PRIVATELY OWNED CARTS

- (a) Privately owned carts may be used on the golf course at the Club only with the permission of Club Management and subject to such charges, rules and procedures as may be established. Club Management may limit the number of Privately owned carts that it approves for use at the Club. Operators of privately owned golf carts must follow all rules prescribed for cart usage in Sections 7. 11, 7.12 and 7.13. In addition, cart owners must sign and agree to be bound by the conditions contained in the Private Cart Agreement.
- (b) The Private Cart Agreement is entered into on a year-to-year basis and Club Management reserves the right to discontinue usage of private carts at the Club on the anniversary date of the Agreement without any liability or obligation to the owner of any private cart.

The fee payable by owners of private carts is established by Club Management and may be changed on an annual basis.

(c) Privately owned golf carts must be white or beige in color.

(d) Before a Member may operate a private cart at the Club, the Member must obtain Club Management's approval of the make, model, year of the golf cart to be purchased. Private carts must be maintained to an acceptable level of appearance and operation and Club Management shall be the sole judge of a private cart's acceptability.

7.20 RANGE BALLS/PRACTICE BALLS

Driving range policies will be set and administered by Club management. No range balls will be used on the golf course. Range hours/days of operation are governed by posted signs. Dress code for driving range use is the same as the golf course. Violators may be subject to disciplinary action.

ARTICLE VIII TENNIS

8.1 RESERVATIONS

- (a) If Club Management deems it in the best interest of the Club, it may reserve the use of any court for tournaments, exhibitions, special matches or any other appropriate purpose.
- (b) A Member may not make more than one (1) reservation a day.
- (c) Reservations for a court may be made no more than two (2) days in advance.
- (d) At the time of making a reservation, the Member must give the Club the names of all individuals who will be playing.
- (e) One (1) hour of court time is allowed for singles play and ninety (90) minutes of court time is allowed for doubles play.
- (f) If players fail to appear within ten (10) minutes of the reserved time, the court reservation will be forfeited.

8.2 UNRESERVED COURTS

Sign-ups for unreserved courts are taken on a first-come, first-served basis, with the exception that those Members who have not previously played that day have priority over Members who already have played.

8.3 WEEKDAY AND HOLIDAY COURT USAGE

- (a) A Member must accompany a maximum of three (3) guests for doubles and one (1) guest for singles on any holiday, Saturday or Sunday.
- (b) To obtain a singles court on any holiday, Saturday, or Sunday, both players must be present and not currently playing on another court.
- (c) To obtain a doubles court on any holiday, Saturday, or Sunday, three (3) of the four (4) players must be present and not currently playing on another court.
- (d) Depending on court availability, One (1) court will be available on any holiday, Saturday or Sunday for minor play. If these courts are not claimed by a minor at least five (5) minutes before the hour, the court may be used for open play.

8.4 INSTRUCTION

At Club Management's discretion, three (3) courts will be used for lessons on weekdays and two (2) courts will be used for lessons on weekends.

8.5 GUEST PLAY

- (a) A Member having tennis privileges may sponsor a maximum of four (4) guests on any nonholiday weekday. A Member having tennis privileges may sponsor and must accompany a maximum of three (3) guests for doubles and one (1) guest for singles on any weekend day or holiday.
- (b) A guest may play tennis only three (3) times per calendar month. Participation in member/guest tournaments and interclub team play competition will not apply toward the three-a-month limitation.
- (c) Fees are charged and must be paid before courts are used. All other rules governing guests' attendance and participation in Club activities also apply.

8.6 MINOR PLAY

Minors may not reserve courts. Use of the tennis facilities by minors may be restricted to designated hours. When a minor is playing with an adult, the rules governing adult play shall apply.

8.7 PROHIBITED ACTIVITIES

No food or beverages, other than water, are permitted on the courts. Glass containers are not allowed on the courts. All trash is to be placed in the containers provided. Smoking is prohibited on the courts and no game other than tennis may be played on the courts. Excessive noise, racquet throwing, and profanity will not be permitted at any time. Persons not playing tennis are to remain outside the fence for their own protection.

8.8 RULES AND ETIQUETTE OF PLAY

Members are required to familiarize themselves and their family and guests with the rules and etiquette of tennis as outlined in the United States Tennis Association (USTA) handbook. Failure to abide by USTA rules is considered a violation of these Rules.

8.9 SUPERVISION OF PLAY

The tennis professional, acting under the supervision of the Manager, has responsibility for supervision and control of all matters relating to play on the tennis courts. The tennis professional may refuse privileges to anyone who, in his or her judgment, violates the rules of play, etiquette or dress code. Responsibility for such supervision may be delegated.

8.10 REGISTRATION FOR PLAY

All members and their guests must register in the pro shop prior to using the tennis courts. Tennis players will be advised as to court assignments when they check in.

8.11 TENNIS INSTRUCTION

Instruction in tennis is offered under the supervision of the Club's tennis professional. No charges will be assessed if a scheduled lesson is canceled twenty-four (24) hours or more in advance. If a Member cancels a lesson less than twenty-four (24) hours before the scheduled time of the lesson, or fails to appear for a scheduled lesson, the Member will be charged the lesson rate then in effect.

ARTICLE IX SWIMMING POOL

9.1 POOL ACCESS

If Club Management deems it in the best interest of the Club, it may reserve the use of the swimming facilities for swim meets, exhibitions, special functions, or any other appropriate purpose. No person may cater the swimming pool area except when the pool is open for use according to the posted schedule or when a lifeguard is on duty. Persons who use the pool in the absence of a lifeguard do so at their own risk. Swimmers must leave the water upon request of a lifeguard.

9.2 REGISTRATION

All Members and guests must register before entering the swimming pool area. Guest fees will be charged for guests using the swimming pool area. Failure to register or to pay guest fees may result in loss of pool privileges and fines charged to the Member.

9.3 CHILDREN

(a) All children under the age of twelve (12) years must be accompanied by a responsible adult at all times when in the pool area. children under twelve (12) must remain in shallow water unless given permission by the lifeguard to enter deeper water.

(b) No child under the age of eighteen (18) years may use the pool unless a lifeguard is on duty nor swim during the adult lap swim period.

(c) The wading pool is for the use of children under eight (8) years of age. Children in the wading pool must be accompanied by a responsible adult at all times.

9.4 ILLNESS, MEDICAL CONDITIONS

(a) Persons are not permitted in the pool if they have a cold, cough, fever, infection of any kind, inflamed eye(s), skin rashes, or are wearing bandages.

(b) Persons with physical or neurological disabilities, or a responsible adult accompanying that person, must advise the lifeguard of such conditions.

9.5 PROHIBITED ACTIVITIES

(a) Running, wrestling, pushing, dunking, "roughhousing" and towel snapping are not permitted anywhere in the pool area, including the locker rooms. No more than one (1) person is permitted on the diving board at any one time and persons must dive only off the front of the board. Diving is not permitted until after the previous diver has surfaced and moved to the side of the pool. Hanging on the diving board is not permitted.

(b) Snorkels, fins, masks, kickboards, weights, children's pool toys and inflatable devices are not permitted in the pool unless permission is obtained from the pool manager.

(c) Food and beverages may be consumed only in designated areas and may not be taken into the pool. Glassware is not permitted anywhere in the pool area. Gum chewing is not permitted anywhere in the pool area. All trash is to be placed in the containers provided.

(d) Swimmers must shower to remove suntan oils or lotions before entering the pool. Locker room towels may not be taken into the pool area and lifeguards are instructed to confiscate all such property.

9.6 SWIMMING RULES

All persons using the swimming pool must abide by the pool safety rules as posted in the pool area.

9.7 SUPERVISION OF PLAY

The pool manager, acting under the supervision of the Manager, has the responsibility for supervision and control of all matters related to the swimming facilities. The pool manager may refuse privileges to anyone who, in his or her judgment, violates the swimming pool rules. Responsibility for such supervision may be delegated to lifeguards. All swimmers must register with the lifeguard before entering the pool.

ARTICLE X FITNESS CENTER

10.1 GENERAL

(a) If Club Management deems it in the best interest of the Club, it may reserve the use of the fitness center or any part of the fitness center for special functions or other appropriate purposes.

(b) All persons must register at the fitness center front desk. Members must present their membership cards prior to use of the fitness center.

10.2 USE OF FACILITIES

(a) A fitness director or an attendant will be on duty at scheduled times and questions regarding use of the equipment or a Member's exercise program should be referred to the fitness director, an attendant or Club Management.

(b) Exercise equipment must be used in accordance with any posted instructions and any directors of fitness center personnel.

(c) The temperature of the sauna must not exceed 180 degrees Fahrenheit and use of the sauna should not exceed two (2) minutes. Questions regarding the use of the sauna should be directed to the fitness director, an attendant or Club Management.

(d) The Jacuzzi is kept at 106 degrees Fahrenheit.

10.3 ILLNESS, MEDICAL CONDITIONS

Persons with physical or neurological disabilities, or a responsible adult accompanying that person, must advise the on-duty fitness center personnel of such conditions.

10.4 MINORS

Minors under the age of sixteen (16) years are not allowed to use the fitness center unless accompanied by an adult.

10.5 PROHIBITED ACTIVITIES

(a) Horseplay, profanity, disruptive conduct, smoking, and eating are strictly prohibited in the exercise areas of the fitness center.

(b) Alcoholic beverages are not permitted in the fitness center except in areas designated by Club Management. Other beverages are permitted only as designated by Club Management.

(c) All jewelry must be removed prior to exercising.

10.6 DRESS CODE

Appropriate exercise attire must be worn at all times in the fitness center, as may be determined from time to time by Club Management. Shirts and shoes must be worn at all times in the exercise areas. Bathing suits must be worn in the Jacuzzi and sauna.

ARTICLE XI RACQUETBALL

11.1 GENERAL

(a) If Club Management deems it in the best interest of the Club, it may reserve the use of any court at any time for tournaments, exhibitions, special matches, or any other appropriate purpose.

(b) All players must check in and register at the pro shop prior to using the court.

11.2 RESERVATIONS

- (a) A Member may not make more than one (1) reservation a day.
- (b) Reservations for a court may be made no more than two (2) days in advance.
- (c) At the time of making a reservation, the Member must give the Club the names of all individuals who will be playing.
- (d) A court may be reserved for one (1) hour.

11.3 NON-RESERVATION PLAY

Sign-ups or unreserved courts are taken on a first-come, first-served basis, with the exception that those Members who have not previously played that day have priority over Members who have already played.

11.4 GUEST PLAY

A guest may use the courts only with a host Member. Guest fees are charged and must be paid before courts are used. All other rules governing guests' attendance and participation in Club activities also apply.

11.5 PROHIBITED ACTIVITIES

- (a) Racquetballs or shoes that discolor the playing surfaces, walls, or floors are prohibited.
- (b) All racquets must have plastic guards to prevent damage to the courts. Tennis racquets are not permitted to be used on the racquetball courts.
- (c) Proper racquetball etiquette should be observed at all times. No excessive noise, racquet throwing, or profanity will be permitted at any time. No food or beverages are permitted on the courts. No game other than racquetball or handball may be played on the courts.

11.6 DRESS CODE

Proper racquetball attire is required at all times in the racquetball and handball courts. Smooth soled racquetball or tennis shoes are required. Shoes with black soles are strictly prohibited.

ARTICLE XII FOOD AND BEVERAGE

12.1 SERVICE HOURS

The service hours of the different food and beverage departments will be published in the Club's newsletter or posted at the Club.

12.2 MEMBER RESTRICTIONS

- (a) Members are not permitted in the kitchens or other "back of the house" areas.
- (b) Members may not bring food or beverages into the Club that are not purchased at the Club unless the Member has obtained the prior permission of the Manager.

12.3 BANQUETS AND SPECIAL FUNCTIONS

- (a) The food and beverage manager should be contacted for information and reservations regarding banquets and special functions.
- (b) All reservations for banquets and special functions require a deposit payment.
- (c) Available dates must be reserved as soon as possible but no later than fourteen (14) working days prior to the available date.
- (d) The number of guests attending must be guaranteed three (3) working days before the function date.
- (e) The food and beverage staff will prepare five percent (5%) more than the guaranteed quantity in case of extra attendance. The hosting member is required to pay the costs for the guaranteed quantity as well as the cost of any additional service rendered above this quantity. Payment must be made in full in cash or by check no later than the day of the function and may be charged to a Member's account.

12.4 LIQUOR

Liquor law violations are not permitted at the Club. It is illegal for any person to bring alcoholic beverages into the Club for the purpose of consumption or storage. It is also illegal to remove alcoholic beverages from the Club. Club Management employees may refuse to serve alcoholic beverages to any Member or guest who appears to be intoxicated. Minors may not purchase or consume alcoholic beverages anywhere at the Club.

12.5 CANCELLATION POLICY

(a) If necessary, Club Management reserves the right to cancel service or change reserved dates not less than thirty (30) days prior to the date of a reserved function. In the event of cancellation, one hundred percent (100%) of the room reservation deposit will be refunded.

(b) Any Member who cancels a reservation more than one hundred eighty (180) days before the function date will receive a one hundred percent (100%) refund of the room reservation deposit.

Any Member who cancels a reservation less than one hundred eighty (180) days before the function date shall forfeit all of his or her room reservation deposit. A Member must give notice of a cancellation in writing and no partial refunds are given for any reservations canceled after the one hundred eighty (180) day cancellation deadline described above

(c) A Member who cancels a reservation less than three (3) days prior to the scheduled time of the event will be obligated to pay all costs of the event.

12.6 SUPERVISION OF FOOD AND BEVERAGE AREAS

The food and beverage manager, acting under the supervision of the Manager, has the responsibility for supervision and control of all matters relating to the food and beverage department. The food and beverage manager may refuse privileges to anyone who, in his or her judgment, violates the applicable Rules, etiquette or dress code. Responsibility for such supervision may be delegated.

ARTICLE XIII MISCELLANEOUS

13.1 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 Rules. Furthermore, each Member agrees to hold the Owner of the Club, Club Management, Manager and their employees and agents harmless, to indemnify said parties, and to provide a defense by counsel of Club Management's choosing from any claim, liability, damage, or loss which results from or is connected with any violation of these Rules by the Member or his or her family or guests, any use of the Club by the Member or his or her family or guests, or any dispute arising in any manner from membership.

13.2 RELEASE AND DISCLAIMER

While using the Club or participating in Club events, whether at or off the Club, Members and their family and guests are charged with the responsibility of using proper judgment and caution at all times. The Owner of the Club, Club Management, the Manager and their employees and agents do not assume any liability for injuries caused to or incurred by any Member or his or her family or guests or for damage to or loss of property resulting from the use of the Club. Consequently, any Member, guest or other person who uses or accepts the use of the Club or service, or engages in any athletic contest, exercise or other activity, either at or off the Club, does so at his or her own risk and shall defend, indemnify, and hold harmless the Owner of the Club, Club Management, the Manager and their employees, the Board Of Governors and agents harmless from any injury, damage, claim, loss, or liability resulting from such use or engagement. Each Member agrees to release the Owner of the Club, Club Management, the Manager and their employees, the Board Of Governors and agents and waives any cause of action which a Member, or anyone claiming by, or through said Member might now or hereafter have against said parties due to any injuries caused to or incurred by any Member or his or her family or guests or for damage to or loss of property resulting from their use of the Club.

13.3 PERSONAL PROPERTY

Each Member and his or her family and guests are responsible for their own personal property. Club Management is not responsible for lost property or articles stolen from anywhere at the Club and specifically disclaims any such responsibility. Property left by any person at the Club and not claimed within thirty (30) days may be disposed of without notice. No bailment is intended, nor created by the preceding sentence.

13.4 LIABILITY FOR DAMAGE OR INJURY

(a) Each Member is responsible for any damage to the Club or property caused by the Member, his or her family members, or guests, and such Member shall promptly reimburse Club Management for all costs and expenses incurred to repair or replace such damaged facility or property.

(b) Persons playing on the golf course are expected to respect the rights of persons owning property adjacent to the golf course. Bodily injury or property damage caused by a golf ball entering onto adjacent land is the sole responsibility of the golfer striking the ball. Neither the Owner of the Club or Club Management shall be responsible for such injury or damage.

In the event of such injury or damage, the Member shall attempt to contact the land owner or resident at the time of the incident and shall also report the incident to the golf shop upon completion of play or sooner as the situation may warrant. Failure to do so shall constitute a violation of these Rules and may be grounds for disciplinary action.

(c) Persons playing golf and/or using carts on the golf course are responsible for any injury which may result from their conduct. Neither the Owner of the Club or Club Management shall be responsible for injuries which may result from errant balls or cart accidents or other conduct of persons using the golf course. In the event a Member causes such injury, the Member shall immediately contact the injured party and take responsibility for the incident and shall also report the matter to the golf shop upon completion of play or sooner as the situation may warrant. Failure to do so will constitute a violation of these Rules and may be grounds for disciplinary action.

13.5 RECOVERY OF DAMAGES OR DUES

If it is required to turn a Member's account over to a collection agency or institute legal action to collect any dues or charges owed by a Member, or to enforce any provision of these Rules against a Member, the Member agrees he or she shall be responsible for all costs of collection, including without limitation reasonable attorneys' fees incurred and court costs.

13.6 NO AGENCY

No Member or any other person participating in the activities of any association or committee shall have the authority, express or implied, to act on behalf of or as an agent for the Owner of the Club, Club Management or Manager.

13.7 ASSOCIATIONS

Members, at their own election, may organize golf or social associations or committees. Club Management does not assume any responsibility, nor accept or incur any liability, for the activity of any such association or committee. No rules or policies of such associations or committees may be contrary to or conflict with these Rules or the policies in place.

13.8 ENTIRE AGREEMENT- AMENDMENT

Each membership incorporates these Rules. The membership application form signed by each Member and these Rules, as presently enacted or hereafter amended, constitute the entire agreement between each Member and Club Management. These Rules may be modified, amended, changed, altered or repealed at any time at Club Management's sole discretion, and may be supplemented by the publication of appropriate information in the Club's newsletter or by posting at the Club.

13.9 NOTICE

(a) Any notice to be given by Club Management to a Member may be mailed or otherwise delivered to that Member at the address which the Member lists on the application for membership, unless that address has subsequently been changed by written notice delivered to Club Management as provided for in this Section. Notice to a Member is effective at the time of personal delivery or, if mailed, on the first regular mail delivery day at least three (3) days after the notice is mailed, postage prepaid, whether accepted or not.

(b) Any notice to be given by a Member to the Club may be mailed or otherwise delivered at that address listed in Section 1.1, or such other address as subsequently designate by notice delivered to the membership as provided for in this Section. Any notice to is effective upon its receipt.

13.10 WAIVER

No obligation of a Member shall be deemed to have been waived unless such waiver has been given in writing by Club Management. Club Managements failure to strictly enforce these Rules or to fail to act in the event of a breach by a Member of its obligations under these Rules shall not be construed as a waiver of a subsequent breach of the same or different obligation.

13.11 CUMULATIVE REMEDIES.

All remedies shall be cumulative and no one of them will be exclusive of the other. Club Management shall have the right to pursue any one or all of such remedies or any other remedy or relief which may be provided by law or an equity, whether or not stated in these rules.

13.12 CONVEYANCE OF OWNER'S OR MANAGEMENT'S INTEREST

Owner and Manager shall have the absolute right to assign, transfer, sell or convey their respective interests in the Club and these Rules. Upon the conveyance, whether by assignment, sale or other form of transfer of Owner's or Club Management's interest in the Club and the operations thereof, the party conveying its interest shall be relieved of all of its covenants and obligations contained in these Rules and any liability arising out of any act, or occurrence or omission occurring after the date of such conveyance.