

BYLAWS
OF
PARIS GOLF AND COUNTRY CLUB, INC.
A Texas Corporation

BYLAWS
OF
PARIS GOLF AND COUNTRY CLUB, INC.

A Texas Corporation

ARTICLE I

OFFICES

Section 1. REGISTERED OFFICE AND AGENT. The registered office and the registered agent of the Corporation shall be designated from time to time by the appropriate filing by the Corporation with the Office of the Secretary of State of the State of Texas.

Section 2. OTHER OFFICES. The Corporation may also have offices at such other places both within and without the State of Texas as the Board of Governors may from time to time determine or the business of the Corporation may require.

ARTICLE II

SHAREHOLDERS

Section 1. MEETINGS. All meetings of shareholders for any purpose shall be held at such times and places as shall be stated in the notices of meetings or in executed waivers of Notice thereof. Roberts Rules of Order will be used to conduct all shareholder meetings.

Section 2. ANNUAL MEETINGS. The annual meeting of shareholders shall be held annually at such date and time as shall be designated from time to time by the Board of Governors and stated in the notice of meeting. At the annual meeting of the shareholders, the order of business shall be as follows:

1. Roll Call;
2. Reading of the minutes of the last shareholders' meeting;
3. Financial Report from the Board of Governors;
4. Committee Reports and Special Business;
5. Election of Governors; and
6. Adjournment.

Section 3. SPECIAL MEETINGS. A Special Meeting of the shareholders, for any purpose or purposes, shall be called by the President of the Board of Governors upon receipt of a written request of shareholders owning at least twenty (20) percent of all shares of stock entitled to vote at such meeting or upon the written request of a majority of Governors. The written

request shall specifically state the purpose or purposes of the meeting. No later than twenty days after receipt of the written request, the President shall cause notice of the meeting to be given in the manner provided in Section 5 of this Article II. The President shall set the date and time for the meeting no later than thirty days after the date the written request was received. Business transacted at any special meeting of shareholders shall be strictly limited to the purpose or purposes stated in the notice of such meeting.

Section 4. FIXING RECORD DATE. For the purpose of determining shareholders entitled to notice of, or to vote at, any meeting of shareholders or in order to make a determination of shareholders for any other proper purpose, the Board of Governors shall provide that the stock transfer books shall be closed for a stated period but not to exceed, in any case, thirty (30) days. If the stock transfer books are closed for the purpose of determining shareholders entitled to notice of or to vote at a meeting of shareholders, such books shall be closed for at least ten (10) days immediately preceding such meeting. If the stock transfer books are not closed and no record date is fixed for the determination of shareholders entitled to notice of or to vote at a meeting of shareholders, the date on which notice of the meeting is given under Article II, Section 5, shall be the record date for such determination of shareholders. When a determination of shareholders entitled to vote at any meeting of shareholders has been made as provided in Section 4, such determination shall be applied to any adjournment thereof except when the determination has been through the closing of the stock transfer books and the stated period of closing has expired, in which case the Board of Governors shall make a new determination as provided above.

Section 5. NOTICE OF SHAREHOLDERS' MEETINGS. Written notice stating the place, day and hour of each meeting of shareholders, and in the case of a special meeting (or if otherwise required by law), the purpose or purposes for which it is called, shall be delivered (unless otherwise required by law) not less than ten (10) nor more than sixty (60) days before the date of the meeting, either personally or by mail, by or at the direction of the President, the Secretary or the officer or persons calling the meeting, to each shareholder of record entitled to vote at such meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail addressed to the shareholder at his address as it appears on the stock transfer books of the Corporation, with postage thereon prepaid.

Any notice required to be given to any shareholder, under any provision of the Texas Business Corporation Act, or the Articles of Incorporation of this Corporation or these Bylaws, need not be given to the shareholder if notice of two consecutive annual meetings and all notices of meetings held during the period between those annual meetings, if any, have been mailed to that person, addressed at his address as shown on the records of the Corporation, and have been returned undeliverable. If such person delivers to the Corporation a written notice setting forth his then current address, the requirement that notice be given to that person shall be reinstated.

Section 6. VOTING LIST. The officer or agent who has charge of the stock transfer books for shares shall make, at least ten (10) days before every meeting of shareholders, a complete list of the shareholders entitled to vote at such meeting or any adjournment thereof,

arranged alphabetically, and showing the address of each shareholder. Such list shall be kept on file at the registered office or the principal place of business of the Corporation and shall be subject to inspection by any shareholder at any time during usual business hours, for a period of at least ten (10) days prior to the meeting. Such list shall also be produced and open at the time and place of the meeting and shall be subject to the inspection of any shareholder during the whole time of the meeting. The original stock transfer books shall be prima-facie evidence as to who are the shareholders entitled to examine such list or transfer books and to vote at any meeting of shareholders.

Section 7. VOTING SHARES. Each outstanding share shall be entitled to one vote on each matter submitted to a vote at a meeting of shareholders, except (i) to the extent that the Articles of Incorporation provide for more or less than one vote per share or limit or deny voting rights to the holders of the shares of any class or series or (ii) as otherwise provided by law.

At any meeting of shareholders, a shareholder having the right to vote may vote either in person or by proxy executed in writing by the shareholder. A photographic, photostatic, facsimile, or similar reproduction of a writing executed by the shareholder, shall be treated as an execution in writing for purposes of this Section. No proxy shall be valid after eleven (11) months from the date of its execution, unless otherwise provided in the proxy. Each proxy shall be revocable unless the proxy form conspicuously states that the proxy is irrevocable and the proxy is coupled with an interest. Any vote may be taken by voice or show of hands unless a shareholder entitled to vote, either in person or by proxy, objects, in which case written ballots shall be used.

Treasury shares shall not be voted (directly or indirectly) at any meeting and shall not be counted in determining the total number of outstanding shares at any given time.

Section 8. QUORUM. The holders of a majority of the shares issued and entitled to be voted, present in person or represented by proxy, shall be requisite and shall constitute a quorum at all meetings of shareholders except as otherwise provided by law or by the Articles of Incorporation.

If a quorum is present at a meeting of shareholders, the shareholders represented in person or by proxy at the meeting may conduct such business as may be properly brought before the meeting until it is adjourned, and the subsequent withdrawal from the meeting of any shareholder or the refusal of any shareholder represented in person or by proxy to vote shall not affect the presence of a quorum at the meeting, except as may otherwise be provided by the Articles of Incorporation or by these Bylaws.

If, however, a quorum shall not be present or represented at a meeting of the shareholders, the holders of a majority of the shares represented in person or by proxy and entitled to vote shall have the power, unless otherwise provided in the Articles of Incorporation or these Bylaws, to adjourn the meeting from time to time and to such place, without notice other than an announcement at the meeting, until a quorum shall be present or represented. At such

adjourned meeting at which a quorum is present or represented, any business may be transacted which might have been transacted at the meeting originally called.

Section 9. MAJORITY/PLURALITY VOTE. When a quorum is present at any meeting of shareholders, the act of the shareholders relative to any matter (except the election of Governors, see paragraph below, and except in cases where a larger vote is required by express provision of law, the Articles of Incorporation or these Bylaws, in which cases such express provision shall govern and control the decision of such matters) shall be decided by a majority of the votes cast by the holders of shares entitled to vote on that matter at the meeting.

Governors shall be elected by a plurality of the votes cast by the holders of shares entitled to vote in the election of Governors at a meeting of shareholders at which a quorum is present, unless otherwise provided in the Articles of Incorporation or these Bylaws.

ARTICLE III

GOVERNORS

Section 1. BOARD OF GOVERNORS. The powers of the Corporation shall be exercised by or under the authority of, and the business and affairs of the Corporation shall be managed under the direction of, the Board of Governors who may exercise all such powers of the Corporation and do all such lawful acts and things as are not by law, by the Articles of Incorporation or by these Bylaws directed or required to be exercised or done by the shareholders.

In the discharge of any duty imposed or power conferred upon a Governor of the Corporation, including as a member of a committee, the Governor may in good faith and ordinary care rely upon the statements, valuations or information referred to in Article 2.38-3 of the Texas Business Corporation Act or upon other information, opinions, reports, or statements, including financial statements and other financial data, concerning the Corporation or another person, that were prepared or presented by (i) one or more officers or employees of the Corporation, (ii) legal counsel, public accountants, investment bankers, or other persons as to matters the Director reasonably believes are within the person's professional or expert competence, or (iii) a committee of the Board of Governors of which the Governor is not a member. A Governor is not relying in good faith within the meaning of the preceding sentence if the Governor has knowledge concerning the matter in question that makes reliance otherwise permitted by the above sentence unwarranted.

Section 2. NUMBER OF GOVERNORS; ELECTION; TERM; QUALIFICATION. The Board of Governors shall consist of nine (9) Governors. Thereafter, the number and term of Governors to be elected shall be fixed and determined by the shareholders at the annual meeting or any special meeting called for that purpose. The number of Governors may be increased or decreased from time to time as provided in these Bylaws, but no decrease shall have the effect of shortening the term of any incumbent Director.

The Governors, who must be shareholders of the Corporation, shall be elected in accordance with the provisions of Sections 7 and 9 of Article II of these Bylaws at each annual meeting of the shareholders by the holders of shares entitled to vote in the election of Governors, except as provided in Section 3 of this Article III, and each Governor elected shall hold office until the next succeeding annual meeting of shareholders and until his successor is elected and qualified or until his earlier death, resignation, retirement, disqualification or removal. However, no Governor can serve on the Board for more than two consecutive terms or six years, whichever is less.

Section 3. VACANCIES AND NEWLY CREATED GOVERNORSHIPS. Vacancies occurring on the Board of Governors shall be filled by nomination and election of a majority of the remaining Governors, though less than a quorum. A Governor nominated and elected to fill the vacancy shall be elected for the unexpired term of his predecessor in office.

Any governorship to be filled by reason of any increase in the number of Governors is to be filled by election at an annual or special meeting of shareholders called for that purpose, provided that the shareholders may not fill more than two such Governorships during the period between any two successive annual meetings of the shareholders.

Section 4. REMOVAL OF GOVERNORS. Except to the extent limited by law, the Articles of Incorporation or these Bylaws, at any meeting of shareholders called expressly for that purpose, any Governor or the entire Board of Governors may be removed, with or without cause, by the holders of a majority of shares entitled to vote at any election of Governors.

Section 5. FIRST MEETING. The first meeting of each newly elected Board of Governors shall be held without further notice immediately following the annual meeting of shareholders, and at the same place, unless by the unanimous consent of the Governors, then elected and serving, such time or place shall be changed.

Section 6. REGULAR MEETINGS. Absent unanimous vote, the Board of Governors shall meet no less than once each month on the third Wednesday of each month, with or without notice, at such time and place as shall from time to time be determined by the Board of Governors.

Section 7. SPECIAL MEETINGS. Unless expressly waived in writing by each Governor, special meetings of the Board of Governors may be called by the President on not less than twenty-four (24) hours notice to each Governor. Special meetings shall be called by the President or Secretary in like manner and on like notice at the written request of any three of the Governors.

Unless otherwise required by law, the Articles of Incorporation or these Bylaws, neither the business to be transacted at, nor the purpose of, any special meeting of the Board of Governors need be specified in the notice or waiver of notice of such meeting.

Section 8. QUORUM; MAJORITY VOTE. At all meetings of the Board of Governors, a majority of the number of Governors fixed in the manner provided in these Bylaws shall constitute a quorum for the transaction of business, and the act of a majority of the Governors present at any meeting at which there is a quorum shall be the act of the Board of Governors, except as may be otherwise specifically provided by law, the Articles of Incorporation or these Bylaws. If a quorum shall not be present at any meeting of the Board of Governors, the Governors present may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present.

Section 9. CONSENT OF GOVERNORS. Unless otherwise restricted by the Articles of Incorporation or these Bylaws, any action required or permitted to be taken at any meeting of the Board of Governors or of any committee thereof may be taken without a meeting if all members of the Board of Governors or the committee, as the case may be, execute a written consent setting forth the action so taken. Such consent shall have the same force and effect as a unanimous vote at a meeting. The consent may be in more than one counterpart so long as each Governor signs one of the counterparts.

Section 10. TELEPHONIC MEETING. Unless otherwise restricted by the Articles of Incorporation, subject to the provisions required or permitted by law or these Bylaws for notice of meetings, members of the Board of Governors, or any committee designated by the Board of Governors, may participate in and hold a meeting of the Board of Governors, or such committee, by means of conference telephone or similar communications equipment by means of which all persons participating in a meeting by such means can communicate with each other. Participation in a meeting by such means shall constitute presence in person at the meeting, except where a person participates in the meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened.

Section 11. COMMITTEES OF GOVERNORS. Subject to the provisions of this Section, five standing committees shall exist as follows:

1. Rules and Bylaws Committee;
2. Clubhouse Committee;
3. Golf Committee;
4. Finance Committee; and
5. Membership Committee.

Furthermore, the Board of Governors may, by resolution adopted by a majority of the whole Board, from time to time designate one or more special committees.

Whether standing or special, each committee shall consist of at least one or more members of the Board of Governors. Except as limited by law, the Articles of Incorporation, these Bylaws or the resolution establishing such committee, each committee shall have and may exercise all of the authority of the Board of Governors as the Board of Governors may determine

and specify in the respective resolutions appointing each such committee. The designation of any committee and the delegation of any authority to the committee shall not operate to relieve the Board of Governors, or any member of the Board of Governors, of any responsibility imposed by law.

At all meetings of any committee, a majority of its members shall constitute a quorum for the transaction of business, and the act of a majority of the members present shall be the act of any such committee, unless otherwise specifically provided by law, the Articles of Incorporation, these Bylaws or the resolution establishing such committee. The Board of Governors shall have power at any time, subject to aforesaid, to change the number and members of any such committee, to fill vacancies and to discharge any special committee.

Section 12. COMPENSATION TO GOVERNORS. No Governor shall receive compensation for attendance at any Regular or Special Meetings or reimbursement for expenses incurred in attending such meetings. Furthermore, it is the intent of this Section to prevent any conflict of interest in situations where a Governor is to receive compensation from the Corporation for services rendered. (See Art. 1396-2.30 of the Texas Non-Profit Corporation Act.) With that in mind, all situations resulting in compensation to be paid to a Governor (an "Interested Governor") shall be dealt with as follows:

1. If possible, the Board shall seek out at least one competing bid;
2. Bids shall be discussed after the Interested Governor is excused from the meeting;
3. Votes shall be by secret ballot with said contract requiring the affirmative vote of a majority of the disinterested Governors; and
4. Said contract must be memorialized in writing.

Section 13. RESIGNATION. Any Director may resign at any time by written notice to the Corporation. Any such resignation shall take effect at the date of receipt of such notice or at such other time as may be specified therein, and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. Three unexcused absences by a Governor from a regular meeting shall constitute submission of his or her written resignation. Furthermore, any Governor who does not, for any reason, stand for election at any meeting of shareholders called for such purpose shall be conclusively deemed to have resigned, effective as of the date of such meeting, for all purposes, and the Corporation need not receive any written notice to evidence such resignation.

Section 14. LIMIT ON INDEBTEDNESS. Without the advance approval of a majority of shareholders entitled to vote at a called special meeting for that specific purpose, the Board of Governors may not enter into any contract, note or lease that causes the Corporation's total debt service to exceed \$20,000.00 per calendar month.

Section 15. ALLOWABLE DUES INCREASES. Subject to the following limitations and procedures, the Board of Governors may increase Membership Dues no more than ten percent (10%) during the fiscal year. In order to increase membership dues more than ten

percent (10%) during the fiscal year, the Board of Governors must call a Special Shareholders Meeting in accordance with Article II, Section 3 of the Bylaws. Notice must be given in accordance with Article II, Section 5, of these Bylaws and must state the following: "AN INCREASE IN DUES WILL BE DISCUSSED."

ARTICLE IV

NOTICES

Section 1. METHOD OF NOTICE. Whenever by law, the Articles of Incorporation, or these Bylaws, notice is required to be given to any committee member, Governor, or shareholder, it shall not be construed to mean personal notice, but any such notice may be given (i) in writing, by mail, postage prepaid, addressed to such member, Governor or shareholder at his or her address as it appears on the records of the Corporation, or (ii) by any other method permitted by law (including, but not limited to, by telegram, telex, cablegram, and, in the case of Governors, by telephone). Any notice required or permitted to be given by mail shall be deemed to be delivered and given at the time when deposited in the United States mail as aforesaid. Any notice required or permitted to be given by telegram, telex or cablegram shall be deemed to be delivered and given at the time transmitted with all charges prepaid and addressed as aforesaid.

Section 2. WAIVER OF NOTICE. Whenever any notice is required to be given under the provisions of law, of the Articles of Incorporation or of these Bylaws, a waiver thereof in writing, signed by the person or persons entitled to such said notice, whether before or after the time stated therein, shall be deemed equivalent thereto. Attendance of a person at a meeting shall constitute a waiver of notice of such meeting, except when the person attends a meeting for the express purpose of objecting, at the beginning of the meeting and before any business is considered, to the transaction of any business because the meeting is not lawfully called or convened.

ARTICLE V

OFFICERS

Section 1. OFFICERS. The officers of the Corporation shall be chosen by the Board of Governors and shall consist of a President, and a Secretary, and may consist of such other officers and agents as the Board of Governors deem necessary, including an Assistant President, a President-Elect, one or more Vice Presidents (and, in the case of each Vice President, with such descriptive title, if any, as the Board of Governors shall determine), a Treasurer, a Controller, and one or more Assistant Secretaries and Assistant Treasurers. Two or more offices may be held by the same person. An officer must be a Governor.

In the discharge of any duty imposed or power conferred upon an officer of the Corporation, the officer may in good faith and ordinary care rely upon information, opinions, reports, or statements, including financial statements and other financial data, concerning the

Corporation or another person, that were prepared or presented by (i) one or more other officers or employees of the Corporation including members of the Board of Governors or (ii) legal counsel, public accountants, investment bankers, or other persons as to matters the officer reasonably believes are within the person's professional or expert competence. An officer is not relying in good faith within the meaning of the preceding sentence if the officer has knowledge concerning the matter in question that makes reliance otherwise permitted by the above sentence unwarranted.

No officer shall execute, acknowledge, verify or countersign any instrument on behalf of the Corporation in more than one capacity, if such instrument is required by law, the Articles of Corporation, these Bylaws or any act of the Corporation to be executed, acknowledged, verified or countersigned by two or more officers.

Section 2. ELECTION. Without limiting the right of the Board of Governors to choose officers of the Corporation at any time when vacancies occur or when the number of officers is increased, the Board of Governors, at its first regular meeting after each annual meeting of shareholders or as soon thereafter as conveniently practicable, shall elect the officers of the Corporation and such agents as the Board of Governors shall deem necessary or desirable.

Section 3. TERM; REMOVAL; RESIGNATION; VACANCIES; COMPENSATION. The officers of the Corporation shall hold office until their successors are elected or appointed and qualified, or until their death, resignation, retirement, disqualification or removal. However, no officer can maintain their office for more than two consecutive terms or two years, whichever is less. Any officer or agent elected or appointed by the Board of Governors may be removed at any time with or without cause by the affirmative vote of a majority of the Board of Governors. Any officer may resign at any time by giving written notice to the Corporation. Any such resignation shall take effect at the date of the receipt of such notice or at such other time specified therein, the acceptance of such resignation shall not be necessary to make it effective. Election or appointment of an officer or agent shall not of itself create contractual rights. Any vacancy occurring in any office of the Corporation may be filled by the Board of Governors for the unexpired portion of the term. Officers will not be compensated for their service to the Board.

Section 4. CHAIRMAN OF THE BOARD. The Chairman of the Board (if one be elected and serving) shall be the chief executive officer of the Corporation. He shall have general and active management of the business of the Corporation,

Section 5. PRESIDENT. The President shall preside at all meetings of shareholders and the Board of Governors and see that all orders and resolutions of the Board of Governors are carried into effect. Subject to the direction of the Board of Governors, the President shall have and exercise direct charge of and general supervision over the business affairs and employees of the Corporation. He shall also have such other authority and perform such other duties as may be prescribed from time to time by the Board of Governors or these Bylaws.

Section 6. VICE PRESIDENTS. Vice Presidents shall have such authority and

perform such duties as may be delegated, permitted or assigned from time to time by the President or the Board of Governors and, in the event of the absence, unavailability or disability of the President, or in the event of his inability or refusal to act, shall, in the order of their seniority, perform the duties and have the authority and exercise the powers of the President, unless otherwise determined by the Board of Governors.

Section 7. CONTROLLER. If a Controller is appointed, the Controller shall have charge of the Corporation's books of account, records and auditing. If a Controller is not designated as an officer of the Corporation, the functions of the Controller shall be performed by the Treasurer, if any, the President, the Secretary or such other officer or officers of the Corporation as shall be designated by the Board of Governors at any time or from time to time.

Section 8. SECRETARY AND ASSISTANT SECRETARIES. The Secretary shall have the duty of recording the proceedings of the meetings of shareholders and Board of Governors in a minute book to be kept for that purpose and shall perform all like duties for any committees. The Secretary shall give or cause to be given notice, as required by the Bylaws or by law, of all meetings of the shareholders and all meetings of the Board of Governors and shall perform such other duties as may be prescribed by these Bylaws or by the Board of Governors or President, under whose supervision the Secretary shall be. The Secretary, or an Assistant Secretary, shall have safe custody of the seal if one is adopted and used by the Corporation. The Secretary, or an Assistant Secretary, when authorized and directed by the Board of Governors shall affix the same to any instrument requiring it and when so affixed, it shall be attested by his signature or by the signature of an Assistant Secretary or of the Treasurer or Assistant Treasurer. The Secretary shall also perform such other duties and have such other powers as may be permitted by law or as the Board of Governors or the President may from time to time prescribe or authorize.

The Assistant Secretaries, if any, in the order of their seniority, unless otherwise determined by the Board of Governors shall, in the absence or disability of the Secretary, perform the duties and exercise the powers of the Secretary and shall perform such other duties and have such other powers as may be permitted by law or as the Board of Governors or the President may from time to time prescribe, authorize or delegate.

Section 9. TREASURER AND ASSISTANT TREASURERS. If a Treasurer is designated as an officer of the Corporation by the Board of Governors, the Treasurer shall have the custody of the corporate funds and securities and shall keep, or cause to be kept, full and accurate accounts and records of receipts and disbursements and other valuable effects in the name and to the credit of the Corporation in such depositories as may be designated by or under the authority of the Board of Governors. He shall: (i) endorse or cause to be endorsed in the name of the Corporation for collection the bills, notes, checks or other negotiable instruments received by the Corporation; (ii) sign or cause to be signed all checks issued by the Corporation; and (ii) pay out or cause to be paid out money as the Corporation may require, taking vouchers therefor. In addition, he shall perform such other duties as may be permitted by law or as the Board of Governors or the President may from time to time prescribe, authorize or delegate. The

Board of Governors may by resolution delegate, with or without power to re-delegate, any or all of the foregoing duties of the Treasurer to other officers, employees or agents of the Corporation, and to provide that other officers, employees and agents shall have the power to sign checks, vouchers, orders or other instruments on behalf of the Corporation. The Treasurer shall render to the Board of Governors, whenever they may require it, an account of his transactions as Treasurer and of the financial condition of the Corporation. If required by the Board of Governors, he shall give the Corporation a bond of such type, character and amount as the Board of Governors may require.

If a Treasurer is not designated as an officer of the Corporation, the functions of the Treasurer shall be performed by the President, the Secretary or such other officer or officers of the Corporation as shall be designated by the Board of Governors at any time or from time to time.

The Assistant Treasurers, if any, in the order of their seniority, unless otherwise determined by the Board of Governors shall, in the absence or disability of the Treasurer, perform the duties and exercise the powers of the Treasurer and shall perform such other duties and have such other powers as may be permitted by law or as the Board of Governors or the President may from time to time prescribe, authorize or delegate. If required by the Board of Governors, the Assistant Treasurers shall give the Corporation a bond of such type, character and amount as the Board of Governors may require.

ARTICLE VI

CERTIFICATES AND SHAREHOLDERS

Section 1. CERTIFICATES OF SHARES. The Corporation may deliver certificates representing shares to which shareholders are entitled or the shares of a Corporation may be uncertificated shares. Certificates representing shares shall be numbered and shall be entered in the books of the Corporation as they are issued. They shall be signed by the President or any Vice President, and the Secretary or any Assistant Secretary or by the Treasurer (if any) or any Assistant Treasurer, and may be sealed with the seal of the Corporation or facsimile thereof. Any or all of the officer signatures upon the certificates may be facsimiles. If any officer or officers who have signed or whose facsimile signature or signatures have been used on any such certificate or certificates ceases to be such officer or officers of the Corporation before said certificate or certificates shall have been issued, such certificate or certificates may nevertheless be issued by the Corporation with the same effect as though the person or persons who signed such certificate or certificates whose facsimile signature or signatures shall have been used thereon had been such officer or officers at the date of its issuance. Certificates for shares shall be in such form as shall be in conformity to law and as may be prescribed from time to time by the Board of Governors.

In the event the Corporation is authorized to issue shares of more than one class or series, each certificate representing shares issued by the Corporation (i) shall conspicuously set forth on

the face or back of the certificate a full statement of all the designations, preferences, limitations and relative rights of the shares of each class or series to the extent they have been fixed and determined and the authority of the Board of Governors to fix and determine the designations, preferences, limitations, and relative rights of subsequent series or (ii) shall conspicuously state on the face or back of the certificate that (a) such a statement is set forth in the Articles of Incorporation on file in the office of the Secretary of State of the State of Texas and (b) the Corporation will furnish a copy of such statement to the record holder of the certificate without charge on written request to the Corporation at its principal place of business or registered office.

Each certificate representing shares issued by the Corporation (i) shall conspicuously set forth on the face or back of the certificate a full statement of the limitation or denial of preemptive rights contained in the Articles of Incorporation or (ii) shall conspicuously state on the face or back of the certificate that (a) such a statement is set forth in the Articles of Incorporation on file in the office of the Secretary of State of the State of Texas and (b) the Corporation will furnish a copy of such statement to the record holder of the certificate without charge on written request to the Corporation at its principal place of business or registered office. All certificates surrendered to the Corporation for transfer shall be canceled and no new certificate shall be issued until the former certificate for a like number of shares shall have been surrendered and canceled, except that in cases of a lost, stolen, destroyed or mutilated certificate a new one may be issued therefor pursuant to the provisions of Section 4 of this Article VI. Certificates shall not be issued representing fractional shares of stock.

Section 2. TRANSFER OF SHARES. Upon surrender to the Corporation or the transfer agent of the Corporation of a certificate representing shares of stock or other securities of the Corporation duly endorsed or accompanied by proper evidence of succession, assignment or authority to transfer, and otherwise meeting all legal requirements for transfer, a new certificate shall be issued to the person entitled thereto and the old certificate canceled and the transaction recorded upon the books of the Corporation. Transfers of shares or other securities shall be made only on the books of the Corporation by the registered holder thereof, or by such holder's attorney thereunto authorized by power of attorney and filed with the Secretary of the Corporation or the transfer agent.

Section 3. REGISTERED SHAREHOLDERS. The Corporation shall be entitled to recognize the exclusive right of a person registered on its books as the owner of shares to vote, to receive notifications, and otherwise exercise all the rights and powers of an owner, and shall not be bound to recognize any equitable or other claim to or interest in such share or shares on the part of any other person, whether or not it shall have express or other notice thereof, except as provided by law. A Share shall be registered in the name of only one natural person.

Section 4. LOST CERTIFICATES. The Board of Governors may direct a new certificate or certificates to be issued in place of any certificate or certificates theretofore issued by the Corporation alleged to have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the person claiming the certificate of shares to be lost, stolen or destroyed. When authorizing such issue of a new certificate, the Board of Governors, in its discretion and as a

condition precedent to the issuance thereof, may prescribe such terms and conditions as it deems expedient and may require such sureties, assurances or indemnities as it deems adequate to protect the Corporation from any claim that may be made against it with respect to any such certificate alleged to have been lost or destroyed.

ARTICLE VII

INDEMNIFICATION; INSURANCE

Section 1. EXTENT OF INDEMNIFICATION. The Corporation may indemnify any person who (i) is or was a Governor, officer, employee, or agent of the Corporation or (ii) serves or has served at the request of the Corporation as a Governor, officer, partner, venturer, proprietor, trustee, employee, agent, or similar functionary of another foreign or domestic corporation, partnership, joint venture, sole proprietorship, trust, employee benefit plan, or other enterprise, consistent with law, by contract.

Section 2. INSURANCE. The Corporation may purchase and maintain insurance or make other arrangements, at its expense, to protect itself and any such Governor, officer, employee, agent or person as specified in Section 1 of this Article VII, against such expense, liability or loss, whether or not the Corporation would have the power to indemnify him against such expense, liability or loss under the Texas Business Corporation Act.

ARTICLE VIII

GENERAL PROVISIONS

Section 1. ASSESSMENTS. Subject to the provisions of the Articles of Incorporation relating thereto, if any, and the restrictions imposed by applicable law, assessments on the Corporation's outstanding shares may be declared if approved by two-thirds vote of those shareholders entitled to vote at a special meeting of the shareholders called for that specific purpose. Notice must be given in accordance with Article II, Section 5, of these Bylaws and must state the following: "AN ASSESSMENT WILL BE DISCUSSED."

Section 2. RESERVES. Before payment of any distribution or share dividend, the Board of Governors by resolution from time to time, in their absolute discretion, may create a reserve or reserves out of the Corporation's surplus, or designate or allocate any part or all of such surplus in any manner for any proper purpose, including, without limitation, a reserve or reserves for meeting contingencies, equalizing dividends, repairing or maintaining property of the Corporation, or for such other purpose as the Governors deem beneficial to the interests of the Corporation, and the Board of Governors may modify or abolish any such reserve, designation or allocation in the manner in which it was created.

Section 3. CONTRACTS. Subject to the provisions of Article III, Section 15, and V, the Board of Governors may authorize any officer, officers, agent or agents to enter into any

contract or agreement of any nature whatsoever, including, without limitation, any contract, deed, bond, mortgage, guaranty, deed of trust, security agreement, pledge agreement, act of pledge, collateral mortgage, collateral chattel mortgage or any other document or instrument of any nature whatsoever, and to execute and deliver any such contract, agreement, document or other instrument of any nature whatsoever for and in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances.

Section 4. ANNUAL STATEMENT. The Board of Governors shall present at each annual meeting, and at any special meeting of the shareholders, a full and clear statement of the business and condition of the Corporation.

Section 5. DEPOSITS. All funds of the Corporation not otherwise employed 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 Governors may select.

Section 6. BOOKS AND RECORDS. The Corporation shall keep correct and complete books and records of account and shall keep minutes of the proceedings of its shareholders, Board of Governors and each committee of its Board of Governors, and shall keep at its registered office or principal place of business, or at the office of its transfer agent or registrar, a record of the original issuance of shares issued by the Corporation and a record of each transfer of those shares that have been presented to the Corporation for registration or transfer. Such original issuance and transfer records shall contain the names and addresses of all past and current shareholders of the Corporation and the number and class or series of shares held by each. Any books, records, minutes and share transfer records may be in written form or in any other form capable of being converted into written form within a reasonable time.

Section 7. CHECKS. All checks or demands for money and notes of the Corporation shall be signed by such officer or officers or such other person or persons as the Board of Governors may from time to time designate.

Section 8. FISCAL YEAR. The fiscal year of the Corporation shall be fixed by resolution of the Board of Governors.

Section 9. SEAL. The Corporate seal, if any is adopted by the Board of Governors, shall be in such form as may be prescribed by the Board of Governors. The seal may be used by causing it or a facsimile thereof to be impressed or affixed or in any manner reproduced.

Section 10. Total Members. The total number of Members shall not exceed 500.

ARTICLE IX

BYLAWS

Section 1. AMENDMENT, ALTERATION AND REPEAL OF BYLAWS. These

Bylaws may be altered, amended or repealed or new Bylaws may be adopted at any regular or special meeting of the Shareholders upon the vote of no less than 75 shareholders, inclusive of proxies. Notice of the intended action must be given in accordance with Article II, Section 5, of these Bylaws and must state the following: "A CHANGE OF THE BYLAWS WILL BE DISCUSSED."

Section 2. CONSTRUCTION. Whenever the context so requires, the masculine shall include the feminine and neuter, and the singular shall include the plural, and conversely. If any portion of these Bylaws shall be invalid or inoperative, then, so far as is reasonable and possible:

- (a) The remainder of these Bylaws shall be considered valid and operative, and
- (b) Effect shall be given to the intent manifested by the portion held invalid and inoperative.

Section 3. TABLE OF CONTENTS; HEADINGS. The Table of Contents and headings are for organization, convenience and clarity. In interpreting these Bylaws, the Table of Contents and headings shall be subordinated in importance to the other written material.

I, THE UNDERSIGNED, being the Secretary of the Corporation do hereby certify that the foregoing are the Bylaws of said Corporation, as adopted by the Board of Governors of said Corporation on the _____ day of _____, 2001.

Ron Billman - Secretary

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49
50
51
52
53
54
55
56
57
58
59
60
61
62
63
64
65
66
67
68
69
70
71
72
73
74
75
76
77
78
79
80
81
82
83
84
85
86
87
88
89
90
91
92
93
94
95
96
97
98
99
100

THE PARIS GOLF AND COUNTRY CLUB

RULES AND REGULATIONS

POLICY STATEMENT

The Paris Golf and Country Club exists for the use and enjoyment of its members, their immediate family and their guests. To aid in the comfortable enjoyment of the facilities and in the interest of order and efficient operation, rules are required and should be observed by all concerned.

In consideration of the foregoing, the Board of Governors adopts the following:

SECTION 1 - MEMBERSHIP

1. **Power of the Board.** Subject to the following limitations and procedures as well as any powers listed in the Bylaws or the Articles of Incorporation, the Board of Governors retains the absolute power to create, define, or terminate any class of membership and rules relating thereto. This includes the right to create additional classes of membership, to set initiation fees, dues and transfer fees as well as requirements or limitations pertaining to the ownership, transfer or surrender of stock. Furthermore, the Board of Governors specifically retains the right to amend these Rules. The Board of Governors, though, shall post for 30 days any proposed amendments to these Rules prior to adoption. Posting shall be done in the main hallway of the Clubhouse or other area designated for such postings.
2. **Membership Classes.** The following Classes of Membership are permitted:
 - A. Shareholders;
 - B. Associates; and
 - C. Non-resident.
3. **Rules Pertaining to Shares of Stock and Shareholders.**
 - A. Applicants for Membership thirty years of age or older or Members who turn thirty-five years of age or older must purchase stock in Paris Golf and Country Club.
 - B. Stock ownership does not of itself entitle the holder to any of the rights and privileges of a member. Only members can rightfully own a share of stock.
 - C. Upon termination of membership or any other voluntary or involuntary act causing ownership of the share to change from that reflected on the Share

Transfer Records, shares of stock must be surrendered by the holder within thirty days. If such share of stock is not surrendered timely, the share shall be canceled and its value will be zero.

- D. All dues or other indebtedness to the Club owing by a shareholder shall be a charge against his stock.
- E. No share of stock can be transferred without the prior consent of the Board of Governors.

4. **General Provisions:**

- A. In the case of married couples, all references to age for purposes of membership shall apply to the age of the oldest spouse.
- B. Dues are considered delinquent when not paid by the 25th day of each month. Membership privileges shall be suspended if a Member's account is in arrears for more than thirty days. The Board of Governors or the Club Manager may grant an exception to this rule upon written request of the Member.

5 **Definitions.** The following definitions will apply:

- A. "Member" shall include a person at least twenty-one years of age and their spouse in whose name a membership exists.
- B. "Immediate Family" includes a child, whether biological or by marriage, younger than twenty-one years of age or a full-time student younger than twenty-five years of age whose permanent residence is with the parent member.
- C. "Membership" is a terminable-at-will contract that exists between Paris Golf and Country Club and a member.
- D. "Non-resident Member" is a "Golfing" or "Social" member who does not reside in Lamar, Fannin, Delta, Red River or Choctaw County for at least nine months of each year. Also included in this definition are those Non-resident Members in good standing at the time of the adoption of these Rules. However, this definition will not apply to "Non-resident Members" with a membership in good standing at the time these Rules are adopted.
- E. "Resident Guest" is a Member's guest who resides in Lamar, Fannin, Delta, Red River or Choctaw County for at least nine months of each year.
- F. "Golfing Member" is a member with full Club privileges including the use of the Clubhouse, the Swimming Pool and the Golf Course.

- G. "Social Member" is a member with limited Club privileges specifically excluding golfing privileges and golf practice areas. However, "Social Members" may exercise golfing privileges and the use of the golf practice areas upon paying green fees for each specific use. "Social Members" are exempted from the requirement of owning stock.
- H. "Shareholder" is a "Golfing" or "Social" member in whose name a share of stock is registered.
- I. "Associate" is a "Golfing" or "Social" member who does not own a share of stock.

SECTION 2 - HOUSE RULES

1. **Food and Beverage.** Food and beverages served or consumed on the premises must be obtained through the Club at the published prices. Only tickets or credit cards will be accepted for food and beverage services. No cash will be accepted. Alcoholic beverages may not be brought on or removed from the Club premises, nor are sales permitted for off- premises consumption. Exceptions may be made in case of functions by special arrangements made in advance with the Club Manager and approved by the House Committee.
2. **Club Property.** Club property shall not be removed from the premises. A person responsible for lost, damaged or broken Club property, except under conditions of normal wear and tear, shall promptly pay for or replace such property. The Club reserves the right to charge such payments to the account of the responsible person. Furthermore, payment or replacement does not prevent the levy of further sanctions.
3. **Private Property.** All private property, including automobiles, on the premises shall be there at the owner's sole risk and the owners of such property, in exercising the use and privileges of the Club, release and discharge the Club from all claims, damages and reparations of every kind and character.
4. **Permitted Attire.** Appropriate attire is encouraged at all times. No T-shirts, Swimsuits or cut-offs are allowed in the Clubhouse. Gentlemen shall remove their hats in the dining room and lounge after 7:00 P.M.
5. **Gaming Regulation.** The House Committee shall, in its discretion, regulate the playing of games of all kinds or engaging in certain other activities. The Committee's power to regulate includes stopping or prohibiting such activities when they are considered too inappropriate or prejudicial to the best interest of the Club.
6. **Use of Automobiles.** Automobiles must be used in accordance with traffic and parking regulations adopted by the Rules Committee.

7. **Prohibited Activities.** The offering of merchandise for sale, soliciting of business or canvassing of funds is not permitted. Advertisement, posters or circulars shall not be displayed or offered absent prior approval by the Club Manager.

8. **Animals Prohibited.** Dogs and other pet animals are not allowed on the premises.

9. **Rules for Private Parties: Members.** Private parties, hosted by members, are encouraged. However, the Clubhouse facilities in their entirety may not be reserved exclusively since they are intended primarily for the use and benefit of the general membership. Arrangements for private parties will be made with the Club Manager and shall be in accordance with rules governing private parties established by the House Committee. No alcoholic beverages may be brought on or removed from the Club premises. No service to minors will be permitted and proper identification will be required. All persons booking private parties should be aware that the Club will enforce this policy.

10. **Rules for Private Parties: Non-Members.** The use of the Clubhouse facilities for private parties by outside organizations or by groups composed of persons the majority of whom are non-members is generally discouraged. However, such parties may be arranged through the Club Manager, but subject to approval by the House Committee. The arrangements must be made by a Club member, and that member shall attend the party for its full duration and shall assume responsibility for all persons present. Even though the sponsoring organization or group may make arrangements to settle its account, the attending member shall guarantee and finally be responsible for such account.

11. **Complaint Procedure.** All complaints should be made to the Board of Governors or to the Club Manager. No Club Member may reprimand any employee.

12. **Tobacco Use.** The use of tobacco is permitted in the Men's and Women's Golf Lounges and the Lounge located on the West side of the Dining Room.

SECTION 3 - GENERAL GUEST RULES

1. **Persons Not Welcome.** Any person known or declared to be a "persona non grata" by the Board of Governors is denied access to any part of the Club premises. A member who knowingly or willingly contributes to the presence of such a person does so subject to disciplinary action as the House Committee may impose.

2. **Withdrawal of Guest Privileges.** The privileges of any guest may be withdrawn without notice at the discretion of the House Committee, the Rules Committee or the Club Manager.

3. **Limitations on Invitations.** Upon the invitation of a Member and subject to

these Rules, a Resident Guest is welcome in the Restaurant without limitation. However, a Resident Guest is restricted to four visits to the Pool, the Golf Course, or Fishing in any calendar year. Members are responsible for the actions of their guest as well as any fees or charges incurred by their visit.

4. **Outside Club Guests.** Upon sufficient proof, the Club Manager may issue a Guest Card and extend guest privileges not more than three days of any calendar month to members in good standing of other reciprocating Clubs ("Outside Club Guests"). The Club Manager may extend this three day period when circumstances justify such an extension. "Outside club guests" shall identify themselves with the proper credentials from their guest card, which shall identify the guest, name the home club and show the dates of the period of privilege. Such guests shall have full privileges of the Clubhouse and swimming pool without being accompanied by a member, and may play golf by registering in the Pro Shop and paying the prescribed green fee. "Outside club guests" are not allowed to invite other non-members.

5. **Permitted Escorts.** At Club social functions within the Clubhouse or at lunch or dinner, Club Members may escort Resident Guests of the opposite sex without limitation. The Club Member will be responsible for the conduct and the full settlement of the account of their guest.

SECTION 4 - MEN'S AND WOMEN'S GOLF LOUNGES

1. **Proper Decorum Required.** Members and guests are expected to conform to the highest principals of cleanliness and sanitation.

2. **Prohibited Items.** Golf bags and pull carts are not allowed in the Men's Golf Lounge.

3. **Children Prohibited.** Children under eighteen years of age are not allowed in the Lounges except to dress for golf or swimming. Member parents bringing children under eighteen years of age into the Lounges are expected to exercise a fine sense of discretion in so doing and in every case make their stay as short and unobtrusive as possible.

SECTION 5 - GOLF RULES

1. **Use of Golf Course.** Unless an exception is granted by the Board of Governors, only Members, their Immediate Family and Guests are allowed golfing privileges. Social Members, though, are required to pay green fees.

2. **Registration Required.** Members and guests must register in the Pro Shop prior to beginning play. Members and Guests must also register and sign-out Golf Carts. Members are responsible for the green fees and cart rentals of their guests. Failure to register is an automatic \$5.00 fee.

3. **Permitted Groups.** No more than five nor less than three players shall play in any one group. However, the golf professional may allow groups of other sizes to tee off at any time of the year when in his opinion they will not delay or hinder the play of other golfers. Any group, though, having less than three or more than five players has no rights and must yield to permitted groups.
4. **First Hole for Play.** All play must start on number 1 tee unless otherwise authorized by the golf professional.
5. **Slow Play Prohibited.** Slow players must allow faster players to play through; when there is fairway open in front and there are players behind waiting, you are playing too slow.
6. **No Littering.** Players must not litter the course but must use trash containers for all refuse.
7. **Course Repairs.** Players must replace fairway divots, repair ball marks on the greens, and rake sand traps.
8. **Children.** Children 12 years of age or younger will not be allowed to tee off unless accompanied by a parent or a responsible adult or having successfully completed the Youth Golf Instruction Course administered by the Head Pro. Regardless, children under the age of 15 will not be allowed to tee off on weekends or holidays between the hours of 9:00 a.m. and 2:00 p.m. unless accompanied by an adult.
9. **Outside Club Guests.** On week days, Outside Club Guests may play after signing in at the Pro Shop and paying green fees, without a member acting as their sponsor. On Saturday, Sunday and Holidays, the Outside Club Guest must be accompanied by a member sponsor.
10. **USGA Rules Apply.** USGA rules modified by local grounds rules as provided on the back of our score card shall prevail.
11. **Golf Carts - General.** All golf carts used regularly on the course shall be housed in the golf sheds in the assigned space. The Board of Governors may set storage fees which will be paid monthly in advance.
12. **Golf Carts - Special.** Members' carts housed off course will be charged a monthly cart trail fee set by the Board of Governors. With permission of the golf professional and upon payment of a daily cart trail fee, foreign carts may be used during club sponsored tournaments.
13. **Cart Requirements.** All carts used on the course shall have at least 8:00 x 6 or

larger low pressure cushion tires for protection of the turf. All carts must be battery powered; no gasoline carts are allowed.

14. **Cart Operation.** Motorized carts should be operated in a careful manner at all times by the operator. Operators must have a valid motor vehicle driver's license. Those under driving age must be accompanied in the cart by a parent or grandparent.

15. **Cart Paths.** Carts must follow posted cart signs and where available stay on cart paths. The "90 degree" rule will be in effect, i.e., you may leave the cart path at a 90 degree angle to go to your ball for your next shot, then return to the path immediately. Do not pull your cart off the paths beside the greens. Under no circumstances will golf carts approach closer than 30 feet from the collar of greens or drive on any Tee-Boxes.

19. **Number of Carts Allowed.** In any group, do not use more than three carts. Furthermore, no more than one cart may have an empty seat.

20. **Special Needs.** Persons with limited walking ability may apply to the Rules Committee to secure "an exception to policy" license to deviate from established cart rules. The permit will specify what exceptions the golfer is allowed. He will be issued a green flag which he will fly on his cart. This will indicate to other golfers that he has cart privileges.

21. **Damages.** Any person doing damage to greens, tee boxes, rented carts or fairways will be required to answer to the Rules Committee and shall be required to pay for all damages and be subjected to fine or suspension from use of the course.

22. **Practice.** No practice on greens or fairways is permitted.

23. **Proper Attire.** Proper dress should be worn on the course at all time. Collared Shirts or Mock Turtlenecks should be worn at all times.

24. **Ladies Day.** Wednesday is Ladies Golf Association Day. Ladies have priority on all tees until 3:00 p.m. that day.

25. **Golf Lessons.** The Golf Professional is available to give lessons. Advance appointments are necessary.

26. **Tee Markers.** Do not move Tee Markers.

27. **Alcoholic Beverages.** To comply with the Texas Liquor Laws, no alcoholic beverages shall be brought onto the golf course. This will be strictly enforced.

SECTION 6 - SWIMMING POOL REGULATIONS

1. **Children under Twelve.** Members' children twelve years of age or older can use the pool any time a lifeguard is on duty and if the child can swim. Children under twelve years of age must be accompanied by a parent or a responsible adult member of the Club who must remain in the pool area. Lifeguards cannot be requested to substitute for an adult member. Children under the age of twelve shall be exempted from this rule upon passing an approved swimming test and be certified as passing such test as given and certified by the lifeguards.

2. **Guest Privileges.** Guest privileges are extended to swimmers only if they are accompanied by a Club Member. Pool charges are to be charged to the inviting Member. No cash will be accepted.

3. **Registration.** Swimmers must sign the Pool Register before entering the pool.

4. **Prohibited Items.** No glassware of any kind is allowed in the pool area.

5. **Rest Periods.** At designated times the Lifeguard will signal a "rest break" and all swimmers under the age of eighteen years of age must vacate the pool.

6. **Restricted Use.** There will be no swimming in the pool except during the hours in which the pool is open unless special arrangements are made in advance with the Club Manager.

7. **Care Required.** Dangerous play in the pool area is strictly prohibited.

8. **Suspension of Privileges.** Violations of these regulations or the instructions of a Lifeguard are grounds for suspension of pool privileges of any adult or child.

9. **Private Parties.** Club members may schedule private swimming parties with the Club Manager. The Club Member will be responsible for the costs of the private party and the actions of the guests.

SECTION 7 - FISHING RULES

1. **Fishing Allowed.** Only Club Members and their permitted guests may fish in any Club lake. The Board of Governors may make exceptions to this rule.

2. **Prohibited Activities.** Swimming, wading or playing around the lake is prohibited. No boats or other floatation devices are allowed on any lake.

3. **No Liability of the Club.** The Club will not be responsible for any injury or accident occurring to anyone using the privileges of any lake.

4. **Supervision Required for Children.** A responsible adult must accompany at all times any person younger than twelve years of age who is using the privileges of any lake.

SECTION 8 - SANCTIONS

1. **Reporting Violations.** Members are encouraged to speak privately and cordially to any person violating these rules. If, in the discretion of the Member, it is necessary to report any violation, such reports shall be made to a Governor or a member of the Rules Committee.
2. **Authority of the Board of Governors.** Except in the case of suspensions, whether temporary or permanent, imposition of sanctions falls under the authority of the Rules Committee. If the circumstances call for a suspension of any type, the matter will be referred to the Board of Governors for their action.
3. **Appeal of Decision.** If any member feels aggrieved and seeks further review, he or she must notify the Board of Governors in writing that they seek an appeal and the basis of the appeal. Upon a majority vote of the Board, that member may address the Board of Governors in closed session to discuss the sanction or suspension.
4. **Payment of Fines.** Any fines levied as a sanction will be billed to the Violating Member. Fines levied due to the action of a Guest will be billed to the sponsoring Member.

ALCOHOLIC BEVERAGE POLICY

Paris Golf and Country Club is licensed by the Texas Alcohol Beverage Commission and must obey and enforce all laws and regulations dealing with such service. Failure to comply with these laws and regulations could result in the loss of the Club's permit to serve beverage alcohol.

While the Club's policy concerning the service of alcoholic beverages has been a matter of general knowledge for some time, the Board of Governors feel it important that it be formally ratified and disseminated to the membership and employees. Not only would we ask that you read and be familiar with this policy statement, but the Board of Governors requests your assistance in seeing that this important policy is carried out. If, however, for any reason any Member, their immediate family or their guest knowingly violates this policy, your Board of Governors will feel that they have no alternative but to adopt such sanctions against such member and their immediate family as are deemed appropriate under the circumstances.

Again, we appreciate your cooperation with all of us in this very important matter.

THEREFORE, let it be known that it is the policy of Paris Golf and Country Club that no alcoholic beverages may be brought on or removed from the Club premises, nor are bottle or drink sales permitted for off- premises consumption. Serving alcoholic beverages to minors or adults purchasing alcoholic beverages for minors is prohibited. Furthermore, all employees participating in the sale or service of alcoholic beverages are specifically directed to:

1. Study and become familiar with all available material designed to enable them to detect evidence of intoxication of members or guests and to avoid serving intoxicated persons or minors;
2. Refuse to supply alcoholic beverages to any person who is visibly intoxicated;
3. Refrain from providing assistance in leaving the premises to any intoxicated person intending to drive an automobile;
4. Offer to call a taxi or find a driver for any intoxicated person attempting to leave the premises;
5. Threaten to call the police or appropriate law enforcement agency if a visibly intoxicated person appears to be intending to drive away from the Club property and do so if the person refuses the offer of a taxi or other assistance; and
6. Report to the management and the Board of Governors any incidence involving intoxication on the Club property.

The Board of Governors will support the staff and management in their judgment of when not to

serve a member or guest. Please remember, the staff has been instructed to err on the side of caution. In the event of a mistake in judgment by the staff, please bear in mind the reasons for this preventative action and provide all possible cooperation.

The Board of Governors