

**HOUSTON GOLF ASSOCIATION
BY-LAWS**

**ARTICLE I
NAME AND PURPOSE**

- Section 1 Name. The name of the Association shall be the “Houston Golf Association,” sometimes hereinafter referred to as “Association” and/or “HGA.”
- Section 2 Purpose. The purpose of the Association shall be purely charitable, scientific, literary, and educational or to foster national amateur sports competition within the meaning of Section 501(c) (3) of the Internal Revenue Code of 1986, as amended.

**ARTICLE II
MEMBERSHIP**

- Section 1 Regular Membership. Regular membership in the Association shall be by invitation only. A candidate for regular membership shall be recommended by the Membership Committee, and shall be subject to approval by the Board of Directors of the HGA present at a duly called meeting. Regular members shall serve until resignation or termination as hereinafter provided. “Members” and “Membership” as used herein shall refer to “Regular Membership”. Reference to any other membership categories or classifications will be by specific designation.
- Section 2 Other Association Membership Categories and Classifications. In addition to regular membership as defined in Section (1) of this Article II, additional Association membership categories and classifications and the voting privileges of each are as follows:
- (a) Life Member. All past Chairmen of the Board of Directors (plus past Presidents of the Association who served prior to the date of these Bylaws) are Life Members of the Association, without the obligation of meeting any prescribed membership requirements. The Membership Committee, or the Executive Committee, may also recommend to the Board of Directors for their approval other members of the Association to be designated as Life Members. Life Members shall have voting privileges.
 - (b) Honorary Member of the Association. The Board of Directors of the Association may elect an individual as an "Honorary Member of the Association." Those so elected shall be accorded the privileges and benefits of a member in good standing, without the obligation of meeting prescribed membership requirements. Honorary Members of the Association shall not have voting privileges.
 - (c) Non-Resident Member. Any member who transfers his residency from the Houston metropolitan area, Harris County or adjoining counties, but continues to participate in and support the activities of the Association will, upon application to and approval by the Board of Directors, become a Non-Resident Member with duties, obligations and privileges as prescribed by the Board of Directors. Non-Resident Members shall not have voting privileges.
 - (d) Inactive Member. Any member in good standing may be placed on inactive status by application to and approval by the Board of Directors. Such member shall not have the

privileges and benefits of membership while inactive. An Inactive Member may reapply for regular membership status in the same manner at any time. Inactive Members shall not have voting privileges.

(e) Non-resident and Inactive Members, while exempt from membership requirements, are required to pay the customary "Regular Membership" dues to maintain their respective membership status.

Upon the recommendation of the Membership Committee, the Board of Directors may establish additional categories and classifications of membership or eliminate categories and classifications of membership.

Section 3 Requirements. The Board of Directors shall establish and revise from time to time categories of membership in the HGA and all requirements for categories of membership. Membership categories and requirements shall become effective upon approval by the Board of Directors and distribution and publication to the membership of such categories and requirements. Acceptance of membership implies knowledge of and agreement to abide by these By-Laws and any and all other rules and requirements promulgated by the Board of Directors for members in each category.

Section 4 Termination. Membership in the Association may be terminated by the vote of not less than seventy-five percent (75%) of the Board of Directors present at any duly called meeting, for any member who (i) fails to fulfill any rules or requirements of membership, including any monetary or non-monetary obligations of membership; or (ii) has been found to have engaged in acts or omissions which could cause, have caused or will cause embarrassment, injury or ridicule to the Association. Such events under (ii) above will be considered by the Board using its reasonable judgment under current community standards; provided, however, that the commission of a felony or misdemeanor involving moral turpitude shall be considered as prima facie evidence of embarrassment or injury to the Association. Upon the receipt of a complaint that appears to require termination action, as determined in the discretion of any two Directors of the Association, the Chairman of the Board of Directors shall notify the subject member by delivery to such member of a copy of the complaint, and shall advise such member and the Board of Directors that termination will be considered at a regular Board meeting, stating the time and date of the meeting in such notice. The subject member shall be given the opportunity to address the Board at such meeting and deny or defend the complaint as the member chooses. The Board may delay the vote on the complaint upon the vote of not less than seventy-five percent (75%) of those Directors present to delay, and only until the next Board meeting (to which the subject member will be invited). A failure to achieve a vote to terminate (or not) as above provided shall cause the dismissal of any subject complaint as of adjournment of the relevant Board meeting. Notwithstanding the above, the Board of Directors may terminate a member's membership in the Association for a failure to fulfill a monetary obligation, including without limitation, a failure to pay Association dues, provided such member has failed to cure such failure to fulfill a monetary obligation after notice of same, without the complaint, notice and hearing procedure set forth above for all other termination proceedings. The rights of members to vote and other rights with respect to membership shall cease on the termination of his/her membership.

ARTICLE III MEETINGS

- Section 1 Regular Meetings. Regular meetings of the members of the Association shall be held to consider such Association business as may properly come before the meeting.
- Section 2 Time and Place of Meetings. The time and place of all meetings shall be mutually determined by the Chairman of the Board of Directors and the Chief Executive Officer/President.
- Section 3 Notice. Written notice of the annual election meeting, or any duly called regular or special meeting shall be either: (i) mailed by the Secretary or Chief Executive Officer/President to the last known address of each member, (ii) electronically mailed to all members and posted on the Association web site, at least ten (10) days before the meeting, or (iii) through such other method as may be reasonably determined by the Board. Notice of the annual election meeting will also contain a report of the Nominating Committee. Notice for any special meeting shall state the purpose of such meeting and the date, time and place.
- Section 4 Voting. At every meeting of the members of the Association and meetings of the Board of Directors, each member, in good standing, of the Association, with voting privileges (or each Director of the Board of Directors, as applicable), shall be entitled to vote in person (which shall include a member in attendance by conference telephone or similar communication equipment, provided such process is operational and meets the requirements of applicable law), by written proxy or by advance vote, in accordance with voting procedures established by the Board of Directors. Unless otherwise provided in these Bylaws, all elections and motions shall be decided by a majority vote.
- Section 5 Quorum. A quorum at the annual election meeting or any regular or special meeting shall consist of twenty- five percent (25%) of the members of the Association in good standing as the current books and records of the Association reflect. Members voting by proxy or by advance vote shall be deemed in attendance for quorum calculation purposes.
- Section 6 Annual Election Meeting. The annual election meeting of the members of the Association shall be held following the completion of the annual PGA TOUR tournament conducted by the Association, but in no event later than September 30th or later than of each year. At this meeting the members of the Association shall elect the elected directors of the Board of Directors to fill the open positions from the list of nominated candidates provided by the Nominating Committee. The candidates for the open positions on the Board of Directors receiving the largest number of votes for any director position will be elected to fill such positions. Nominations for the elected directors will not be accepted from the floor.
- Section 7 Special Meetings. Special meetings of the Association may be called by (i) the Chairman of the Board of Directors, (ii) the Board of Directors, or (iii) upon receipt by the Chairman of the Board of Directors of a written petition signed by at least twenty-five percent (25%) of the members in good standing, clearly setting forth the purpose for which the meeting is desired and the time and place of such meeting.
- Section 8 Procedure. The provisions of the most current edition of Robert’s Rules of Order, shall govern the procedure for conduct of all meetings insofar as the same do not conflict with the provisions of these By-Laws.

ARTICLE IV BOARD OF DIRECTORS

- Section 1 Composition. Except as otherwise provided in these By-Laws, the operations and affairs of the Association shall be under the direction of the Board of Directors (the Board). The Board shall be composed of: (i) nine (9) directors elected by the members of the Association; (ii) at least one (1) and up to three (3) non-Association outside directors appointed by the Board; (iii) a maximum of two (2) additional voting directors as may be from time to time required by contractual agreement; (iv) any Honorary Member of the Board of Directors; and (v) the immediate past Chairman of the Board (as set forth in Section 10). The Chief Executive Officer/President shall attend all Board meetings but shall not have the right to vote. In the event of the resignation, termination or inability to serve of any elected or appointed member of the Board of Directors, such vacancy shall be filled by appointment by the remaining Board members, and for the remaining length of such director's term.
- Section 2 Qualifications. All directors shall have a personal commitment to the goals and objectives of the Association. Additionally, all elected directors shall also have strong leadership, organizational and people management skills. Any director who does not comport with applicable qualifications or has been found to have engaged in acts or omissions which could cause, have caused or will cause embarrassment, injury or ridicule to the Association, may be subject to removal as a director upon the vote of not less than seventy-five percent (75%) of the Board of Directors.
- Section 3 Term. The nine (9) elected Association member directors and the up to three (3) appointed non-Association outside directors will each serve three (3) year terms, with a maximum of two (2) consecutive terms. The election of directors and the appointment of outside directors to the Board of Directors shall provide for a staggered rotation of terms, to ensure that one-third of the elected directors are elected each year and that generally one-third of the non-Association outside appointed directors are appointed each year.
- Section 4 Authority. The Board of Directors may, from time to time: (i) delegate to the Chief Executive Officer/President, the Chairman of the Board of Directors or the Executive Committee the power to enter into and execute contracts with other corporations, associations, groups or individuals; and (ii) establish policy with regard to specific procedures to be followed, with such policies to be organized in numerical order in a "Policy Book" maintained by the Secretary and kept at the offices of the Association.
- Section 5 Chief Executive Officer/President. At the direction of the Board of Directors, the Association may employ a Chief Executive Officer/President. The Chief Executive Officer/President shall manage the operational affairs of the Association. The Chief Executive Officer/President shall recommend to the Chairman of the Board and to the Board of Directors the Association committee chairmen. The Chief Executive Officer/President may be provided with the necessary staff, office space, supplies and equipment and be compensated for his services in a manner and to the extent deemed necessary and proper by the Board of Directors. The duties and performance of the Chief Executive Officer/President will be reviewed and approved annually by the Board of Directors.
- Section 6 Meetings. The Board of Directors will convene as required to conduct and supervise the business of the Association. Meetings will be called by the Chairman of the Board of

Directors. The Chairman of the Board of Directors or a majority of the members of the Board may call such other special meetings of the Board as deemed necessary and desirable. Notice for regular and special meetings, including the time and location, will be either: (i) mailed to the Board of Directors at their last known address; (ii) electronically mailed to the Board of Directors and posted on the web site of the Association, or (iii) through such other method as may be reasonably determined by the Board, by the Chief Executive Officer/President or the Secretary, at least five (5) days in advance of such meeting. Emergency meetings may be called by telephone notice if necessary.

- Section 7 Executive Committee. The Executive Committee shall be composed of the Chairman of the Board of Directors, the Vice-Chairman, the Secretary and the Treasurer/Assistant Secretary, and up to three (3) additional members of the Board of Directors as may be selected by the Chairman of the Board of Directors to serve for any designated project, meeting or meetings. During the interval between meetings of the Board of Directors, the Executive Committee shall possess and may exercise the powers of the Board of Directors necessary or convenient for the management, control and direction of the business and affairs of the Association and all things incident or pertaining thereto in such a manner as it may deem in the best interest of the Association. In addition, the Executive Committee shall serve as the Compensation Committee (to recommend the compensation for the Chief Executive Officer/President and other HGA staff and office personnel) and the Nominating Committee (as further set forth below in Article V, Section 3). It is not intended, however, that the Executive Committee have final authority in any purchase or sale of real property by the Association. All of the acts of the Executive Committee shall be reported to the Board of Directors at its next meeting and shall be subject to revision or alteration by the Board of Directors; provided, however, that no rights of any third person shall be affected by such revision or alteration without the consent of such third person.
- Section 8 Quorum. A minimum of seven (7) voting members of the Board of Directors will constitute a quorum for any meeting of the Board of Directors.
- Section 9 Honorary Board of Directors Member. The Board of Directors may, from time to time, in recognition of outstanding and long service to the Board of Directors and the HGA, designate a member or former member of the Board of Directors to the position of "Honorary Member of the Board of Directors". A person or persons designated to such position may attend all Board meetings and receive all privileges accorded to members of the Board without the obligations and duties of an elected Board member (including obligation to stand for election to the Board).
- Section 10 Past Chair. The immediate Past Chair of the Association shall serve as a member of the Board of Directors, with full voting rights, for one (1) additional one (1) year term, in the event such Past Chair's elected term has expired, otherwise such immediate Past Chair shall serve for the remainder of their elected term.
- Section 11 Indemnification. The Association shall indemnify, to the full extent allowed by law, any person who was, is, or is threatened to be named a defendant or respondent in a threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative, arbitratve or investigative, any appeal in such action, suit or proceeding, or any inquiry or investigation that could lead to such an action, suit or proceeding because the person is or was a Director, officer, employee, member or volunteer of the Association. The Association may likewise advance reasonable expenses incurred by any person eligible for indemnification before final disposition of the proceeding if the party on whose behalf

expenses are advanced agrees in writing to reimburse the Association for any amounts to which it is ultimately determined he is not entitled.

The Association shall purchase and maintain insurance on behalf of the Association and on behalf of a person who is or was a Director, officer, employee, member or volunteer of the Association against any liability asserted against him and incurred by him in such capacity or arising out of his status as such a person, whether or not the Association would have the power to indemnify him against the liability under these bylaws or the laws of the State of Texas. Any indemnification or advance or purchase of insurance under this section shall be made by the Association only as authorized in the specific case upon a determination by the Board of Directors that indemnification or advance of expenses is permitted and proper under the laws of the State of Texas.

ARTICLE V OFFICERS AND COMMITTEES

Section 1 Officers. The following officers shall be elected by the Board of Directors from members of the Board:

- (a) Chairman,
- (b) Vice-Chairman,
- (c) Secretary, and
- (d) Treasurer/Assistant Secretary.

Section 2 Duties. Duties of the above-named officers are as follows:

(a) Chairman of the Board of Directors. The Chairman of the Board of Directors shall be its chief volunteer officer and shall preside at all meetings of the membership and the Board of Directors. The Chairman of the Board of Directors shall be elected by the Board of Directors and may not be an appointed director, or an appointed Operating Committee chair. The Chairman of the Board of Directors shall be the Chairman of the Executive Committee. He may appoint a parliamentarian.

(b) Vice-Chairman. In the absence or disability of the Chairman of the Board of Directors, the Vice-Chairman designated by the Board of Directors shall perform all powers of the Chairman of the Board of Directors.

(c) Secretary. The Secretary shall direct and supervise the keeping of all records of the Association and shall see that the minutes of each meeting and all records pertaining thereto are retained and preserved in the books and records of the Association.

(d) Treasurer/Assistant Secretary. The Treasurer/ Assistant Secretary shall have oversight responsibilities for the financial affairs of the HGA and shall serve as Chair of the Finance and Investment Committee. As Assistant Secretary, the Treasurer shall act in the place of the Secretary when the Secretary may be absent, incapacitated or otherwise unable to act.

(e) Terms. Officers shall serve a term of one (1) year beginning on the date of their election to office, unless they shall sooner resign or be removed by the Board of Directors or are completing a vacated term in the event of a resignation or removal. No officer shall serve more than two (2) consecutive terms in the same office.

Section 3

Committees. The committees will perform the duties and obligations indicated in this Section 3, as well as special tasks assigned to them by the Chief Executive Officer/President, Chairman of the Board of Directors and/or the Board of Directors. Except as expressly set forth below, the chairman of each committee shall be recommended by the Chief Executive Officer/President to the Chairman of the Board of Directors and approved by the Board of Directors. With the approval and consent of the Chief Executive Officer/President and Chairman of the Board of Directors, each duly appointed committee chairman shall determine the composition of his committee. All Committees will report to the Chief Executive Officer/President, Chairman of the Board of Directors and/or the Board of Directors. The Board of Directors has the authority to establish additional committees or eliminate existing committees as it determines necessary. The Association shall initially have the following Committees:

Operating Committees:

The Operating Committees shall report directly to the Chief Executive Officer/President.

The Board of Directors shall establish all Operating Committees for the conduct of the business of the Association. The Operating Committees shall initially consist of: (i) the PGA Tour Event; (ii) Junior Golf; and (iii) the Scholarship Committee. The Board may establish additional Operating Committees or eliminate existing Operating Committees as it determines necessary. The Chairman of each of the Operating Committees shall be recommended by the Chief Executive Officer/President and approved by the Board of Directors. The Operating Committee Chairmen shall serve for one-year terms and may serve for a maximum of two consecutive terms. The Operating chairs shall have demonstrated successful HGA Operating Committee experience.

Board Standing Committees:

The Board Standing Committees shall report directly to the Board of Directors. The Chairman of each Board Standing Committee shall be a member of the Board of Directors.

(a) Finance and Investment Committee: The Finance and Investment Committee will be composed of at least three but not more than five HGA members, possessing requisite business and financial background. The Treasurer/Assistant Secretary will Chair the Finance and Investment Committee. Its members will be appointed by the Executive Committee. The committee will report to the Board of Directors semi-annually. The chairman may assign other duties to the committee as needed. The Finance and Investment Committee's oversight role shall be in compliance with the Finance and Investment Committee's Charter as approved by the Board of Directors.

(b) Nominating Committee. The Executive Committee shall serve as the Nominating Committee. Provided however, the Chairman of the Board of Directors may select additional members of the Board of Directors or of the Association who are not Board members, to serve on the Nominating Committee for any designated project, meeting or meetings, but with a maximum of seven (7) total members of the Nominating Committee. The Nominating Committee shall be chaired by the Chairman of the Board of Directors. The nominees (both elected and appointed) for the Board of Directors shall be selected by the Nominating Committee and furnished to the Chief Executive Officer/President at least

fifteen (15) days prior to the annual election meeting. The Nominating Committee shall recommend the Board of Directors' officer candidates to the Board of Directors.

(c) Audit Committee. The Audit Committee's primary function is to assist the Board of Directors in fulfilling its oversight responsibilities with respect to (1) the audit of the books and records and (2) the system of internal controls. The Audit Committee will be chaired by a member of the Board of Directors and have between three and six members, one of which will be a non-Association outside director. Its members shall have requisite knowledge of financial matters. The Audit Committee will be appointed by the Executive Committee. A certified audit of the books and records shall be presented to the full membership by the Audit Committee on or before the annual election meeting. The Audit Committee's oversight role shall be in compliance with the Audit Committee's Charter as approved by the Board of Directors.

Executive Standing Committees:

The Executive Standing Committees shall report directly to the Chief Executive Officer/President.

- a) Membership Committee. The Membership Committee shall make recommendations to the Board of Directors regarding nominations, acceptance and rejection of membership applicants. The Membership Committee may recommend membership qualifications to the Board of Directors for approval. This committee shall be comprised of six to eight people, one of which shall serve as the Chairman. All members of the Membership Committee shall serve for staggered three-year terms such that one-third of the members of the Membership Committee are appointed each year. The Membership Committee may recommend membership rules and requirements to the Board of Directors.
- b) Charity Committee. The Charity Committee shall receive, consider and process all applications for the receipt of charity donations by the Association and make recommendations to the Board of Directors with regard thereto. The Charity Committee shall administer the distribution of charity donations as directed by the Board of Directors.
- c) Insurance Committee. The Insurance Committee shall review and evaluate all permanent and temporary insurance carried by the Association. The Insurance Committee shall make recommendations to the Chief Executive Officer/President and Board of Directors regarding insurance coverage on all activities of the Association on an annual basis prior to policy renewals.
- d) Legal Committee. The Legal Committee shall review and evaluate all contracts and other legal documents and make recommendations regarding same to the Board of Directors. The Legal Committee shall assist in the processing of all claims or causes of action by or against the Association as directed by the Board of Directors. Upon the recommendation of the Chief Executive Officer/President, the Board of Directors shall appoint the Chairman of the Legal Committee, who shall be the General Counsel of the Association.

- e) Amateur Golf: The Amateur Golf Committee shall administer amateur golf programs and tournaments on behalf of the Association.
- f) Scholarship Committee: The Scholarship Committee shall administer the HGA Scholarship program. The number of scholarships, amounts of scholarships and qualifications for scholarship recipients shall be recommended by the Scholarship Committee and approved by the Board.

All Board Standing, Executive Standing, and Operating Committees shall appoint a secretary whose responsibility will be to take Roll Calls at each committee meeting along with minutes of the meeting. Within a timely matter after the meeting, said minutes will then be provided to the Chairman of the Board and the CEO/President for archives.

ARTICLE VI AMENDMENTS

Section 1 These By-Laws may be amended at any meeting of the membership, or any special meeting of the membership called for such purpose, by a two-thirds vote of the membership quorum present. In order for action to be taken on amendments to the By-Laws at any meeting, members must have been notified, in accordance with the notice provisions of these By-laws, and such notification shall include a copy of the proposed amendment or amendments.

ARTICLE VII MISCELLANEOUS

Section 1 A copy of the By-Laws will be sent to each member of the Association by the Secretary or Chief Executive Officer/President upon their final passage by the membership and shall be continuously posted on the HGA website, members only section.

Section 2 The Secretary or Chief Executive Officer/President shall maintain a current registry of the membership of the Association, which will be available to any member for inspection.

Section 3 Gender Neutral. Wherever the context requires, all words in these Bylaws in the male gender shall be deemed to include the female or neuter gender, all singular words shall include the plural, and all plural words shall include the singular.

[As of 7/28/2010]
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