

SECOND AMENDMENT TO THE AGREEMENT DATED 8/25/74
BETWEEN ASSOCIATION AND ENTERPRISES

The Agreement dated the 25th day of August, 1974 between ROUND HILL COUNTRY CLUB, a California non-profit corporation, doing business as ROUND HILL MEMBERS ASSOCIATION ("Association") and ROUND HILL ENTERPRISES, a California corporation ("Enterprises"), doing business as ROUND HILL GOLF AND COUNTRY CLUB ("Club"), which Agreement was recorded on September 20, 1974, in Book 7327, pages 698-721, in the Office of the County Recorder of Contra Costa County, California, as amended by the First Amendment thereto dated March 28, 1989, recorded on March 30, 1989, in Book 14970, pages 196-199, official records of Contra Costa County, California, are hereby amended, as follows:

1. REFUNDABLE CAPITAL ASSESSMENT DEPOSITS.

Deposits as defined in Section (A) below shall be made to the Club by each member thereof ("Club Member") as a condition and obligation of continuing Club Membership. The Deposits shall be used toward the cost of the design, plans and construction of a new clubhouse, fully equipped, as well as for incidental improvements and facilities thereto (collectively "Capital Improvements"). If the designs, plans and cost of the Capital Improvements are not approved by October 31, 1994 pursuant to Section (A) below, the first Deposit of \$1,000 may be used for any other purposes as determined by the Club, and approved by the Association's Board, upon the following terms and conditions:

(A) Time and Amount of Deposits.

Each Club Member shall deposit with Club the sum of \$1,000 on or before January 31, 1994 ("Deposit"). If the Board of Club and the Board of Association (the "Boards") approve the designs, plans and cost of Capital Improvements, then the cost as approved by the Boards shall be submitted for approval of the members of the Association and the Club (collectively, the "Members"). If the cost of Capital Improvements is approved by the Members, then each Club Member shall become obligated to deposit with Club an additional Deposit of \$3,000 on or before January 31, 1995, an additional Deposit of \$3,000 on or before April 30, 1995, an additional Deposit of \$3,000 on or before July 31, 1995 and an additional Deposit of \$2,000 on or before September 30, 1995. Any Club Member may prepay any Deposit. If a Club Member does not make a Deposit by the end of the month in which it is due, that Club Member shall pay interest on the delinquent Deposit at the lesser of 10% per annum

or the maximum lawful rate until such Deposit is paid to Club. In addition, such Club Member shall pay to Club a late charge of \$80 for each \$1,000 of the delinquent Deposit, it being extremely difficult and impracticable to determine the amount of exact damage to Club by reason of such delinquency. Such damages include, without limitation, the probability of Club having to borrow the amount of the delinquent Deposit from a bank or other institution at rates, charges and points which change from time to time. The late charge is a fair and reasonable estimate of the costs that Club will incur by reason of such Club Member's delinquent Deposit. Acceptance of any late charge shall not constitute a waiver of such Club Member's default with respect to the overdue Deposit, nor prevent Club from exercising any of the other rights and remedies available to Club, including, without limitation, termination of Club Membership for failure of such Club Member to meet the obligations of Club Membership.

(B) Delivery of Promissory Note.

After September 30, 1995, the Club shall deliver a promissory note ("Note") to each Club Member in the total amount of Deposits made by such Club Member to the Club. Each Note shall be non-negotiable (except the Note, together with the Club Membership, may be assigned to and withdrawn from a Club Member's Revocable Living Trust as set forth in Section (D)(2)(b) hereunder), and payable only upon surrender of the Club Membership or when the Club elects to pay Club Member, whichever first occurs. The Note shall bear interest at the variable interest rate stated in Section (C) below. If a Club Member surrenders his or her Club Membership before all required Deposits are paid, the new member ("New Club Member") admitted to Club Membership by reason of such surrender shall be obligated to pay the remaining Deposits outstanding for that Club Membership.

(C) Refund of Deposits with Interest.

The total Deposits made by a Club Member to the Club shall be refunded to such Club Member, with interest thereon (the "Refund Amount") as provided herein. Interest shall accrue from the date each Deposit was paid to Club, at the minimum U.S. federal rate of interest applicable to U.S. Treasury notes or instruments for the same or similar terms as the Notes, compounded, as set forth in U.S. Treasury Regulations (the "Federal

Rate"). The Refund Amount shall be payable at such time as such Club Member elects to surrender his or her Club Membership to Club, or when Club elects to pay the Refund Amount to such Club Member, whichever first occurs. The death of such Club Member shall be deemed an election to surrender his or her Club Membership to the Club (except as provided in Section (D)(2)(b) hereunder) and the Refund Amount shall be paid to the deceased Club Member's estate or to his or her Trust Estate, if in effect, as stated in Section (D)(2)(b) below.

(D) Minimum Membership Fees of New Club Members, Surrendered Memberships, and Applicable Transfer Fees.

(1) Minimum Membership Fees.

The Club shall require each New Club Member to pay to the Club a minimum Membership fee in an amount equal to \$10,000 (the "Membership Fee"), plus the Refund Amount payable by Club to the Club Member surrendering his or her Club Membership. The New Club Member shall then become obligated to pay such remaining Deposits which may exist for that Club Membership pursuant to the terms of this Amendment. The Club may fix and determine the Membership Fee, in its discretion, at any time, in excess of the minimum, and if subsequently increased, may then reduce the Membership Fee to the minimum amount herein set forth.

(2) Surrendered Membership and Transfer Fees.

(a) A Club Member who surrenders his or her Club Membership to the Club shall be entitled to the Refund Amount, plus an amount equal to the Membership Fee of the New Club Member who obtains Club Membership by reason of the surrender (collectively, the Refund Amount and the Membership Fee are the "Refund"). The transfer fee applicable under paragraph 6 of the Agreement shall only apply to the Membership Fee, and shall not apply to the Refund Amount, if any.

(b) Husband and wife are entitled to all privileges of a Club Membership, whether or not their Club Membership is held individually or in their Revocable Living Trust for their benefit or in such Living

Trust for either of their benefits. Surrender of Club Membership does not occur by reason of death of the husband or wife, with the other surviving, or upon divorce or separation or relinquishment of the Membership by one or the other only, and no transfer fee is chargeable and the Refund is not due by reason of any such circumstances. A Club Member may assign his or her Club Membership to his or her Revocable Living Trust together with the right to the Refund for his or her sole benefit, with the Member who made the assignment retaining all privileges of Membership as beneficiary (any Club Membership card may show only his or her name); and may at any time thereafter withdraw the Club Membership together with the right of Refund or Note, from the Revocable Living Trust. Such assignment or withdrawal is not a surrender of Club Membership and is not subject to a transfer fee. Death of the Club Member beneficiary, unless his or her husband or wife is surviving, shall be deemed a surrender of Club Membership to the Club for all purposes under this Second Amendment. No assignment or transfer to or from a Revocable Living Trust is permitted except by or to a husband or wife. Any transfer or surrender of the Club Membership by such husband or wife or trustee of the Revocable Living Trust, for the purpose of admission to Membership of a child of husband or wife, or any other person, is deemed a surrender of the Club Membership for all purposes of this Second Amendment, subject to the Rules and Regulations of Club and subject to the transfer fee.

- (c) Upon death of a Club Member, except as provided in Section (b) above, his or her Club Membership is thereby surrendered to the Club and his or her estate or Trust Estate under Section (b) above, shall have all rights of such Club Member who surrenders his or her Club Membership as set forth in Section (a) above, subject to the transfer fee as therein stated.

2. VOTE OF THE MEMBERSHIP, SECURITIES QUALIFICATION AND INTEREST ACCRUAL.

(A) Vote of Membership.

This Second Amendment to the Agreement, prior to its execution, is subject to approval by a majority vote of the Members as required by paragraph 22 of the Agreement dated August 25, 1974.

(B) Securities Qualification.

Collection of the Deposits referred to herein may constitute the offering of securities under California law. After approval of the Second Amendment to the Agreement by the Members as provided in paragraph (A) above and before the collection of any Deposit, the Club shall qualify the offering with the California Commissioner of Corporations by permit under the applicable provisions of the California Corporate Securities Law.

(C) Interest Accrual.

The accrued interest income from the loan may be taxable in the year of accrual under current or future tax law.

3. PRIOR AGREEMENTS REMAIN IN EFFECT.

Except as herein amended, each and all of the provisions of the Agreement dated August 25, 1974 and the First Amendment dated March 29, 1989, shall remain in full force and effect.

IN WITNESS WHEREOF, Enterprises and Association, by their duly authorized Officers, with the prior approval of their respective Boards, and after approval of this Second Amendment by a majority

HARDSHIP MEMBER LETTER INSERTION

If this Second Amendment is approved by the Club and Association Members, the respective Boards of Directors will consider the creation of a new class of Membership to accommodate long-term senior Club Members unable to afford the additional \$11,000 in Deposits to be made in 1995. If such "Hardship" Club Members do exist, based upon criteria to be determined by the Boards, the Boards will propose the creation of a "Hardship" Club Member class of Membership as part of a Third Amendment.

State of California)
County of Contra Costa)

On November 4, 1993 before me, Janice Martin
personally appeared Thomas F. Murphy, John J. Powell, Thomas C. McBeath and
Janet F. Besse

personally known to me (or proved to me on the basis of satisfactory evidence) to be the person (s) whose name (s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity (ies), and that by his/her/their signature (s) on the instrument the person (s) or the entity upon behalf of which the person (s) acted, executed the instrument.

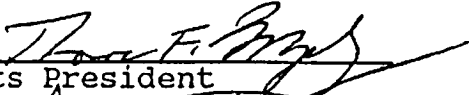
WITNESS my hand and official seal.

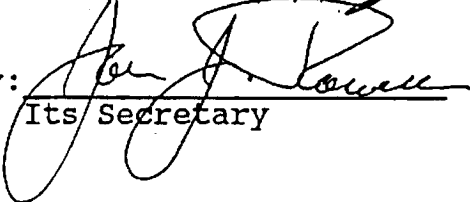
Signature *Janice Martin*



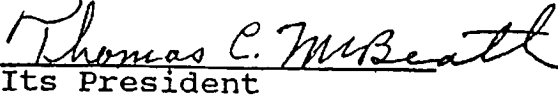
vote of the Members of the Association and the General Membership of the Club, have executed this Second Amendment to the Agreement on this 4th day of NOVEMBER, 1993.

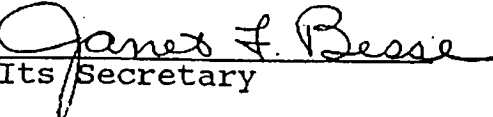
ROUND HILL ENTERPRISES
A California Corporation
d.b.a. ROUND HILL GOLF &
COUNTRY CLUB

By: 
Its President

By: 
Its Secretary

ROUND HILL COUNTRY CLUB
A California non-profit
Corporation d.b.a. ROUND
HILL MEMBERS ASSOCIATION

By: 
Its President

By: 
Its Secretary