

AMENDED SUBDIVISION RESTRICTIONS

TIMBER BAY SUBDIVISION

THE STATE OF TEXAS)
COUNTY OF TRINITY) KNOW ALL MEN BY THESE PRESENTS;

That COLDSRING CORPORATION and STOL CORPORATION, both Texas corporations, the owners of Timber Bay Subdivision as shown by the plat thereof duly recorded in Cabinet A, Page 265 of the Plat Records of Trinity County, Texas, do hereby withdraw, cancel and void those prior Subdivision Restrictions for Timber Bay Subdivision dated December 29, 1983, and recorded in Volume 317, Page 68 of Deed Records of Trinity County, Texas, and do hereby acknowledge, declare and adopt the following restrictions, which totally supplant and replace the above described prior subdivision restrictions, and the following restrictions are hereby impressed on all of said property, and these restrictions and covenants shall run with the land:

1. There shall be established an Architectural Control Committee composed of three (3) members appointed by the undersigned (and/or by designees of the undersigned, from time to time) to protect the owners of this subdivision against such improper use of lots as will depreciate the value of their property; to preserve, so far as practicable, the natural beauty of said property; to guard against the erection thereon of poorly designed or proportioned structures and structures built of improper or unsuitable materials, to obtain harmonious architectural schemes; to insure the highest and best development of said property; to encourage and secure the erection and placement of attractive homes thereon, with appropriate locations thereof on lots; to secure and maintain proper setbacks from streets and adequate free spaces between structures; to regulate and/or participate in regulation of use of park areas; and in general to provide adequately for a high type of quality of improvements in said property, and thereby to enhance the value of investments made by purchasers of lots therein.

2. Subject to the provisions of numbered paragraphs 8 and 9 hereof and except on Lots Number 1 through 13, inclusive, which lots are hereby designated as commercial lots, and lots 75, 76 and 105, which are designated as park lots for the purposes specified below, all lots hereunder are restricted to use for single family residential purposes only, and no building shall be erected or maintained thereon other than a private residence, a tool storage building, a private garage, or a private boathouse, for the sole use of the purchaser of such lot. Lots designated as commercial lots above shall be used only for residential purposes as set forth above and/or for retail sales or service establishments of such a nature and so conducted that they do not unduly conflict with the residential character of the adjoining lots and other lots in the subdivision, and in no case shall any lot in Timber Bay Subdivision be occupied by or used in connection with a bar, tavern, night club, or any other business (including a private club) which sells or dispenses any type of alcoholic beverage for on-premises consumption. All provisions of these restrictions apply to lots designated as commercial lots unless commercial lots are specifically excluded from such provisions. Lot 75 and 76 shall be used only for a boat launching ramp and parking area for the non-commercial use of members of T/B Owners Association, and no camping, picnic, playground or meeting house use shall be made of such lots and no buildings shall be constructed thereon. Lot 105 shall be used as a swimming pool and picnic area but no camping shall be allowed on this lot. Buildings may be constructed on Lot 105 if same shall be used for a bath or pool house, meeting house, club house, storage building or other non-commercial facility for the non-commercial use of members of T/B Owners Association members. No garage shall be built on any lot before construction thereon of a residence (or placing a mobile home on said lot, if mobile home use is permitted thereon under paragraph 3 hereof) except on commercial lots on which a commercial building has been constructed. No storage building on any lot shall be occupied at any time, either as a residence or as a camping shelter. No timber, wood, sand, gravel or other materials shall be removed from any lot for sale to others.

3. The minimum size of any residential building shall be 1,000 square feet of floor area, exclusive of porches, stoops, open or closed carports, patios and garages. Storage buildings shall contain floor area of not less than 30 square feet nor more than 144 square feet of floor area. Provided, however, that any commercial buildings constructed on Lots 1 through 13, inclusive, and any buildings constructed on Lot 105, shall not be subject to the minimum and maximum square footage of floor area prescribed above, but instead the minimum and maximum square footage of structures on such lots will be subject to approval by the Architectural Control Committee on a case by case basis. No building exceeding two stories in height shall be erected or placed on any lot. Subject to the provisions of numbered paragraphs 8 and 9 hereof and except as provided below for new modular or sectional homes and new pre-built homes, no existing building or structure of any kind and no part of an existing building or structure shall be moved onto, placed on, or permitted to remain on any lot. All construction on any lot must be of new material (except stone or brick, if such use is approved in writing by the Architectural Control Committee). No tar paper type roof or siding materials will be used on any structure; and no sheet metal type of roof or siding materials will be used on any structure without written approval of the Architectural Control Committee. The exterior of any building or structure must be painted or stained. All buildings and structures shall be completely underpinned or underskirted with no piers or pilings exposed to view, except that piers of 4 feet or more above ground are not required to be underpinned or enclosed. Provided that written approval has been granted by the Architectural Control Committee, new modular or sectional homes and pre-built homes may be placed on and used on all lots hereunder, provided such homes shall have exterior surfaces of brick, wood, or other materials of a type and appearance equal to conventional site-built houses. The Architectural Control Committee may, as condition to its said approval, make any reasonable requirement which in its judgement is deemed proper. Any pre-built, modular or sectional home must contain 1,000 square feet of floor area as defined for residential buildings above, must be new and have never been placed in service, occupied or used before, must be in good condition and of attractive design and appearance, and must be built by a commercial manufacturer or builder of such units. On Lots Number 29 through 85, Lots Number 140

through 167, and Lots Number 175 through 239, new mobile homes may be placed and used for single family residential purposes, and no mobile home shall be placed on any lot in this subdivision other than those listed in this sentence. The undersigned may at any time, as to any lots then owned by them, amend these subdivision restrictions to eliminate any or all of such lots then owned by them from the preceding sentence. Such amendment shall become effective immediately upon filing same for record in the deed records of Trinity County, Texas, and thereafter any lots included in such amendment shall be prohibited from the use of mobile homes thereon as fully and to the same extent as if such lot were not designated for mobile home use in this paragraph. Any mobile home placed on any lot hereunder must be new and never have been placed in service, be in good condition, be at least 14 feet in width, contain a minimum floor area of 550 square feet, and must have received the approvals as provided in paragraph 4 hereof. Water service must be connected and an approved private sewage facility must be installed before any residential building (or mobile home, if mobile home use of such lot is permitted as described above) is occupied, even though occupied on a temporary or part-time basis. Within 60 days after placing on a lot, mobile homes and sectional or pre-built homes must be undersited with material approved by the Architectural Control Committee. Any building, structure, or improvement commenced upon any lot shall be completed as to exterior finish and appearance within six months from the commencement date.

4. No building, fence, mobile home (if permitted by paragraph 3), or other structure or improvements shall be erected, placed or altered on any lot until two copies of the construction plans and specifications, including specifications of all exterior and roofing materials, including color of paint or stain, and a plan showing the proposed location of the structure on the lot, have been submitted to and approved in writing by the Architectural Control Committee as to compliance with these subdivision restrictions, harmony of external design with existing structures, and as to location with respect to topography and finish grade elevation and otherwise. The Architectural Control Committee shall not have the right to approve placing of a mobile home on any lot other than the lots specifically designated for such use in paragraph 3 hereof. If such construction, placement or alteration is not commenced within eight (8) months of such approval, the approval shall be null and void unless an extension is granted in writing.

5. No natural drainage shall be altered, nor shall any drainage ditch, culvert, nor drainage structure of any kind be installed nor altered, nor shall any curb nor other such impediment to the free flow of water be installed nor altered, on any lot or in any roadway ditch in the subdivision without prior written consent of the undersigned or the Architectural Control Committee. Any culvert placed in the ditch adjoining any lot shall be culvert specifically manufactured for such use and meeting the standards for county roads in the State of Texas as demonstrated by being commonly used for culverts in Texas counties, shall be of adequate size to carry water from maximum flooding of five year frequency (but in no case shall any such culvert be of less than 15 inches inside diameter or the equivalent "oval" size).

6. Fences shall be permitted to extend to all lot lines, but without impairment of the easements granted in these restrictions and otherwise, and subject to the rights of utility companies as provided in said easements. Except for the special set-backs listed in the following sentence, no building, mobile home, camper or structure other than a fence shall be located nearer to the front lot line than 50 feet, to a side street lot line than 25 feet or nearer to other side lot lines or rear lot lines than 5 feet, except that there is no set-back requirement from any rear lot line if such rear lot line is a common boundary with Lake Livingston. For lots 14 through 39, 57 through 64, 67 through 75, 139, 170, 201 and 243, the front set-back shall be 30 feet instead of 50 feet as described above, and for Lots 66, 77, 207, 208 and 209 the front set-back shall be 20 feet instead of 50 feet, and for Lots 65 and 206 the front set-back shall be 10 feet instead of 50 feet; for Lots 57, 77 and 139 the side street set-back shall be 20 feet instead of 25 feet as described above, and for Lots 66, 135 and 206 the side street set-back shall be 10 feet instead of 25 feet. "Front lot line" as used in this paragraph shall be the lot line adjacent to a street or highway, provided that if a lot has a street on more than one side the shorter lot line adjoining a street shall be the front lot line, and the longer lot line adjoining a street shall be the side street line. "Side lot line" and "rear lot line", respectively, as used in this paragraph, in respect to any two or more contiguous whole and/or fractional lots owned by (and/or under a contract to be conveyed by the undersigned to) the same person or persons and used as a single building site, shall thereafter mean, respectively, each and/or either of the two outermost side lot lines and the rear lot line furthest from the front lot line considering said contiguous whole and/or fractional lots as one lot. The undersigned (and/or designees of the undersigned), from time to time, may waive any part of the above set-backs if in their judgement special considerations warranting such waiver apply with regard to the lot or the proposed structure.

7. No animals or birds, other than household pets, shall be kept on any lot. No water well shall be dug, drilled, maintained or used on any lot. No hunting or discharging of firearms shall be permitted on any lot or in any part of the subdivision. No trash shall be burned on any lot. No outside clothesline shall be used on any lot. No mini-bike, motor bike or motorcycle shall be operated on any lot unless same shall be licensed for use on state highways and is being used only for entering and departing the lot in connection with travel off the lot. No mini-bike, motor bike, motorcycle, or other motorized vehicle, pump or appliance, shall be operated on any lot or roadway in the subdivision if same shall not have an effective muffler. No activity shall be conducted on any lot or roadway within the subdivision if same is a nuisance to others in the subdivision or detracts from the residential character of the subdivision.

8. Subject to the remaining provisions of this paragraph, no outbuilding other than a private boathouse, garage, or storage building of size hereinbefore provided shall be erected on any lot, and no outbuilding, boathouse, garage or storage building erected on any lot shall at any time be used as a camping shelter or as a dwelling, temporarily or permanently. No shack or unsightly structure or object shall be placed on any lot. Subject to the following requirements, camping shall be permitted on all lots hereunder except Lots 75, 76 and 105. Camping must be in the following camping shelters: camper or travel trailers, motor homes, tents, and like camping shelters. All camping shelters must be built by a commercial builder or manufacturer of camping equipment. Such camping shelters must be of good appearance and in good repair. No lot shall be used for camping for more than 14 days in any 30 day period, and no camping trailer or other camping shelter shall be left or stored on any lot at any time except when

It is being used for camping. Wheels shall not be removed from any travel trailer or camper unit, and no underskirting, structure or building shall be added to any camping shelter or unit. No camping shelter shall be placed within 5 feet of any tool storage building or other building or structure on any lot. Not more than one camping shelter shall be used on any lot at any time. Unless stored in a tool storage building, tents, cots, chairs and other types of temporary camping equipment or structures cannot be left on a lot unattended for more than twenty-four (24) consecutive hours. No pick-up campers shall be removed from the vehicle and placed on any lot for any length of time whatsoever, and any camping use of such pick-up campers on any lot shall be limited to such time as the camper is on a pick-up truck licensed for and mechanically capable of, and regularly used for, travel on public roads.

9. Easements for the purpose of bringing public services to the lots in this subdivision are reserved on all lots hereunder along and within 10 feet of all street lines and along and within 5 feet of all other lot lines of all lots hereunder, except where such lot line is a common boundary with Lake Livingston. Said easements established in the next preceding sentence are for the construction, operation and perpetual maintenance of conduits, poles, wires and fixtures for electric lines, gas lines, telephone lines, water lines, sanitary and storm sewers, road drains and other public and quasi-public utilities, with right of ingress to and egress from across said premises to employees of said utilities. Said easements include the right of said utilities to trim any trees or shrubbery which at any time may interfere or threaten to interfere with the operation or maintenance of such lines. To the extent neither said construction, operation nor maintenance of any of the items mentioned in the preceding sentences of this paragraph has commenced along any respective lot, "side lines of all lots" and "rear lines of all lots", respectively, as used in this paragraph, in respect to any two or more contiguous whole and/or fractional lots owned by (and/or under a contract to be conveyed by the undersigned to) the same person or persons and used as a single building site, shall thereafter mean, respectively, each and/or either of the two outermost side lot lines and the rear lot line furthest from the front lot line considering said contiguous whole and or fractional lots as one lot. Provided, however, that none of the above easement rights created by these subdivision restrictions shall inure to the benefit of or be used by any utility company to facilitate service to any users not within Timber Bay Subdivision, unless the undersigned have consented in writing thereto.

It is understood and agreed that it shall not be considered a violation of the provisions of the easement if wires or cables or cross arms carried by such pole lines pass over some portion of said lots not within the easement as long as such lines do not hinder the construction of buildings on any lots hereunder.

The undersigned and/or their designees may, on any lot and/or lots then owned by them or in easement areas reserved by them on any lot, construct, maintain, use and allow to be used by others, parks, boat ramps, fishing piers, playgrounds, community center buildings, sales offices, water wells, water plants and related pumping, storage, operation and maintenance facilities, and the like, and numbered paragraphs 2, 3, 4, 5, 6, 7, 8, 11, 13 and 14 hereof shall not apply thereto.

10. No outside toilet or privy shall be erected or maintained on any lot hereunder. The materials installed in, and the means and methods of assembly of, all sanitary plumbing shall conform with the requirements of the Health Department of The State of Texas and any other authorities having jurisdiction. A septic tank system or other private sewage facility may be constructed only if it complies with the requirements of the Health Department of the State of Texas and any other authorities having jurisdiction.

11. No lot or portion of any lot shall be used as a dumping ground for rubbish or trash, nor for storage of items or materials (except during construction of a building), and all lots shall be kept clean and free of any boxes, rubbish, trash, tall grass or weeds or other debris. During construction of any building, items stored on the lot shall be neatly stacked. No refrigerators or other large appliances shall be placed outdoors, and no inoperative motor vehicle or detached pick-up camper shall be placed on or allowed to remain on any lot. No open barrels shall be maintained on any lot, and only garbage cans manufactured for that purpose and having fitted lids shall be used for storage of trash or garbage. The undersigned, their successors and assigns, shall have the right to enter the property where a violation exists under this paragraph and remove the incomplete structure or other items and/or clean the lot at the expense of the offending party. This cost and expense plus interest at the maximum lawful rate shall be secured by a lien on the lot so involved upon the upon recording with the County Clerk, Trinity County, Texas, a certificate by the undersigned, their successors or assigns, to such effect and certifying to the amount of such cost and expense. Said lien shall be junior and subordinate to any lien securing purchase money or improvement loans on said lot.

12. Subject to the remaining provisions of this paragraph, as to each lot hereunder, an assessment is hereby made of \$8.00 per month on each lot in Timber Bay Subdivision the owner of which owns only one lot in said subdivision, \$6.00 per month on each lot in Timber Bay Subdivision the owner of which owns two lots in said subdivision, \$4.00 on each lot in Timber Bay Subdivision the owner of which owns three or four lots in said subdivision, and a pro-rata amount per lot in Timber Bay Subdivision the owner of which owns more than four lots in said subdivision to produce a combined total of \$16.00 per month for all of the lots owned by one owner in said subdivision, so that no owner shall be assessed more than a combined total of \$16.00 per month hereunder regardless of the number of lots owned. "Owner" as used in this paragraph shall be any person, persons owning jointly, joint venture, trust, corporation, or other entity, holding title to the lot or lots or who is purchaser under a sales contract with the undersigned of a lot or lots in said subdivision. Such assessments may be used for the construction, reconstruction, improvement and maintenance of roads and streets, boat ramps, swimming pools, parks or parking areas, and other improvements in Timber Bay Subdivision, and for the enforcement of these subdivision restrictions. Said assessment shall accrue from April 1, 1984, and as to any owner acquiring lots from the undersigned after April 1, 1984, from the earlier of the date of the agreement for deed from the undersigned as seller to a purchaser or of the first conveyance of the property by the undersigned to a grantee. Such assessment shall be and is hereby secured by a lien on each lot hereunder, respectively, and shall be payable to T/B Owners Association (a Texas

non-profit corporation), its successors and assigns, the owner of said assessment funds, on March 31 of each year commencing in 1985, at which date in the year 1985 and in successive years said assessment lien shall conclusively be deemed to have attached, and there shall be no lien securing said assessment until March 31st of each such year. Said assessment lien shall be junior and subordinate to any lien which may be placed on any lot or any portion of any lot as security for any interim construction loan and/or any permanent loan for financing improvements on said lot, and/or any purchase money loan for any lot on which a dwelling or building complying with these restrictions has heretofore been constructed. At any time and from time to time, T/B Owners Association may elect, by majority vote of the entire Board of Directors of said Association duly convened, to increase or decrease such assessments, subject to the following:

(a) In no case shall any increase be to an amount greater than the above assessment amounts adjusted in proportion to any increase in the Consumer Price Index published by the U. S. Government, from December 31, 1983, to the date of such proposed increase. If the Consumer Price Index should not be published, the most comparable index published by the U. S. Government shall be substituted therefor.

(b) Ratification by a majority vote of members eligible to vote, with one vote assigned to each lot owned by such member, at a meeting held at least two weeks after written notice of the meeting was mailed to each member eligible to vote, at the address of the member according to the records of said Association, and which notice stated either the exact amount or the maximum amount of the proposed increase or decrease.

(c) Any increase or decrease shall be in ratio to the above rates, to the effect that the new rates shall result in assessments per lot of no more than 75% of the single lot owner per lot rate to the owner of two lots, no more than 50% of the single lot owner per lot rate to the owner of three or four lots, and a pro-rata amount per lot to the owner of more than four lots. The maximum combined total monthly assessments hereunder for all lots owned by an owner shall not exceed 200% of the amount to be paid by the owner of a single lot.

(d) Any increase or decrease shall be applied to assessments for months following the above procedures, and no increase shall become effective until a certificate of such increase or decrease is executed by the President of said Association, acknowledged before a notary public and attested by the Secretary of said Association, and filed for record in the Deed Records of Trinity County, Texas.

13. No "FOR SALE" sign shall be placed on any lot except professionally painted signs of good appearance and condition, of no more than 432 square inches of surface area. Not more than one double-sided sign shall be placed on any lot. Any signs in violation of this paragraph may be removed by the undersigned (and/or their designees, from time to time).

14. No lot or any part of a lot shall be used as a street, access road or public thoroughfare without the prior written consent of the undersigned, their successors and assigns.

15. Subject to the provisions of the last sentence of this paragraph, if any person or entity, as defined hereinafter, whether or not lawfully in possession of any real property hereunder, shall either (i) violate or attempt to violate any restriction or provision herein or (ii) suffer to be violated (with respect to the real property in which such person or entity has rights other than the rights granted by this sentence) any restriction or provision herein, it shall be lawful for T/B Owners Association and/or any person or entity, as defined hereinafter, possessing rights with respect to any real property hereunder, to prosecute any proceedings at law or in equity against any such person or entity violating, attempting to violate and/or suffering to be violated any restriction or provision herein to (i) prevent such violation, (ii) recover damages or other dues for such violation, and (iii) recover court costs and reasonable attorneys' fees incurred in such proceedings. "Person or entity", as used in the next preceding sentence hereof, shall include, but shall not be limited to, all owners and purchasers of any real property hereunder, as well as all heirs, devisees, assignees, legal representatives and other persons or entities who acquire any of the rights (with respect to the real property hereunder) of the owner or purchaser of any real property hereunder. Notwithstanding any other provisions hereof, the undersigned shall neither be liable nor be subject to any proceeding at law or in equity on account of any violation or attempted violation of any restriction or provision herein which occurs during such time as there is in force a contract to purchase the property where such violation or attempted violation takes place.

Neither the undersigned, nor the Architectural Control Committee, nor the members of said Committee, nor the Directors nor officers of T/B Owners Association, shall have any liability nor responsibility at law nor in equity on account of the enforcement of, nor an account of the failure to enforce, these restrictions.

16. Invalidation of any one or more of these covenants and restrictions by judgment of any court shall in nowise affect any of the other covenants, restrictions, and provisions herein contained, which shall remain in full force and effect.

EXECUTED THIS 16th day of March, 1984.

COLDSRING CORPORATION

STOL CORPORATION

**BYLAWS OF
TIMBER BAY OWNERS ASSOCIATION**

**ARTICLE ONE
Membership**

Section 1. Each owner of one or more lots in Timber Bay Subdivision, according to the plat thereof recorded in Cabinet A, Page 265, Plat Records of Trinity County, Texas, and each purchaser under a contract to purchase from Cold-spring Corporation and STOL Corporation, one or more lots in said subdivision (with such contract then being in force), who is current in payment of the maintenance assessments established in paragraph 12 of the Subdivision Restrictions for Timber Bay Subdivision recorded in Deed Records of Trinity County, Texas, and any other dues to Timber Bay Owners Association (hereinafter "the Association") is eligible for membership. In the case of lots owned (as defined above) by two or more persons or any entity other than one individual, the owners or owning entity may designate one person in writing as the person eligible for membership.

Section 2. No member who is in arrears for more than 30 days in respect to the assessments described in Section 1, or in any other dues and/or accounts of the Association, shall be eligible to vote at any meeting of members or in any mail ballot. Provided, however, that no member shall be considered in arrears unless such member has been invoiced for more than 14 days for said assessments or other dues, with such invoice placed in the U.S. mails addressed to the address of the member as shown by the records of the Association.

Section 3. Upon the termination of membership for any cause, whether by resignation, death, expulsion or otherwise, all the rights and interest of the member in the privileges, rights, properties, funds or assets of the Association shall cease, ipso facto. Termination of membership shall not relieve any owner of lots in Timber Bay Subdivision of the obligation to pay maintenance assessments described in paragraph 1, above.

Section 4. Membership shall be evidenced by such card, certificate or other writing as the Board of Directors shall authorize.

Section 5. Each member shall from time to time present to the Association in writing such roster information as may reasonably be required for the records of the Association. It shall be the responsibility of each member to promptly notify the Association of any change of address.

ARTICLE TWO

There shall be no initiation fees. The Board of Directors, by majority vote of the entire Board plus the majority of votes cast at a meeting of the members of the Association duly convened, may increase or decrease the assessments described in Section 1 of Article One, in accordance with Paragraph 12 of Subdivision Restrictions of Timber Bay Subdivision as recorded in Deed Records of Trinity County, Texas, under Clerk's File No. 11215 on January 4, 1984, the provisions therein relating to such increases and decreases, which provisions are incorporated herein by reference as if stated in full herein. No dues, charges or assessments shall be levied as a condition for voting or for use of the facilities located on Lots 75, 76 and 105 of Timber Bay Subdivision unless such dues, charges or assessments are in accordance with paragraph 12 of said Subdivision Restriction of Timber Bay Subdivision.

**ARTICLE THREE
Board of Directors**

Section 1. The affairs and management of the Association shall be conducted by a Board of Directors consisting of five Directors, which board shall have full power and authority to carry out the purposes of the Association and to do any and all lawful acts necessary or proper thereto.

Section 2. Before the annual meeting each year, the President shall appoint a nominating committee of three or more members, which committee shall nominate one or more nominees for each directorship to be filled. Nominations shall be received from said nominating committee and from any member eligible to vote at the meeting.

Section 3. Directors shall serve a term of one year and thereafter until their successors are elected and have qualified. Any Director may succeed himself and serve as many consecutive terms or non-consecutive terms as he may be elected. Directors must be members of the Association, either as individual owners of lot(s) or as the person designated for membership by any other entity owning lot(s).

Section 4. A majority of the Directors shall constitute a quorum at any meeting, and a majority of those present shall be sufficient to determine any question unless specifically provided to the contrary herein. Meetings of the Board of Directors may be held at any place within twenty miles of Timber Bay Subdivision.

ARTICLE FOUR

Officers

Section 1. The officers of the Association shall be elected by the Board of Directors, and shall consist of a President, one or more Vice Presidents, a Secretary, and a Treasurer. More than one office may be held by the same person. All officers shall be elected annually by the Board of Directors within a reasonable time after the annual meeting of the membership of this association. All officers shall hold office for a period of one year, or until his successor is duly elected and qualified. No officer shall be required to be a member of the Association nor of the Board of Directors.

Section 2. The President shall be the chief executive officer of the Association and shall preside over meetings of the Board of Directors and meetings of the membership.

Section 3. Any Vice President shall exercise the functions of the President in his absence and shall perform such other duties as the Board of Directors may prescribe.

Section 4. The Secretary shall keep, or cause to be kept, the minutes of all meetings and a complete list of all members and their addresses, shall give the notices required therein, and shall perform all duties required of a Secretary.

Section 5. The Treasurer shall work closely with the Association manager in the collection of all fees, dues and charges and the handling and disbursing of all money. He shall be responsible for the proper accounting of the Association's financial affairs and the preparing of proper reports on financial matters and such other reports as may be specified by the Board of Directors.

ARTICLE FIVE

Committees

Section 1. The Board of Directors or the President may appoint such committees from time to time, and delegate to such committees such duties, as it or he may deem proper.

Section 2. The appointments of the membership committee and the nominating committee shall be made by the President as provided above.

ARTICLE SIX

Meetings

Section 1. The annual meeting of the members of the Association shall be held on the first Sunday in May of each year, commencing at 10:00 o'clock A.M., at Lot 75 of Timber Bay Subdivision without further notice than these Bylaws, or at such other place within twenty miles of Timber Bay Subdivision as shall be determined by the Board of Directors of the Association, if such alternate meeting place shall be designated in written notice to all members at least 10 days prior to the meeting date. Special meetings may be called by

the President or by a majority of the Board of Directors, provided that 2 weeks written notice shall be given to all members before any such special meeting.

Section 2. The vote of a majority of the total votes cast by qualified voting members present in person or by proxy shall decide any question brought before such meeting. For voting purposes, each member shall have one vote for each lot owned in Timber Bay Subdivision.

Section 3. The presiding officer at the annual meeting of members shall receive the nominations of the nominating committee, and shall also solicit other nominations from the floor.

Section 4. Without notice, the annual meeting of the Board of Directors shall be held and at the same place as and immediately following the annual meeting. Special meetings of the Board of Directors shall be called at any time by the President or by any three members of the Board of Directors. Ten days written notice shall be required for special meetings of the Board of Directors unless notice is waived in writing.

Section 5. No notice shall be required in respect to any annual or regular meeting of members nor annual nor regular meeting of the Board of Directors, unless the meeting place shall be changed as described in Section 1.

ARTICLE SEVEN

Miscellaneous

Section 1. These Bylaws or any part thereof may be amended, modified or repealed only after and approval of a majority of all of the Directors of the Association, and ratification by a majority of the members eligible to vote who are in attendance or vote by proxy at a meeting duly convened or by a mail ballot of a majority of all members of the Association eligible to vote.

Section 2. Unless otherwise required by Statute, by the Articles of Incorporation or by these Bylaws, any notice required to be given shall not be deemed to be personal notice, but may be orally given by the President or may be given by placing written notice in the U.S. Postal Service mails addressed to the Member or Director at the most recently furnished address of such Member or Director.

Section 3. The Association shall not enter into any contract to pay, and shall not pay, any salary or other remuneration to any officer, Director nor committee member of the Association for their services as such nor in any other capacity regardless of the capacity in which they may act. However, nothing in this Section shall prevent the Association from reimbursing any officer or director for cash payments of expenses for the Association.

Section 4. All funds of the Association shall be deposited in a bank account owned by the Association. All checks on the bank account of the Association shall bear the signatures of two authorized persons, who do not have to be officers of the Association.

Section 5. Any member of the Association shall have access at all reasonable times to a list of names and addresses of members of the Association.

