



2022 SCHEDULE OF FEES AND CHARGES

MAINTENANCE FEES

Home Owner, Gold Card	
Mandatory-Unlimited Privileges	<i>\$198/month</i>
Lot Owner, Green Card	
Mandatory (Gold Card optional)	
4 Free Rounds of Golf/Year	
Reduced Green Fees	<i>\$108/month</i>
A 3% Discount on Maintenance Fees is	
Available If Paid in Full for 2022 by	
5 pm on 01/31/22	
Gold Card (w/ discount)	<i>\$2,304.72/year</i>
Green Card (w/ discount)	<i>\$1,257.12/year</i>

SPECIAL FUND FOR LAKEVIEW, GOLFVIEW, & WATER'S EDGE

*\$39/month**

PROPERTY TRANSFER FEE

Current Property Owner	\$1,250/each*
New Property Owner	\$2,500/each*

STORAGE FACILITY RENTAL

Large	\$71/month
Small	\$51/month
Uncovered Assigned Space	\$15/month

GOLF GREEN FEES

Gold Card, Home Owner	No Charge
Green Card, Lot Owner	\$15/person
Guest 9 Holes	\$25/person
Guest (Weekday) 18 Holes	\$40/person
Guest (Weekend) 18 Holes	\$45/person
Junior Guests 17& under	\$11/person
Unaccompanied Guests	\$50/person

GOLF CART RENTALS

18 Holes	\$16.50/person*
9 Holes	\$10/person*

GOLF CART FEES

Private Cart	\$440/year
Second cart on same account	\$340/year

Fee for private carts will be
billed on 02/28/22 and is
due and payable 03/31/22

RANGE PLAN

Individual	\$204/year*
Family	\$255/year*

HANDICAP FEE

\$24/year

TENNIS GUEST FEES

No Charge

SWIM GUEST FEES

No Charge

* Indicates taxable item. 8.25% sales tax applies.

7
ELKINS LAKE, SECTION FOUR
RESERVATIONS, RESTRICTIONS AND COVENANTS

THE STATE OF TEXAS §
 §
COUNTY OF WALKER §

KNOW ALL MEN BY THESE PRESENTS:

That LAKEWOOD HILLS, a joint venture consisting of Statewide Lumber Company, First General Realty Corporation, and CLSA Corporation, each a Texas corporation, having its principal place of business in Houston, Harris County, Texas (hereinafter called the "Developer"), being the owner of that certain tract of land which has heretofore been platted into that certain subdivision known as "Elkins Lake, Section Four", according to the plat of said subdivision recorded in the Office of the County Clerk of Walker County, Texas, on June 24, 1974, after having been approved as provided by law, and being recorded in Volume 1, Page 21 of the Plat Records of Walker County, Texas, and desiring to create and carry out a uniform plan and scheme for the improvement, development and sale of property in said Elkins Lake, Section Four (herein referred to as the "Subdivision") does hereby adopt, establish, promulgate and impress the following Reservations, Restrictions and Covenants, which shall be and are hereby made applicable to the Subdivision, except the area marked "Unrestricted Reserve" on the recorded plat, which area is not restricted or affected in any manner whatsoever by this instrument.

I.

General Provisions

Applicability

1.01. Each Contract, Deed, or Deed of Trust which may be hereafter executed with respect to any property in the Subdivision shall be deemed and held to have been executed, delivered and accepted subject to all of the provisions of this instrument, including, without limitation, the Reservations, Restrictions and Covenants herein set forth, regardless of whether or not any of such provisions are set forth in said Contract, Deed, or Deed of Trust, and whether or not referred to in any such instrument.

Dedication

1.02. The streets and roads shown on said recorded plat are dedicated to the use of the public. The utility easements shown thereon are dedicated subject to the reservations hereinafter set forth.

Reservations

1.03. A. The utility easements shown on the recorded plat are dedicated with the reservation that such utility easements are for the use and benefit of any public utility operating in Walker County, Texas, as well as for the benefit of the Developer and the property owners in the Subdivision to allow for the construction, repair, maintenance and operation of a system or systems

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of electric light and power, telephone lines, gas, water, sanitary sewers, storm sewers and any other utility service which the Developer may find necessary or proper.

B. The title conveyed to any property in the Subdivision shall not be held or construed to include the title to the water, gas, electricity, telephone, storm sewer or sanitary sewer lines, poles, pipes, conduits or other appurtenances or facilities constructed by the Developer or public utility companies upon, under, along, across or through such public utility easements; and the right (but no obligation) to construct, maintain, repair and operate such systems, utilities, appurtenances and facilities is reserved to the Developer, its successors and assigns.

C. The right to sell or lease such lines, utilities, appurtenances or other facilities to any municipality, governmental agency, public service corporation or other party is hereby expressly reserved to the Developer.

D. The Developer reserves the right to make minor changes in and minor additions to such utility easements for the purpose of more efficiently serving the Subdivision or any property therein.

E. When necessary or convenient for the installation of any utility system or systems, the Developer or any utility company making such installation and utility easements dedicated on the above-mentioned plat or dedicated herein or hereafter created in the Subdivision, may, without liability to the owner of the land encumbered by such utility easement, remove all or any trees and other vegetation within the utility easements. When necessary or desirable for the maintenance of such utility system or systems, Developer or a utility company may trim trees and shrubbery or roots thereof which overhang or encroach into such easements, without liability to the owner of such trees or shrubbery.

F. The Developer reserves the right to construct one or more esplanades in the areas where esplanades are shown on the recorded plat. The Developer further reserves the right to improve, landscape, alter, modify and eliminate any one or more of such esplanades (or reinstall one or more of such esplanades) at any time, and from time to time, hereafter.

G. The Developer reserves the right at any time, and from time to time, hereafter to promulgate and impose restrictions (as well as vary and amend any such restrictions) as to all or any portion of the areas of the Subdivision identified on the aforesaid plat, as "reserve" or as "drainage easement". Any such action by the Developer shall not, in order to be fully binding, require the joinder of any other person, whether such person be an owner of the property in the Subdivision, a lienholder, a mortgagee, a Deed of Trust beneficiary, or any other person. This instrument does not affect or restrict any of the aforesaid "reserve" or the "drainage easement".

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Duration

1.04. The provisions hereof, including the Reservations, Restrictions and Covenants herein set forth, shall run with the land and shall be binding upon the Developer, its successors and assigns, and all persons or parties claiming under it or them for a period of thirty-five (35) years from the date hereof, at which time all of such provisions shall be automatically extended for successive periods of ten (10) years each, unless prior to the expiration of any such period of thirty-five (35) years or ten (10) years, the then owners of a majority of lots in the Subdivision shall have executed and recorded an instrument changing the provisions hereof, in whole or in part, the provisions of said instrument to become operative at the expiration of the particular period in which such instrument is executed and recorded, whether such particular period be the aforesaid thirty-five (35) year period or any successive ten (10) year period thereafter.

Enforcement

1.05. In the event of any violation or attempted violation of any of the provisions hereof, including any of the Reservations, Restrictions or Covenants herein contained, enforcement shall be authorized by any proceedings at law or in equity against any person or persons violating or attempting to violate any of such provisions, including proceedings to restrain or prevent such violation or attempted violation by injunction, whether prohibitive in nature or mandatory in commanding compliance with such provisions; and it shall not be a prerequisite to the granting of any such injunction to show inadequacy of legal remedy or irreparable harm. Likewise, any person entitled to enforce the provisions hereof may recover such damages as such person has sustained by reason of the violation of such provisions. It shall be lawful for the Developer or for any person or persons owning property in the Subdivision (or in any other Section of Elkins Lake) to prosecute any proceedings at law or in equity against the person or persons violating or attempting to violate any of such provisions.

Partial
Invalidity

1.06. In the event that any portion of the provisions hereof shall become or be held invalid, whether by reason of abandonment, waiver, estoppel, judicial decision or otherwise, such partial invalidity shall not affect, alter or impair any other provisions hereof which was not thereby held invalid; and such other provisions, including Restrictions, Reservations and Covenants shall remain in full force and effect, binding in accordance with their terms.

Effect of
Violations
on Mortgagees

1.07. No violation of the provisions herein contained, or any portion thereof, shall affect the lien of any Mortgage or Deed of Trust presently or hereafter placed of record or otherwise affect the rights of the Mortgagee under any such Mortgage, holder

of any such lien or beneficiary of any such Deed of Trust; and any such Mortgage, lien or Deed of Trust may, nevertheless, be enforced in accordance with its terms, subject, nevertheless, to the provisions herein contained, including said Reservations, Restrictions and Covenants.

II.

Architectural Control

Basic Rule

2.01. A. No building or other improvements of any character shall be erected or placed, or the erection or placing thereof commenced, or changes made in the design thereof or any addition made thereto or exterior alteration made therein after original construction, on any property in the Subdivision until the obtaining of the necessary approval (as hereinafter provided) of the construction plans and specifications and a plat showing the location of such building or other improvements. Such plans and specifications shall also include and cover all landscaping work which is proposed to be done on the property. Approval shall be granted or withheld based on matters of compliance with the provisions of this instrument, quality of materials, harmony of external design with existing and proposed structures and location with respect to topography and finished grade elevation.

B. Each application made to the Developer or Elkins Lake Architectural Control Committee (as defined below) shall be accompanied by two sets of plans and specifications for all proposed construction to be done on such lot including plot plans showing the location on the lot and dimensions of all proposed walls, driveways, curb cuts and other matters relevant to architectural approval.

C. Developer, until the Elkins Lake Architectural Control Committee is selected, and thereafter the Elkins Lake Architectural Control Committee shall have the power and authority to create, alter or amend building setback lines, utility easement lines, and requirements as to design of buildings and materials to be used in construction thereof for any lot or lots within the Subdivision, provided that such authority shall be exercised for the purpose of making the lot or lots so affected useful for the purpose for which they were designed and for the purpose of harmonizing and making aesthetically attractive the Subdivision or the neighborhood of the Subdivision in which the lot so affected is located, as such matters may be determined in the good-faith judgment of the Developer or the Elkins Lake Architectural Control Committee.

Architectural
Control Authority

2.02. A. The authority to grant or withhold architectural control approval as referred to above is vested

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in the Developer; except, however, that such authority of the Developer shall cease and terminate upon the election of the Elkins Lake Architectural Control Committee, in which event such authority shall be vested in and exercised by the Elkins Lake Architectural Control Committee (as provided in B below), hereinafter referred to, except as to plans and specifications and plats theretofore submitted to the Developer which shall continue to exercise such authority over all such plans, specifications and plats.

B. At such time as all of the lots in the Subdivision and in all other Sections of Elkins Lake (as platted, from time to time, hereafter) shall have been sold by the Developer, then the Developer shall cause a Statement of such circumstances to be placed of record in the Deed Records of Walker County, Texas. Thereupon, the lot owners in Elkins Lake may by vote, as hereinafter provided, elect a committee of three (3) members to be known as the Elkins Lake Architectural Control Committee (herein referred to as the "Committee"). Each member of the Committee must be an owner of property in some Section of Elkins Lake. Each lot owner shall be entitled to one (1) vote for each whole lot or building site owned by that owner. In the case of any building site composed of more than one (1) whole lot, such building site owner shall be entitled to one (1) vote for each whole lot contained within such building site.

The Developer shall be obligated to arrange for the holding of such election with sixty (60) days following the filing of the aforesaid Statement by the Developer in the Deed Records of Walker County, Texas, and give notice of the time and place of such election (which shall be in Walker County, Texas) not less than five (5) days prior to the holding thereof. Nothing herein shall be interpreted to require that the Developer actually file any such Statement so long as it has not subdivided and sold the entirety of the property heretofore or hereafter platted as "Elkins Lake" which includes the property conveyed by deeds recorded at Volume 215, Page 580; Volume 227, Page 643; Volume 228, Page 647; and Volume 241, Page 64, of the Deed and Plat Records of Walker County, Texas; nor to affect the time at which the Developer might take such action if, in fact, the Developer does take such action.

Votes of owners shall be evidenced by written ballot furnished by the Developer (or the Committee, after the initial election) and the Developer (or the Committee, after the initial election) shall maintain said ballots as a permanent record of such election for a period of not less than four (4) years after such election. Any owner may appoint a proxy to cast his ballot in such election, provided that his written appointment of such proxy is attached to the ballot as a part thereof.

The results of each such election shall promptly be determined on the basis of the majority of those owners then voting in such election.

The results of any such election and of any removal or replacement of any member of the Committee may be

evidenced by the recording of an appropriate instrument properly signed and acknowledged in behalf of the Developer or by a majority of the then property owners voting in such election.

After the first such election shall have been held, thereafter the Committee shall be obligated to arrange for elections (in the manner and after notice as set forth above) for the removal and/or replacement of Committee members who so requested in writing by thirty (30) or more lot owners in the Sub-division. Members of the Committee may, at any time, be relieved of their position and substitute members therefor designated by vote as set forth above.

Upon the death, resignation, refusal or inability of any member of the Committee to serve, the remaining members of the Committee shall fill the vacancy by appointment, pending an election as hereinabove provided for.

If the Committee should fail or refuse to take any action herein provided to be taken by the Committee with respect to setting elections, conducting elections, counting votes, determining results and evidencing such results, or naming successor Committee members, and such failure or refusal continues for a period which is unreasonably long (in the exclusive judgment of the Developer, then the Developer may validly perform such function).

C. The members of the Committee shall be entitled to such compensation for services rendered and reimbursement for reasonable expenses incurred as may, from time to time, be authorized or approved by the Developer. All such sums payable as compensation and/or reimbursement shall be payable only out of the "Maintenance Fund", hereinafter referred to.

Effect of
Inaction

2.03. Approval or disapproval as to architectural control matters as set forth in the preceding provisions shall be in writing. In the event that the authority exercising the prerogative of approval or disapproval (whether the Developer or the Committee) fails to approve or disapprove in writing any plans and specifications and plat submitted to it in compliance with the preceding provisions within thirty (30) days following such submission, such plans and specifications and plat shall be deemed approved and the construction of any such building and other improvements may be commenced and proceeded with in compliance with all such plans and specifications and plat and all of the other terms and provisions hereof.

Effect of
Approval

2.04. The granting of the aforesaid approval shall constitute only an expression of opinion, whether by the Developer or the Committee, that the terms and provisions hereof shall be

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complied with if the building and/or other improvements are erected in accordance with said plans and specifications and plat; and such approval shall not constitute any nature of waiver or estoppel either as to the persons expressing such approval or any other person in the event that such building and/or improvements are not constructed in accordance with such plans and specifications and plat or in the event that such building and/or improvements are constructed in accordance with such plans and specifications and plat, but, nevertheless, fail to comply with the provisions hereof. Further, no person exercising any prerogative of approval or disapproval shall incur any liability by reason of the good faith exercise thereof. Exercise of any such prerogative by one (1) or more members of the Committee in their capacity as such shall not constitute action by the Developer after the election of such Committee members, notwithstanding that any such Committee member may be a Director of the Developer.

III.

Designation of Types of Lots

3.01. A. All lots in the Subdivision having a common boundary with any portion of Elkins Lake as shown on the recorded plat are hereby designated as "Lakefront Lots".

B. All lots in the Subdivision having a common boundary with any portion of a "reserve" or "drainage easement" (as shown on the recorded plat) are hereby designated as "Parkfront Lots".

C. All lots in the subdivision which are neither Lakefront Lots nor Parkfront Lots are hereby designated as "Town and County Lots".

3.02. The "General Restrictions" set forth in IV below shall be applicable to all types of lots in the Subdivision hereinabove enumerated and designated. The "Special Restrictions" set forth in V below shall, in addition to the General Restrictions, apply to the particular type of lots in the Subdivision so indicated.

IV.

General Restrictions

4.01. No building shall be erected, altered or permitted to remain on any lot other than one (1) detached single-family residential dwelling not to exceed two (2) stories in height and a private garage (or other covered car-parking facility) for not more than three (3) automobiles and other than bona fide servants' quarters; provided, however, that the servants' quarters structure shall not exceed the main dwelling in area, height or number of stories. For purposes of this instrument, the word "lot" shall not be deemed to include any portion of the following areas shown on the recorded plat: The golf course; any esplanade; any unrestricted area shown on the plat.

4.02. The living area of the main residential structure (exclusive of porches, whether open or screened, garage or other car-parking facility, terraces, driveways and servants' quarters) shall be not less than the following respective amounts for each of the designated particular types of lots:

Lakefront Lots and Parkfront Lots: 1,800 square feet for a one-story dwelling; 2,400 square feet for a two-story dwelling.

Town and Country Lots: 1,500 square feet for a one-story dwelling; 2,000 square feet for a two-story dwelling.

The exterior materials of the main residential structure and any attached garage (or other attached car-parking facility) on all lots shall be not less than fifty-one percent (51%) masonry. A detached garage (or other detached car-parking facility) may be of wood. The exterior roofing material of the main residential structure and any attached garage (or other attached car-parking facility) on all lots shall be wood shakes unless a deviation from this requirement is approved by the Developer (or Architectural Control Committee after its appointment).

4.03. No building shall be located on any lot nearer to the front street line or nearer to the street side line than the minimum building setback lines shown on the aforesaid plat (designated thereon as "B.L."). Subject to the provisions of Section 4.04 hereof, no building shall be located nearer than five (5) feet to an interior side lot line, except that a garage or other permitted accessory building located forty (40) feet or more from the front lot line may be a minimum distance of three (3) feet from an interior side lot line. For the purpose of this covenant, eaves, steps and unroofed terraces shall not be considered as part of a building, provided, however, that this shall not be construed to permit any portion of the construction on a lot to encroach upon another lot.

4.04. Any owner of one or more adjoining lots (or portions thereof) may consolidate such lots or portions into one building site, with the privilege of placing or constructing improvements on such resulting site, in which case side setback lines shall be measured from the resulting side property lines rather than from the lot lines as indicated on the recorded plat. Any such composite building site must have a frontage at the building setback line of not less than the minimum frontage of lots in the same block. Any such composite building site (or building site resulting from the remainder of one or more lots having been consolidated into a composite building site) must be of not less than nine thousand (9,000) square feet in area (and this shall supersede any contrary provision in the Subdivision plat). Any modification of a building site (changing such building site from either a single lot building site or from a multiple whole lot building site), whether as to size or configuration, may be made only with the prior written approval of the Developer until the Committee is selected and thereafter, only with the prior written approval of the Committee. Upon any such required approval having been obtained, such composite building

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site shall thereupon be regarded as a "lot" for all purposes hereunder, except, however, that for purposes of voting for the Committee (as provided under Section 2.02.B above), an owner shall be entitled to one (1) vote for each whole lot within such owner's building site.

4.05. All lots in the Subdivision shall be used only for single-family residential purposes. No noxious or offensive activity of any sort shall be permitted, nor shall anything be done on any lot which may be or become an annoyance or nuisance to the neighborhood. No lot in the Subdivision shall be used for any commercial, business or professional purpose nor for church purposes. The renting or leasing of any improvements thereon or portion thereof, without the prior written consent of Developer is prohibited. No house trailer, camper trailer, camper vehicle or motor vehicle (or portion thereof) shall be lived in on any lot.

4.06. At the time of initial construction of improvements on any lot in the Subdivision, the owner of each lot shall expend not less than \$500.00 for planting of grass and shrubbery and other landscaping work; and such grass, shrubbery, and landscaping shall be maintained in an attractive condition at all times.

4.07. No structure of a temporary character, trailer, basement, tent, shack, garage, barn or other outbuilding shall be used on any lot at any time as a residence, except, however, that a garage may contain living quarters for bona fide servants and except also that a field office, as hereinafter provided, may be established.

Until the Developer has sold all other lots in Elkins Lake (and during the progress of construction of residences in the Subdivision), a temporary field office for sales and related purposes may be located and maintained by the Developer (and/or its sales agents). The location of such field office may be changed, from time to time, as lots are sold. The Developer's right to maintain such field office (or permit such field office to be maintained) shall cease when all lots in Elkins Lake, except the lot upon which such field office is located, have been sold.

4.08. No animals, livestock or poultry of any kind shall be raised, bred or kept on any lot, except that dogs, cats or other common household pets may be kept as household pets provided they are not kept, bred or maintained for commercial purposes and provided they do not constitute a nuisance and do not, in the sole judgment of the Developer constitute a danger or potential or actual disruption of other lot owners, their families or guests.

4.09. Where a wall, fence, planter or hedge is not specifically prohibited under the Special Restrictions set forth in V below, the following (as to any permitted wall, fence, planter or hedge) shall apply: No wall, fence, planter or hedge in excess of two (2) feet high shall be erected or maintained nearer to the front lot line than the front building setback line, nor on corner lots nearer to the side lot line than the building setback line parallel to the side street. No rear fence, wall or hedge and no

side fence, wall or hedge located between the side building line and the interior lot line (or located on the interior lot line) shall be more than six (6) feet high.

In order to avoid obstructing lines-of-sight at street intersections, no object in excess of two (2) feet in height above the grade level of the curb at that location shall be permitted on corner lots within a triangular area which is formed by drawing a line which connects a point twenty-five (25) feet back from the intersection along the front boundary of such lot on the street it faces with another point twenty-five (25) feet back from the intersection along the side boundary of such lot on the street which runs along such side.

4.10. The drying of clothes in public view is prohibited, and the owners or occupants of any lots at the intersection of streets or adjacent to parks, playgrounds or other facilities where the rear yard or portion of the lot is visible to the public, shall construct and maintain a drying yard or other suitable enclosure to screen drying clothes from public view.

4.11. All lots shall be kept at all times in a sanitary, healthful and attractive condition, and the owner or occupant of all lots shall keep all weeds and grass thereon cut and shall in no event use any lot for storage of material or equipment except for normal residential requirements or incident to construction of improvements thereon as herein permitted, or permit the accumulation of garbage, trash or rubbish of any kind thereon, and shall not burn any garbage, trash or rubbish. All clothes lines, yard equipment or storage piles shall be kept screened by a service yard, drying yard or other similar facility as herein otherwise provided, so as to conceal them from view of neighboring lots, streets or other property. Boats, trailers and other parked vehicles are to be stored in a location no closer to the street than the front building setback line, or in the case of a corner lot the side building line facing the street.

In the event of default on the part of the owner or occupant of any lot in observing the above requirements or any of them, such default continuing after ten (10) days written notice thereof, the Developer (until the Committee is selected, and thereafter, the Committee) may, without liability to the owner or occupant in trespass or otherwise, enter upon (or authorize one or more others to enter upon) said lot, and cause to be cut, such weeds and grass, and remove or cause to be removed such garbage, trash and rubbish or do any other thing necessary to secure compliance with these restrictions, so as to place said lot in a neat, attractive, healthful and sanitary condition, and may charge the owner or occupant of such lot for the reasonable cost of such work and associated materials. The owner or occupant, as the case may be, agrees by the purchase or occupation of the property to pay such statement immediately upon receipt thereof; however, the payment of such charge is not secured by any nature of lien on the property.

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4.12. Before initial residential occupancy, no sign, advertisement, billboard or advertising structure of any kind may be erected or maintained on any lot in the Subdivision without the prior approval of the Developer; and any such approval which is granted by the Developer may be withdrawn at any time by the Developer, in which event, the party granted such permission shall, within the period designated by the Developer (which in no event shall be less than five (5) days), thereupon remove same. After initial residential occupancy of improvements on any particular lot in the Subdivision, no sign, advertisement, billboard or advertising structure of any kind other than a normal for-sale sign approved by the Developer as to design, not exceeding two feet by three feet (2' x 3') erected on a post in the ground, and applicable to such lot alone, may be erected or maintained on such lot.

The Developer until the Committee is selected, and thereafter, the Committee, shall have the right to remove and dispose of any such prohibited sign, advertisement, billboard or advertising structure which is placed on any lot, and in so doing shall not be subject to any liability for trespass or other tort in connection therewith or arising from such removal nor in any way be liable for any accounting or other claim by reason of the disposition thereof.

4.13. The digging of dirt or the removal of any dirt from any lot is expressly prohibited except as necessary in conjunction with the landscaping of or construction on such lot. No trees shall be cut or removed except to provide room for construction of improvements or to remove dead or unsightly trees.

4.14. No outside aerial, pole or other device shall project above the highest ridge of the house by more than fifteen (15) feet.

4.15. No lot or other portion of Elkins Lake shall be used or permitted for hunting or for the discharge of any pistol, rifle, shotgun, or any other firearm, or any bow and arrow or any other device capable of killing or injuring.

4.16. Driveways shall be entirely of concrete (except, however, some other material may be used with the prior permission of the Developer) and shall be constructed with a minimum width of nine (9) feet with expansion joints not more than twenty (20) feet apart, with one joint at the back of the street curb. The width of each driveway shall flair to a minimum of sixteen (16) feet and the curb shall be broken in such manner that the driveway may be at least four (4) inches thick at its end toward the street paving, and this extreme shall be poured against a horizontal form board to reduce the unsightly appearance of a raveling driveway.

4.17. Walks from the street curb to the residence shall have a minimum width of four (4) feet and shall be constructed entirely of concrete (except, however, that some other material may be used with the prior consent of the Developer).

4.18. No outside toilets will be permitted, and no installation of any type of device for disposal of sewage shall be allowed which would result in raw or untreated or unsanitary sewage being carried into any water body. No septic tank or other means of sewage disposal may be installed unless approved by the proper governmental authorities having jurisdiction with respect thereto and the Developer.

4.19. No oil drilling, oil development operations, oil refining, or mining operations of any kind shall be permitted upon any lot, nor shall any wells, tanks, tunnels, mineral excavations or shafts be permitted upon any lot. No derrick or other structure designed for use in boring for oil, or natural gas, shall be erected, maintained or permitted on any building site. At no time shall the drilling, usage or operation of any water well be permitted on any lot.

V.

Special Restrictions

5.01. In addition to the General Restrictions set forth in Article IV above, the following restrictions shall apply to Lakefront and Parkfront Lots:

A. Only underground electric service shall be available for said lots and no above surface electric service wires shall be installed outside of any structure. Underground electric service lines shall extend through and under said lots in order to serve any structure thereon, and the area above said underground lines and extending two and one-half (2-1/2) feet to each side of said underground line shall be subject to excavation, refilling and ingress and egress for the installation, inspection, repair, replacing and removing of said underground facilities by such utility company; and owners of said lots shall ascertain the location of said lines and keep the area over the route of said lines free of excavation and clear of structures, trees or other obstructions.

B. No wall, fence, planter, hedge (or other improvement or object serving a like or similar purpose) shall be constructed or permitted without the prior written consent of the Developer. In no event shall the Developer approve any of the aforesaid along any lot line.

C. Any garage must be attached to the main residence and must be not nearer to the common boundary separating such lot from the reserve bordering such lot or the rear line of such lot (in the case of Parkfront Lots) or the Lake Shore (in the case of Lakefront Lots), than the rear setback line shown on the aforesaid plat. This requirement for an attached garage supersedes any contrary requirements in Article IV above.

5.02. In addition to the General Restrictions set forth in Article IV above and the Special Restrictions set forth in Section 5.01 above, the following additional restrictions shall also apply to Lakefront Lots:

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A. No pier or other structure (other than a bulkhead, as hereinafter referred to) shall be permitted which projects beyond the lot line or into the water (whether within or outside of the lot line).

B. A bulkhead may be constructed as the water's edge with or without a dock, which dock, if constructed, may extend not more than four (4) feet beyond the bulkhead, provided that the plans and specifications for such bulkhead (and dock, if any) have been approved by the Developer (or Architectural Control Committee, if selected) and such bulkhead (and dock, if any) is thereafter constructed in strict compliance with such plans and specifications.

C. A boat slip or place of mooring which is constructed at an indentation into such lot shall be permitted.

D. No wall, fence, planter, hedge or other improvement extending over four (4) feet above grade level shall be constructed or permitted closer to the lake shore than the rear setback line shown on the aforesaid plat.

5.03. In addition to the General Restrictions set forth in Article IV above and the Special Restrictions applicable to such lots as set forth herein, the following additional restrictions shall apply to all Lakefront and Parkfront Lots:

A. No improvements shall be erected upon any such lot unless the top of the foundation slab or other foundation is not less than three hundred fifty-three (353) feet above sea level. The Developer does not, by inclusion of this provision in these restrictions, make any representation as to the maximum height to which Elkins Lake or other waters might rise.

B. The one hundred year flood plain level applicable to the Subdivision as determined at the time of the execution of these Restrictions is three hundred fifty-three (353) feet above mean sea level. By acceptance of a deed to any lot subject to these restrictions, the purchase thereof acknowledges that he has been notified that part or all of Lakefront Lots and Parkfront Lots may lie within the one hundred year flood plain and agrees that neither the Developer, nor its successors or assigns, shall be liable for any loss of use of or damage done to any shrubbery, trees, flowers, improvements, bulkheads, piers (or any vessels attached thereto), fences, walls or buildings of any type or the contents thereof on any lot whatsoever in the Subdivision caused by changes in the water level of Elkins Lake, Camellia Lake or Azalea Lake.

VI.

Maintenance Funds

6.01. Each lot (or residential building site) in the Subdivision shall be and is hereby made subject to an annual maintenance charge, except as otherwise hereinafter provided.

6.02. The maintenance charge referred to shall be used to create a fund to be known as the "Maintenance Fund"; and each such maintenance charge shall (except as otherwise hereinafter provided) be paid by the owner of each lot (or residential building site) annually, in advance, on or before January 1st of each year, beginning 1974. At the option of Developer, the maintenance charge

herein imposed may be paid in twelve installments, monthly in advance. Developer's election to allow such monthly payment of the maintenance charge may be terminated at any time.

6.03. The exact amount of each maintenance charge will be determined by the Developer during the month preceding the due date of said maintenance charge. All other matters relating to the assessment, collection, expenditure and administration of the Maintenance Fund shall be determined by the Developer.

In addition to the maintenance charge herein referred to, each lot shall be subject to a monthly charge for street lighting services; such charge will be included in the monthly bill from Gulf States Utilities Company to such lot owner and shall be in addition to all other charges which such lot owner may incur for electric service. The amount of such monthly charge shall be determined by Gulf States Utilities Company and without limiting the right of such Company to assess a different figure in the future, the initial monthly charge shall be \$0.50 per month.

In the event that Developer and Elkins Lake Municipal District should so contract for the benefit of the said Utility District, in addition to the maintenance charge herein referred to, each lot shall also be subject to a monthly utility charge of FIVE DOLLARS AND NO/100-----Dollars (\$5.00) payable to the Elkins Lake Municipal Utility District commencing on the first day of the first full calendar month following the month in which a water line and a sanitary sewer line is extended by such Municipal Utility District to a property line of the subject lot and terminating upon the completion of the construction of a residence on such lot and the connection of such residence to such water line and sanitary sewer line. Developer, at its election, may require the payment of such utility charge annually in advance, subject to a pro rata rebate in the event that a residence is completed during such year. The payment of the aforesaid street lighting charge and the aforesaid utility charge are and shall be secured by the same lien which secures the maintenance charge. The Developer shall have the right, at its option, to contract with Gulf States Utilities Company or Elkins Lake Municipal Utility District or both to collect the maintenance charges, street lighting charges and/or utility charges herein imposed and in connection therewith, may assign the lien securing payment thereof to either or both of said entities for the period of said contract.

6.04. The maintenance charge shall not, without the consent of the Developer, apply to lots owned by the Developer or owned by any person, firm, association or corporation engaged primarily in the building and construction business which has acquired title to any such lots for the sole purpose of constructing improvements thereon and thereafter selling such lots; however, upon any such sale of such lots by such person, firm, association or corporation to a purchaser whose primary purpose is to occupy and/or rent and/or lease such lot (and improvements thereon, if any) to some other occupant, then the maintenance charge shall thereupon be applicable to such lot; and the Developer hereby consents to the applicability of the maintenance charge to each such lot under the circumstances herein stated. Any transfer of title to any lot by any such person, firm, association or corporation engaged primarily in the building and construction business to a transferee engaged primarily in the building and construction business shall not result in the applicability of the maintenance charge to such lot owned by the transferee or any succeeding transferee primarily engaged in the building and construction business without the consent of the Developer. The Developer

reserves the right at all times, in its own judgment and discretion, to exempt any lot in the Subdivision from the maintenance charge, and exercise of such judgment and discretion when made in good faith shall be binding and conclusive on all persons and interests. The Developer shall have the further right at any time, and from time to time, to adjust, alter or waive said maintenance charge from year to year as it deems proper; and the Developer shall have the right at any time to discontinue or abandon such maintenance charge, without incurring liability to any person whomsoever by filing a written instrument in the Office of the County Clerk of Walker County, Texas, declaring any such discontinuance or abandonment.

6.05. The maintenance charges collected shall be paid into the Maintenance Fund to be held and used for the benefit, directly or indirectly, of the Subdivision; and such Maintenance Fund may be expended by the Developer for any purposes which, in the judgment of the Developer will tend to maintain the property values in the Subdivision, including, but not by way of limitation: providing for the enforcement of the provisions of this instrument, including the aforesaid Reservations, Restrictions and Covenants; reasonable compensation and reimbursement to the Developer and members of the Committee with respect to services performed by such Developer and Committee members incident to their duties hereunder; for the maintenance, operation, repair, benefit and welfare of any recreational facilities which might hereafter be established in Elkins Lake; and generally for doing any other thing necessary or desirable in the opinion of the Developer to maintain or improve the property or the Subdivision. The use of the Maintenance Fund for any of these purposes is permissive and not mandatory, and the decision of the Developer with respect thereto shall be final, so long as made in good faith.

6.06. In order to secure the payment of the maintenance charge hereby levied, a vendor's lien shall be and is hereby reserved in the Deed from the Developer to the purchaser of each lot or portion thereof, which lien shall be enforceable through appropriate judicial proceedings by the Developer. Said lien shall be deemed subordinate to the lien or liens of any bank, insurance company or savings and loan association ("Institutional Lender") which hereafter lends money for the purchase of any property in the Subdivision, and/or for construction (including improvement) and/or permanent financing of improvements on any such property. All maintenance charges shall be due and payable thirty (30) days after the date of the invoice therefor. Such maintenance charges which are not paid promptly when due, shall bear interest from and after the due-date at the rate of ten percent (10%) per annum, and the Developer shall be entitled to collect reasonable collection charges, including attorney's fees, with respect to any maintenance charge which is not paid promptly when due. Such interest, collection charges and attorney's fees shall be secured in like manner as the maintenance charge.

6.07. These provisions as to the maintenance charge and Maintenance Fund shall continue in effect unless change in the manner and at the time or times hereinabove provided for effecting changes in the restrictive covenants hereinabove set forth.

VII.

Transfer of Functions of the Developer

7.01. The Developer may at any time hereafter cause a non-profit corporation to be organized under the laws of the State of Texas for the purpose of exercising all or any of the duties and prerogatives of the Developer hereunder (including the matters relating to maintenance charges and the Maintenance Fund). Any such delegation of authority and duties shall serve to automatically release the Developer from further liability with respect thereto and vest such duties and prerogatives in such non-profit corporation. Any such delegation shall be evidenced by an instrument amending this instrument, placed of record in the Deed Records of Walker County, Texas, and joined in by the Developer and the aforesaid non-profit corporation but not, however, requiring the joinder of any other person in order to be fully binding, whether such other person be an owner of property in the Subdivision, a lienholder, mortgagee, Deed of Trust beneficiary or any other person.

VIII.

Binding Effect

8.01. All of the provisions hereof shall be covenants running with the land thereby affected. The provisions hereof shall be binding upon and insure to the benefit of the owners of the land affected and the Developer and their respective heirs, executors, administrators, successors and assigns.

WITNESS OUR HANDS at Houston, Texas, on this the 19th day of JUNE, 1974.



Mary Ann Belin
Mary Ann Belin, Secretary



W. Edmundson
W. Edmundson, Assistant Secretary

Ralph A. Harpax
Ralph A. Harpax, Secretary

LAKEWOOD HILLS, a Joint Venture consisting of:

STATEWIDE LUMBER COMPANY, INC.

By J. B. Belin, Jr., President

FIRST GENERAL REALTY CORPORATION

By C. T. Traylor, Jr., Chairman of the Board

CLSA CORPORATION

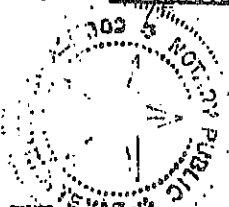
By C. T. Traylor, Jr., Vice President

VOL 268 PAGE 383

THE STATE OF TEXAS §
§
COUNTY OF HARRIS §

BEFORE ME, the undersigned authority, on this day personally appeared J. B. BELIN, JR., President of STATEWIDE LUMBER COMPANY, INC. a corporation, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity therein stated, and as the act and deed of said corporation.

GIVEN under my hand and seal of office, this the 19th day of June, 1974.

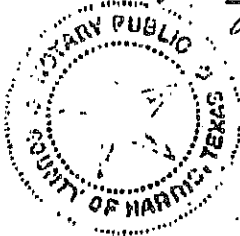


Mary Ann Cryer
Notary Public in and for
Harris County, Texas
MARY ANN CRYER
Notary Public in and for Harris County, Tex.
My Commission Expires June 1, 1975

THE STATE OF TEXAS §
§
COUNTY OF HARRIS §

BEFORE ME, the undersigned authority, on this day personally appeared C. T. TRAYLOR, JR., Chairman of the Board of FIRST GENERAL REALTY CORPORATION a corporation, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity therein stated, and as the act and deed of said corporation.

GIVEN under my hand and seal of office, this the 11th day of June, 1974.



Cecil P. Child
Notary Public in and for
Harris County, Texas.

STATE OF TEXAS X

COUNTY OF HARRIS X

BEFORE ME, the undersigned authority, on this day personally appeared C. T. TRAYLOR, Vice President of CLSA CORPORATION a corporation, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity therein stated, and as the act and deed of said corporation.

GIVEN under my hand and seal of office, this the 19th day of June, 1974



Jean P. Claid
Notary Public in and for
Harris County, Texas

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THE STATE OF TEXAS, }
COUNTY OF WALKER } I, J. L. FERGUSON, CLERK OF THE COUNTY COURT, CERTIFY
THAT THE FOREGOING INSTRUMENT WAS FILED FOR RECORD IN MY OFFICE THE
3rd DAY OF June, 1974 AT 2:30 O'CLOCK P. M., RECORDED
ON THE 1st DAY OF JULY, 1974 AT 8:50 O'CLOCK A. M.

BY Bru Carroll DEPUTY

J. L. Ferguson
COUNTY COURT, WALKER COUNTY, TEXAS



**RULES & REGULATIONS
FOR
PROPERTY OWNERS**

Revised January 14, 2014

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PREFACE

As provided in Article IV, Section 12 of the Elkins Lake Recreation Corporation (ELRC) By-laws (hereinafter referred to as the By-laws) the Board of Directors does hereby adopt and publish the following Rules and Regulations governing the use of all common areas and facilities and the conduct of members, members' families and/or guests thereon.

The By-laws and all Deed Restrictions are incorporated herein by reference.

Use of the recreation facilities and common property owned by ELRC is restricted to Property Owners, as defined in the By-laws Article III, Section 1 and Article II, Section 5 and 9, and/or their guests.

Membership privileges are extended to the following:

1. Individual Property Owners (Gold and Green card holders)
2. The spouse of a Property Owner
3. The Dependents of Property Owners
4. Designated Participating Members for properties owned by a group. Participating members must be recorded in the master property file.
5. One additional designated family member if a full-time resident within the same household of a Property Owner. An additional designated family member must be recorded in the master property file.

Any person not described above will be considered a guest.

RIGHTS AND RESPONSIBILITIES OF MEMBERS

1. Membership shall be appurtenant to, and may not be separate from the ownership of any lots. In the case of a married couple, membership is in the names of the husband and wife. Subject to other provisions including these rules, a surviving spouse shall retain full membership.
2. Individual members or groups of members DO NOT have the right to change, in any way, including planting and landscaping, any of the Common Properties and/or Facilities. Alterations, including improvements can be effected ONLY with ELRC Personnel supervision, and, ONLY after Board of Directors approval.
3. Members may invite guests to use the recreational facilities as prescribed in these rules.

GUEST POLICY

The Elkins Lake guest policy protects the value and privileges of your membership. We want our Property Owners to feel comfortable and eager to share their community and facilities with their guests, but, as a private Social Club, we want to discourage frequent, re-occurring visits and any perception that Elkins Lake facilities may be used by simply paying a daily entrance fee.

1. Guests may not have discretionary access to Club facilities. They must be either accompanied or invited by a member.
2. Unaccompanied guests must be arranged for in advance by the Property Owner. If applicable, refer to the appropriate following Rules sections for procedures for receiving approval for unaccompanied guests.
3. Guests may use the facilities no more than three times in any 30 day period if they reside within 50 miles of Elkins Lake.

Guest policies for each facility are as follows:

Facility	Fee Charged	# guests allowed
Golf Course	\$40	4
Tennis Courts	N/A	3
Swimming	N/A	5
Dining	N/A	7
Catered / Club Events	N/A	NA
Lakes	N/A	5
Playground	N/A	5
Basketball	N/A	5
Sports Fields	N/A	10

GENERAL RULES

1. Monthly statements of all charges and maintenance fees will be mailed to members at their address of record. Accounts are due and payable in full upon receipt. Accounts not paid by the next monthly statement date (approximately thirty (30) days) will be past due and considered delinquent. After sixty (60) days delinquency, a notice will be mailed to the member that his/her charge privileges and right to use the common areas and recreation facilities are suspended. Full privileges will be reinstated upon payment of all past due charges.

The Board of Directors also has the right to suspend the privileges of members if they or their guests are deemed to be in violation of published rules and regulations of the Corporation governing use of the common areas and recreation facilities.

2. Members whose privileges are suspended are not allowed to use any of the facilities as a guest of another member.
3. Fee schedules adopted by the Board of Directors shall be made a part of these rules and regulations.
4. Vehicles belonging to members are to be identified with an Elkins Lake window sticker. The member is also responsible for removing the Elkins Lake window sticker prior to transfer of vehicle ownership.
5. Gold card membership is mandatory for homeowners, optional for vacant lot owners. Gold Card members are not charged for use of recreational facilities.
6. Green card membership is available only to non-resident Property Owners. Green card members pay reduced golf green fees, and are entitled to use of all other recreational facilities for no charge.
7. Blue card memberships establish guest privileges for qualified renters. The Owner of the rented property must request Blue card status for his / her renters. Blue card members must pay the established guest fees for use of all recreational facilities.
8. There is to be no discharge of firearms, no hunting and no target practice.
9. Elkins Lake Recreation Corporation is not responsible for theft or loss of personal items at any of the facilities or from vehicles in any of its parking lots.
10. Swimming is permitted in pools ONLY and is prohibited in the lakes or other water impoundments.
11. A Property Owner shall be liable to the Elkins Lake Recreation Corporation for damage to property caused by him / her, any member of his / her family, or his / her guest(s).
12. All Property Owners are responsible for family knowledge of and adherence to all Elkins Lake Rules and Regulations by their guests.
13. Owners and drivers of automobiles or other vehicles will be required to observe traffic and parking regulations as may be adopted.
14. Golf Carts ONLY are permitted on golf course cart paths. No one shall use any part of the golf course or cart paths to ride a bicycle, skateboard, motorcycle, horse or any other means of transportation other than golf carts.
15. Dirt bikes, four-wheelers and A.T.V.'s are prohibited from all Common Areas.

16. The golf course and/or cart paths may not be used for jogging or walking when golf is in play.
17. Members may not use the golf cart paths to travel to or from the Club or Post Office while golf is in play.
18. Dogs and other pets will not be allowed to roam loose on any developed ELRC common property. Property owners are responsible for the actions of their pets.
19. State law requires that all operators of golf carts on public roads have a valid driver's license. ONLY licensed drivers are permitted to operate golf carts on ELRC common areas. All carts, whether or not operated on the golf course, must display a cart number and must be registered with the Administration Office.
20. Only associations authorized by Elkins Lake Recreation Corporation may enter into reciprocal play or interclub league agreements. Activities that require advance reservations of recreational facilities, provide reciprocal access to facilities to other clubs or teams, and occur on a recurring basis within the framework of a league agreement are subject to this regulation.

Only Elkins Lake property owners may participate on a recreational, reciprocal or interclub team.

GOLF AND GOLF COURSE

These rules are established to enhance the member enjoyment of the use of our golf course. It is, in fact, necessary to follow certain procedures to insure the maximum safety and enjoyment of all members and to preserve the course. It is hoped that the pride we take in our club and its facilities, together with the thoughtfulness and consideration we afford our fellow members will be evident in the observance of these rules.

General Golf Policy

1. All tournaments and all matches are to be conducted under the rules of the United States Golf Association in effect at the time, except as modified by local rule.
2. The golf course shall be patrolled by a marshal. The duties of the marshal will be assigned by the Golf Professional and will include enforcement of the rules as stated herein. The marshal shall have the authority to execute his/her duties, including removal of players from the course. The golf course is defined as twenty-seven (27) holes, inclusive of the Hills, Lakes, and Ravines.

Golf Privileges

1. Golf privileges are extended to property owners based on their membership category as follows:
 - a. Gold Card: Unlimited playing privileges without payment of green fees.
 - b. Green Card: Unlimited playing privileges with payment of reduced green fees. Green Card members may utilize complimentary green fees each year as established by the Board of Directors. The approved Green Card policy will be posted in the Pro Shop annually.
 - c. Blue Card: Guest privileges extended with payment of established guest fees.
2. Members whose privileges are suspended are not allowed to use any of the facilities even as a guest.
3. Membership terminates upon sale of the member's property at Elkins Lake.
4. Membership privileges are extended to the following:
 - a. Individual Property Owners (Gold and Green card holders)
 - b. The spouse of a Property Owner
 - c. The Dependents of Property Owners
 - d. Designated Participating Members for properties owned by a group.
 - e. Participating members must be recorded in the master property file.
 - f. One additional designated family member if a full-time resident within the same household of a Property Owner. An additional designated family member must be recorded in the master property file.
5. Any person not described above will be considered a guest.

Golf Guests

1. Members may invite non-members to use the golf facilities. The non-member will be charged a guest fee. If the member is unable to accompany the guest, he/she must call the Pro Shop and arrange to have his/her guest play.
2. The number of guests that may be invited by a member is four (4). If a member shall have more than four (4) guests, the Golf Professional must approve the arrangements, in advance.
3. No person shall be a guest more than three (3) times in the most recent 30-day period (including the current day) if they reside within 50 miles of Elkins Lake.
4. Guest Fees will be posted in the Pro Shop.
5. Non-paying guests shall include:

- a. Visiting players during the interclub competition according to league agreements.
- b. Guests of the Head Golf Professional, such as nationally known celebrities, sports writers, sporting goods salesmen, visiting professionals, etc., provided he/she periodically submits a list of such guests to the General Manager for his/her approval and advice as to the club policy, and all guests of the General Manager of the Elkins Lake Recreation Corporation.
- c. Participants in approved school golf program as authorized by the Board of Directors. Details of the approved school golf programs are available in the Pro Shop. The Head Golf Professional will have the discretion to make necessary adjustments for tee times and practice.

Registration and Starting Times

1. Before commencing a round of golf at any time, each member shall register in the Pro Shop. Each member is responsible for the registration of his/her guest(s).
2. Players must turn to the designated second nine unless approved by the Golf Professional on each occasion.
3. Play may not commence from any tee other than Number 1 without permission from the Golf Professional on each occasion. (Example: If a member goes from his/her house to the nearest tee without registration, he/she may not realize that the golf course is closed or that play is restricted.)
4. Starting times will be used and enforced on a daily basis. Only singular tee times will be accepted for the first hour of unrestricted play each day. Multiple tee times (two or more) may be reserved for play one hour after unrestricted play begins each day. To reserve tee times, the names of all players must be provided to the pro shop.
5. Groups of more than five (5) are prohibited. All groups must maintain appropriate pace of play. Slower groups should allow for faster groups to play through. Consecutive smaller groups should pair together to create consistent pace.
6. The holes must be played in their numerical order.
7. No player or group may approach the vicinity of the Number 1 Tee until that tee is vacant and only then when authorized by the Golf Professional or Marshal.

Use of the Golf Course

1. Monday:
 - a. The Pro Shop opens at 10:30 A.M. and the golf course opens for unrestricted play at 11:30 A.M. from Number 1 Tee utilizing TEE TIMES.

- b. The course may be closed on Mondays for maintenance at the discretion of the course superintendent. A schedule of closings will be developed and posted at the start of each year and changes to this schedule will be posted as needed.
 - c. Tee times may be made on Saturday or Sunday for Monday play.
2. Tuesday:
- a. 18 holes of the golf course are restricted to adult females until 12:30 P.M.
 - b. The golf course is available for unrestricted play utilizing TEE TIMES after 9:30 A.M. starting on the remaining nine holes.
 - c. Tee times may not be made before Sunday for Tuesday play.
 - d. On less crowded days, adult males may play before the unrestricted time with permission from the Golf Professional.
3. Wednesday:
- a. 18 holes of the golf course are restricted to adult males until 12:30 P.M.
 - b. The golf course is available for unrestricted play utilizing TEE TIMES after 9:30 A.M. starting on the remaining nine holes.
 - c. Tee times may not be made before Sunday for Wednesday play.
 - d. On less crowded days, adult females may play before the unrestricted time with permission from the Golf Professional.
4. Thursday:
- a. 18 holes of the golf course are available for unrestricted play all day utilizing TEE TIMES beginning at 7:30 A.M.
 - b. The golf course is available for unrestricted play utilizing TEE TIMES after 9:30 A.M. starting on the remaining nine holes.
 - c. Tee times may not be made before Tuesday for Thursday play.
5. Friday:
- a. 18 holes of the golf course are available for unrestricted play all day utilizing TEE TIMES beginning at 7:30 A.M.
 - b. The golf course is available for unrestricted play utilizing TEE TIMES after 9:30 A.M. starting on the remaining nine holes.
 - c. Tee times may not be made before Wednesday for Friday play.
6. Saturday:
- a. 18 holes of the golf course are available for unrestricted play all day utilizing TEE TIMES beginning at 7:30 A.M.
 - b. The golf course is available for unrestricted play utilizing TEE TIMES after 9:30 A.M. starting on the remaining nine holes.

- c. Tee times may not be made before Thursday for Saturday play.

7. Sunday:

- a. 18 holes of the golf course are available for unrestricted play all day utilizing TEE TIMES beginning at 7:30 A.M.
- b. The golf course is available for unrestricted play utilizing TEE TIMES after 9:30 A.M. starting on the remaining nine holes.
- c. Tee times may not be made before Thursday for Sunday play.

8. Scheduled events:

- a. PLAY DAYS for ELMGA, ELWGA, Birdie Chasers, etc. using a shotgun start will begin at 8:30 A.M. during Central Standard Time and during Daylight Saving Time unless requested and scheduled in advance by the Golf professional.

NOTE: These restrictions may be revised when conditions warrant.

Regulation of Junior Players

1. Junior players are defined as players between 10 and 15 years of age.
 - a. Juniors may play during unrestricted hours.
 - b. Children of any age may play during unrestricted hours, but they must be accompanied by an adult member, or must be issued a playing permit by the Golf Professional. This playing permit is issued after orientation to the rules and regulations of the Elkins Lake Golf Club and to the etiquette of golf. The judgment of the Golf Professional as to issuance of the permit shall be final.

Cart Rules

1. Privately owned and rental riding carts shall be four-wheel, battery (electric) powered golf carts with regulation type golf cart tires.
2. Members who have privately owned carts will be charged a trail fee, payable in March of each year, upon passage of inspection of the cart by the Golf Professional. Trail fee refunds will be available on a prorated basis only under the conditions of death, incarceration, or if no longer a property owner.
3. All golf carts on ELRC property must be registered by number and those used to play golf must bear an Elkins Lake decal issued when trail fees are paid.
4. Members are responsible for their family and guests who use privately owned or rental carts and cause damage to cart or grounds.
5. Having more than two (2) persons of any age ride in a golf cart must be approved by the Golf Professional. ONLY two (2) golf bags may be carried on the cart.

6. Carts shall not be operated off of cart paths nearer than thirty (30) feet from any tee or green. Signs or markers directing cart traffic shall be observed. Carts are restricted to cart paths only when directed by the Golf Course Superintendent.
7. Red Flags for golf carts are issued upon approval of the Golf Professional. The Red Flag Rules are:
 - a. Members may drive their cart on the fairway or rough area on par-3 holes.
 - b. Members may drive their cart on the opposite side of the green from the cart path.
 - c. Members may drive their cart on the opposite side of the tee box from the cart path.
 - d. Members must not drive or park their cart any closer than thirty (30) feet from any green or tee.
 - e. Members must stay on flat ground around all greens and tee boxes. Do not drive up onto areas close to greens or tees.
 - f. When carts are restricted to all cart paths, members must stay on the cart paths also. Members with Red Flags receive no extra privileges on these days.
8. The borrowing or lending of carts, to evade a rental fee, is prohibited. A member who does not own a cart who rides with a member who does or in a rental cart will be charged the applicable fee.
9. Two members may not co-own a cart for the purpose of evading cart fees. Members co-owning a cart will each pay the annual trail fee.
10. A guest of a member may use the privately owned cart of his sponsoring Elkins Lake member without any additional charge.
11. Carts are available on a rental basis to all members and guests. The person renting the cart shall be responsible for the rental fee.
12. The club shall carry proper insurance covering the use of its carts. The club shall not be responsible for accidents due to negligence or carelessness in the use of any cart. Damage to the club's carts, when operated improperly, shall be charged to the offending member.
13. For the purposes of this section, pull carts are equivalent to electric powered carts except that trail fees and cart registration are not required. All golf pull carts can be brought no closer than 5-yards to any tee box, green or sand trap unless they are on a cart path that happens to be within this restricted area.

Play on the Course

1. Metal spikes are prohibited.

ELRC Rules & Regulations

Approved June 14, 2014

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2. Always replace divots, repair ball marks on greens, and smooth sand traps after play, replace rake in sand trap after use.
3. A slower group should allow a faster group to play through if it will help speed up play. Consecutive smaller groups should pair up to maintain a consistent pace of play.
4. All members shall conform to the rules of etiquette set out in the rules of golf.
5. Members and their guests using the golf facilities, including the driving range and practice greens, shall be properly attired. Proper attire is defined to be regular or customer sports apparel. Shirts covering the upper body must be worn at all times on the golf course. Collared shirts are required for male golfers age 15 years and older. Exceptions to the approved dress code may be made for special golf outings, but inappropriate attire is not permissible.
6. If shorts are worn, they must be walking shorts or golf shorts, have pockets and be of the pre-hemmed style. No cutoffs or gym shorts will be allowed.
7. Golf tournaments in which non-members participate are not permitted without permission of the Golf Professional and approval of the Board of Directors.
8. Penalties: Breach of rules of etiquette, rules of golf course, ground rules or cart rules shall be reported to the Board of Directors or Golf Professional. After investigation, the offender may be reprimanded or suspended. Upon repetition of any offense, an additional penalty or suspension of the offender may follow. Reports to the Board of Directors must be written and signed by a member.
9. Practicing: There shall be no practicing on any part of the golf course, except the areas designated for such purpose. (i.e. practice on the golf course is prohibited.)
10. No member or member of his/her family, guest, visitor, or any other person, shall use any part of the golf course, whatsoever, while riding or operating a bicycle, skateboard, motor scooter, motorcycle, truck, horse, or any other vehicle or means of transportation other than Elkins Lake carts or authorized carts of the members.
11. Dogs and other pets will not be allowed to roam loose on any developed ELRC common property. Property owners are responsible for the actions of their pets.
12. The golf course and/or cart paths may not be used for jogging or walking when golf is in play.
13. ALL PLAYERS MUST USE THEIR OWN BAG AND CLUBS.
14. Complaints concerning club operation should be directed to the Board of Directors in writing and signed.
15. LIABILITY: The club is not responsible for personal property left in the clubhouse, lockers or in vehicles parked on club property.

FOOD AND BEVERAGE

1. The food and beverage services will be open to members every day except Monday. The hours of operation will be posted following approval by the Board of Directors.
2. A Property Owner may invite up to seven (7) guests for regular dining. Arrangements for unaccompanied guests must be made through the Administration office during normal business hours at least 24 hours in advance.
3. Casual attire is permitted in the Lake Café and Elkins Lake Clubhouse. Swim suits are not casual attire and are not permitted. It is suggested that appropriate attire be worn at the during the dinner hour and Sunday meal service.
4. No alcoholic beverages shall be bought by or sold to anyone except members of Elkins Lake in the areas approved by the Texas Alcoholic Beverage Commission.
5. Only members of Elkins Lake may purchase alcoholic beverages upon presentation of their Gold or Green cards bearing their account numbers. These drinks must be charged to their account.
6. Members may reserve exclusive use of any room at the Club by applying to the Clubhouse Manager or his/her designee. Approval is subject to the availability of the rooms at the time required and compliance with all the rules pertaining to the exclusive use of the rooms. The member will be required to either pay a fee or a minimum cost per service of those attending. Reservations for member parties can be made up to twelve (12) months in advance. Application for sponsored parties must be made to the Clubhouse Manager. Approval will be based primarily on the availability of facilities and compliance with policies related to facility use. The sponsor must attend the party, is responsible for charges and for any damage, breakage and the conduct of members of his / her party. All arrangements must be made between the Clubhouse Manager (or his/her designee) and the member/sponsor. Where any of the foregoing areas are so exclusively reserved, any member who may be using such areas shall vacate the same upon notice at the time specified so that the rooms may be prepared for such reservations.
7. When stated, Club special events require advance reservations. In order to accommodate the maximum number of member participants, no shows or cancellations made after the posted deadline will be charged the full price of the event.
8. Use of the Post Office Conference Room and/or the Manor House Picnic area for private parties must be scheduled through the Administration Office. A \$50.00 deposit for cleaning is required prior to use of either facility. The deposit is refundable if the facilities are left in good order. In the Post Office Conference Room, food service other than birthday cakes or similar special desserts must be scheduled through the Clubhouse Manager (or his/her designee).
9. Additional conditions for private utilization are available from the General Manager.
10. Dogs and other pets are not allowed.

SWIMMING POOLS

1. The lakes may only be used by Property Owners (as defined by ELRC By-laws) and their guests.
2. **Pool Schedule.** The pool schedule is approved annually by the Board of Directors. The approved schedule for pool operation, including both attended and unattended hours is subject to change. Refer to the current schedule available at the Administration office. The Olympic Pool is exclusively reserved for participants in the Water Exercise Class when the classes are in session.
3. A Property Owner may invite up to five (5) guests to the swimming pool. Arrangements for unaccompanied guests must be made through the Administration office during normal business hours, at least 24 hours in advance.
4. Access to swimming pools while unattended by lifeguards is on a "Swim at your own risk" basis. Persons under the age of 18 must be accompanied by an adult during unattended hours.
5. **Children under the age of 12 must be accompanied by an adult at all times.**
6. **Authority of the Lifeguards.** The lifeguards are to ensure the safety of all persons in the area. The lifeguards have been instructed to order anyone out of the pool, if necessary, and/or to send him or her home if problems persist. Running, pushing, fighting, abusive language, or rough play will not be permitted. **Lifeguards have the authority to make anyone leave the pool area.** Severe incidents may result in suspension for the swim season.
7. **Dress Code at the Pool.** No cutoffs will be allowed in the pool. All swimmers will wear appropriate commercial swimwear.
8. **Diving Board and Diving Area.** Only one diver at a time will be allowed on the board. Excessive bouncing is not permitted. Please do not swim under the board. Toys and floats also should be kept out of the deep end. The diving board may not be used during unattended lifeguard hours.
9. **Children at the Pool.** In order to be in water that is greater than shoulder depth, a child must be able to successfully complete a swimming test administered by the lifeguards. Children may be in deeper water or on the diving boards **ONLY** if they have passed the above test or are under the direct control of a responsible adult. Non-swimmers and children under the age of twelve (12) are not to be left at the pool unless they are with a responsible adult, 18 or older.
10. **Behavior at Pool.** Certain games will be restricted. Swimmers and sunbathers must not visit with or interfere with the lifeguards.

11. **Items not allowed at the Pool.** Pets are not allowed in or around the pool. Glass containers are prohibited in the pool area. No ice chests or coolers are allowed inside the pool area. All food is restricted to the picnic tables located outside the fenced pool area.
12. **Bikes, Motorbikes and Golf Carts.** These vehicles are to be parked in the parking area. Do not bring them into or around the fenced pool area. Skateboards may not be brought into the fenced pool area.
13. **Identification and Registration.** All swimmers must use a pool access card to enter the pool area and must register themselves and their guests. Guests must wear the guest wristband at all times while at the pools. Guest wristbands are available at the Administration Office and are issued according to established guest policies. Identification of members and guests may be requested by the lifeguards or Elkins Lake Staff at any time and must be presented.
14. **Private Parties.** Application for private parties must be made to the Pool Management Company. Approval will be based primarily on the availability of facilities and compliance with policies related to facility use. The sponsor must attend the party, is responsible for charges and for any damage, breakage and the conduct of members of his / her party. All arrangements must be made between the Pool Management Company and the member/sponsor. Private parties will not be scheduled when the pools are closed and will not limit pool access to other Elkins Lake members and guests.
15. **Emergency Procedures.** Procedures during thunder and lightning storms, as recommended by the American Red Cross, will be enforced.
16. **Adult Swim.** The pool may be restricted to Adult Swim during the last 10 minutes of the hour at the lifeguard's discretion. No one under 18 will be allowed in the pool during Adult Swim.
17. **Pool Maintenance.** The pools will be closed for maintenance one day each week. The pools will be closed temporarily each day for pool cleaning. The pools may not be utilized during these times. Maintenance and cleaning times will be posted on the approved pool schedule.
18. **Member Complaints.** Complaints should be made to the General Manager, not the lifeguards. Due to safety issues the lifeguards are in charge at the pools.

LAKE USE

1. The lakes may only be used by Property Owners (as defined by ELRC By-laws) and their guests.

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2. A Property Owner may invite up to five (5) guests to the lakes. Guests may use the facilities no more than three times in any 30 day period if they reside within 50 miles of Elkins Lake. All guests must be accompanied by a Property Owner.
3. Boats
 - a. The boats of all members must be registered at the Administration Office. Elkins Lake boat decals will be issued, and the decals must be displayed on both sides of the boat. Boats not displaying a decal will not be allowed on the lakes. When a decal is damaged or faded, it is the responsibility of the member to obtain new decals and replace the old. Decals must be removed when a boat is sold.
 - b. When trailering a boat and parking on the spillway ramp, boat owners must ensure that the trailered boat and the vehicle towing the trailer display Elkins Lake decals. Those not displaying the decals will be questioned.
 - c. Boat motors may not exceed six (6) horsepower and wakes must be kept to a minimum.
 - d. Boats shall at all times be used in a safe and prudent manner. Members will be held responsible for any and all damages caused by the misuse of their boats or their guests' boats. ELRC will be reimbursed for all damages to common or private property caused by such misuse.
 - e. All members are encouraged to report any boat on the lake without Elkins Lake decals or one engaged in any infraction of the rules to the Maintenance Coordinator or Administration Office.
 - f. In order to limit introduction of unwanted aquatic weeds and vegetation in to the Lakes, all boats and trailers must be free of all vegetation prior to launch.
4. All members are required to practice catch and release on black bass.
5. There is a limit of ten (10) Crappie per person per day.
6. The following actions are prohibited:
 - a. Swimming in the lakes.
 - b. Using water skis or jet skis on the lakes.
 - c. Littering on the lakes and the discharge of hazardous materials on the lakes watershed.
 - d. Application of herbicides to vegetation growing in the lakes, except for such application by an ELRC-approved specialist.
 - e. Operating any wheeled motorized vehicle on the dams, except for emergency vehicles and ELRC maintenance vehicles.
 - f. Pumping water from the lakes for personal use.
 - g. Fishing with trotlines.

- h. Fishing with more than seven (7) jug lines. Jug fishing must be attended.
- i. Using seines and cast nets for anything other than acquiring bait.
- j. Fishing from the bank around the green on Lakes #9 when the golf course is open.

STORAGE CENTER

- 1. Covered and uncovered storage spaces are available on a month to month lease on a first come first served basis according to a fee schedule adopted by the Board of Directors.
- 2. ELRC is not responsible for stored or parked equipment. Responsibility shall be at the SOLE risk of the member.
- 3. Storage spaces may be used only for storage purposes.
- 4. Delinquent members may be required to vacate their stalls.
- 5. Fees may be changed by the Board of Directors.

TENNIS AND TENNIS COURTS

- 1. A Property Owner may invite up to three (3) guests to the tennis courts. Arrangements for unaccompanied guests must be made through the Administration office during normal business hours, at least 24 hours in advance.
- 2. All players must wear regulation tennis shoes ONLY – NO CLEATED SHOES.
- 3. A shirt must be worn at all times.
- 4. No glass containers are allowed on the courts.
- 5. All litter must be deposited in the trash receptacle available.
- 6. Please limit your play if others are waiting for a court. A family may utilize only one court at a time if others are waiting to play.
- 7. The Management may reserve courts for tournaments, exhibitions, and match play and in all other cases where, in its judgement, circumstances justify such reservations.
- 8. No bicycles, skateboards, vehicles, or other games are allowed.

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9. Rules of customary standards of tennis etiquette and behavior will be observed by all players and guests.
10. After completion of play all lights are to be turned off.

**ELKINS LAKE RECREATION CORPORATION
BY-LAWS**

- Article I - Name and Purpose
- Article II - Definitions
- Article III - Property Owners and Property Owners' Meetings
- Article IV - Board of Directors
- Article V - Officers of the Corporation
- Article VI - General Manager
- Article VII - Committees
- Article VIII - Books, Records, Contracts, Loans, Checks, Deposits and Transactions with Directors and Officers
- Article IX - Annual Assessments; Maintenance Fund
- Article X - Dividends and Income of the Corporation
- Article XI - Corporate Seal
- Article XII - Miscellaneous

APPROVED – August 5, 2008

**RESTATED AND AMENDED BY-LAWS OF
ELKINS LAKE RECREATION CORPORATION**

**ARTICLE I
NAME AND PURPOSE**

Section 1: Name and Address: The name of the Corporation is ELKINS LAKE RECREATION CORPORATION, hereinafter referred to as the "Corporation". The principal office of the Corporation is located at Elkins Lake, Huntsville, Texas. Meetings of Property Owners and/or Directors shall normally be held at Elkins Lake.

Section 2: Purpose: The Corporation is a non-profit organization chartered under the laws of the State of Texas and is organized for educational purposes, public charity, and promotion of public interest in an area within Walker County, Texas. More specifically, the Corporation is organized:

- A. To render constructive service for the promotion of the social welfare of the Elkins Lake community and the Property Owners of Elkins Lake Subdivision and to instill civic consciousness by means of active participation in constructive projects which will improve the social welfare of the community and state;
- B. To promote and provide educational and recreational facilities for the Property Owners;
- C. To acquire, maintain, and operate buildings and property for the stated purposes. Neither any donation made to the Corporation nor any fund or property arising therefrom, in whatever forms it may take, shall be diverted from the purposes herein stated.

**ARTICLE II
DEFINITIONS**

Section 1: "Annual Assessment" shall mean and refer to the maintenance charges established by the Board of Directors (as applicable to each Property Owner) which are used to create a fund known as the "Maintenance Fund" and is secured by a continuing lien upon the Lot against which such Assessment is made.

Section 2: "Board of Directors" shall mean the elected group of persons vested with the management of the affairs of the Corporation.

Section 3: "Common Area" and "Facilities" shall mean all real property owned by the Corporation for the common use and enjoyment of the Property Owners.

Section 4: "Corporation" shall mean and refer to Elkins Lake Recreation Corporation, its successors and assigns.

Section 5: "Declaration" shall mean and refer to all instruments recorded in the office of the County Clerk of Walker County, Texas, imposing restrictions against all or a portion of the properties, and any amendments to such instruments.

Section 6: "Designated Family Member" shall mean that individual who may be assigned Membership Privileges by a Property Owner. The designation must be made in writing to the Corporate Secretary. An individual is only eligible for designation if he / she maintains full time residence within the household of the sponsoring Property Owner and is a relative in no more than the second degree as defined in the Texas Government Code.

Section 7: "Director" shall mean a member of the Board of Directors of this Corporation organized under the Texas Non-Profit Corporation Act.

Section 8: "Lot" shall mean and refer to any plot of land defined on any recorded subdivision map of Elkins Lake by Section, Block, & Lot number with the exception of the Common Areas.

Section 9: "Membership Privileges" shall mean access to Common Areas, use of Facilities, and charging privileges for the Property Owner, his / her spouse, dependent(s) and Designated Family Member, providing all are permanent residents within the same household.

Section 10: "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot which is a part of the Properties, but excluding those having such interest merely as security for the performance of an obligation. However, with respect to Lots being purchased under a Contract for Deed and payment of the applicable Transfer Fee, the purchaser shall be deemed the Owner of the Lot, provided no Contract for Deed shall be for a term exceeding ninety (90) days from the date of the Contract for Deed.

Section 11: "Participating Property Owner" In case of ownership of a Lot by a partnership, corporation, trust or other group of more than two persons, there shall be only one Participating Property Owner (as they decide amongst themselves). The Participating Property Owner shall have the status of Property Owner. The designation of the Participating Property Owner must be made in writing to the Corporate Secretary.

Section 12: "Properties" shall mean and refer to the tracts and parcels of land in Walker County, Texas, described in a deed dated August 30, 1968, from J. A. Elkins and wife Isabell Elkins to J. B. Belin, Jr., recorded in Volume 215, Page 580, Deed Records of Walker County, Texas; and the property conveyed by deeds recorded in Volume 227, Page 643; Volume 228, Page 647; and Volume 241, Page 64, all in the Deed Records of Walker County, Texas, and such additions thereto as may thereafter be brought within the jurisdiction of the Corporation (sometimes herein also referred to as the "Elkins Lake Subdivision").

Section 13: "Property Owner" shall mean and refer to those persons entitled to Membership Privileges as provided in these By-laws. Property Owners are members of the Social Club established by the existing 501(c)(7) tax exemption for Elkins Lake Recreation Corporation. For voting purposes, Property Owner shall also refer to the "**Personal Representative**" (as defined in Article III, Section 6) of the Property Owner. Property Owner shall mean:

- A. an individual or group of no more than two individuals owning a Lot or Lots in Elkins Lake Subdivision;
- B. the legally recognized spouse of the individual Owner; and
- C. the dependent(s) of the individual Owner,

provided all of the above maintain permanent residence within the same household. A Property Owner may assign one other Designated Family Member (as defined herein) to have Membership Privileges provided both individuals are full time residents within the same household.

Section 14: "Transfer Fee" shall mean that fee levied by the Corporation for the transfer of membership from one Owner to another. Payment of the applicable Transfer Fee is a requirement for purchase of any Lot unless specifically exempted by the Board of Directors.

Section 15: "Voting Property Owner" shall mean and refer to those Property Owners returning the written ballots described in these By-laws.

ARTICLE III PROPERTY OWNERS AND PROPERTY OWNERS' MEETINGS

Section 1: Property Owners: Upon approval by the membership committee, every Property Owner shall become a Member of the Social Club and shall continue to be a Member for so long as he, she or it owns a Lot. The foregoing does not include persons or entities holding an interest in property merely as security for the performance of an obligation or those having only an interest in the mineral estate. Membership shall be appurtenant to, and may not be separated from, the ownership of any Lots. Except as otherwise provided in these By-laws, all actions to be taken or authorized by the Property Owners shall be deemed validly taken or authorized upon adoption by vote of a majority of the Voting Property Owners, in person or by proxy executed in writing in accordance with the Texas Non-Profit Corporation Act or through their attorney-in-fact pursuant to Article III, Section 6, at any properly called meeting at which a Quorum, as defined in Article III, Section 5, is present, in person or by proxy or by the presence of attorneys-in-fact.

Section 2: Annual Meeting: An Annual Meeting of Property Owners shall be held on or before April 15 of each year with the time and place to be determined by the Board of Directors.

Section 3: Special Meetings: Special Meetings of the Property Owners may be called at any time by the President of the Board of Directors, or upon written request of one-fourth (1/4) of the Property Owners. Attendance of a Property Owner at a Special Meeting shall constitute a waiver of notice of such meeting, except where a Property Owner attends a Special Meeting for the express purpose of (a) objecting to the transaction of any business, or (b) objecting to the fact that such meeting is not lawfully called or convened.

Section 4: Notice of Meetings: Written notices of each Special Meeting of Property Owners shall be given by or at the direction of the Secretary or person authorized to call the meeting. Notices will be mailed, postage prepaid, at least fifteen (15) days before such meeting to each Property Owner entitled to vote thereat, addressed to the Property Owner's address last appearing on the books of the Corporation, or supplied by such Property Owner to the Corporation for the purpose of notice, and, in the case of a Special Meeting, the purpose(s) of the meeting.

Section 5: Quorum: The presence of Property Owners entitled to cast twenty percent (20%) of the votes of all Property Owners shall constitute a Quorum for any action at any Special Meeting, for which notice of the meeting has been given. If, however, such Quorum shall not be present or represented at any meeting, the Property Owners shall have the power to adjourn the meeting from time to time, without notice, other than announcement at the meeting, until a Quorum, as aforesaid, shall be present or be represented.

Section 6: Attorneys-in Fact, Personal Representatives and Guardians: At all Special Meetings of Property Owners, each Property Owner may vote in person or by an attorney-in-fact. All powers of attorney shall be in writing and under oath and filed with the Secretary in advance of the meeting. Any Personal Representative of a Property Owner or guardian of the Estate of a minor or of an incompetent may vote for said Property Owner at any meeting or pursuant to any written ballot. When voting on behalf of Property Owners, the Personal Representative shall deliver evidence to the Secretary of the Corporation of the authority of said person's appointment as the Personal Representative. A Property Owner's power of attorney shall no longer be effective upon conveyance of his, her or its Lot.

Section 7: Voting Rights: For purposes of voting on any matters submitted to the Property Owners, each Property Owner shall be entitled to cast one (1) vote regardless of the number of Lots owned. No group of joint titleholders shall have more than one (1) vote regardless of the number of lots owned. When more than one (1) person or entity holds an interest in any Lot, the vote for such Lot shall be exercised as they among themselves determine. Such Property Owners shall specify the designation of who shall exercise such voting privileges in a written notice to the Board of Directors.

For the purpose of electing members of the Architectural Control Committee, each Lot Owner shall be entitled to one (1) vote for each whole Lot owned by that Owner.

A Property Owner's voting rights may be suspended if in default in the payment of any obligation, including the Annual Assessment, lawfully levied by the Corporation. A Property Owner will be considered in default if such payment is more than 30 days past due.

Section 8: Voting Procedures: In all instances of voting only by written ballots by Property Owners, the following procedures will apply:

A. **Voting List:** The Officer or agent in charge of the Corporation's books shall maintain an alphabetical listing of all Property Owners in Elkins Lake Subdivision showing the address of each Property Owner. This listing shall be current at least ten (10) days prior to:

1. any Special Meeting of Property Owners; or
2. the mailing of written ballots for any matter submitted to the Property Owners.

Such list shall be kept on file at the registered office of the Corporation for three (3) years after any election and shall be subject to inspection by any Property Owner during usual business hours. Such list shall also be produced and kept open at the time and place of any election, or vote, as applicable, or at any Special Meeting of the Property Owners and shall be open to inspection of any Property Owner during the whole time of the meeting. The Corporation's book of Property Owners shall be prima facie evidence as to which Property Owners are entitled to examine such list and to vote at any election, Special Meeting or any other matter submitted to the Property Owners for approval pursuant to these By-laws.

B. **Notice:** Not less than thirty (30) days prior to the date written ballots are mailed to all Property Owners, the Board of Directors shall announce in the Elkins Lake Subdivision Newsletter or any other written material distributed to all Property Owners, the proposed voting and the reasons therefor.

C. **Ballots:** Not less than thirty (30) days, but not more than sixty (60) days after announcing the proposed voting, the Board of Directors shall cause ballots to be distributed by mail to all eligible Property Owners. Each ballot will be preprinted with the Property Owner's name and identification as to the Property Section, Block and Lot Number and contain precise wording of the corporate matters to be voted upon. The Property Owners shall be instructed to sign and return said ballots within thirty (30) days if they want to exercise their voting privileges.

D. **Voting Results:** Ballots returned to the Corporation shall be counted by the Corporate Secretary and staff, and shall be retained by the Corporation for a period of three (3) years after the effective date of said vote. The Corporation shall immediately announce the results of said ballot by posting the results in appropriate places within Elkins Lake Subdivision and also by publishing the results of said ballot in the next general mailing or newsletter distributed to all Property Owners.

ARTICLE IV BOARD OF DIRECTORS

Section 1: General: The determination of policy and the control of the affairs, property and funds of the Corporation shall be entrusted to a Board of Directors elected by the Property Owners. The various Standing and Special Committees shall assist the Board of Directors in the formation of policies and directions in particular areas. The Board of Directors shall elect Officers of the Corporation and engage the service of a General Manager, independent contractors, or such other employee(s) to manage the daily affairs of the Corporation.

Section 2: Composition: The Board of Directors shall consist of seven (7) Property Owners.

Section 3: Qualifications: Only individuals who own property in Elkins Lake Subdivision are eligible to serve on the Board of Directors. However, owners of property in Elkins Lake Subdivision may not serve as Directors if they are delinquent in the payment of any obligation, including maintenance fees or Annual Assessment, to the Corporation.

Section 4: Compensation: No Director shall receive compensation for any services he or she may render to the Corporation within the scope of their Director duties. However, any Director may be reimbursed for reasonable and actual expenses incurred in the

performance of his or her duties, exclusive of expenses in attending meetings of the Board of Directors.

Section 5: Election: The election of Directors shall take place in November of each year and those elected shall take office on January 1st of each succeeding calendar year. Each Director shall be elected to serve a three (3) year term and shall continue to serve until his or her successor takes office. Nominations of potential Directors shall be allowed under such procedures as may be adopted from time to time by the Board, but no person shall be nominated who is not a Property Owner. The nominating procedure adopted by the Board shall in all cases permit any Property Owner to submit the name of at least one nominee for consideration by the Board or general membership, as applicable. All nominees placed on any ballot must have indicated, to the Corporation, in writing, their willingness to accept such position if elected.

Voting procedures are set forth in Article III, Section 8.

The nominees receiving the greatest number of votes shall be declared elected to the number of vacancies existing in descending order of the number of votes received by each of them. In the event that a tie vote between two (2) or more nominees makes such order of election impossible, a run-off election between those particular nominees tied shall be called to fill such vacancy. Property Owners shall complete run-off voting no later than December 15.

Beginning with the November 2003 election and continuing annually thereafter, two (2) or three (3) new Directors (depending upon the number of vacancies to be filled) shall be elected each year to serve a three (3) year term. Directors may serve two (2) consecutive three (3) year terms but cannot succeed themselves more than once. A Director may run for election after completion of two consecutive terms and a one-year absence from Board service.

Section 6: Oath of Office: Prior to assuming office, each Director shall take the following oath:

I SWEAR OR AFFIRM THAT I WILL FAITHFULLY PERFORM THE DUTIES, RESPONSIBILITIES AND EXERCISE THE POWERS AS SET FORTH IN THESE BY-LAWS, SO HELP ME GOD.

The Oath of Office shall be administered in accordance with Texas Government Code.

Section 7: Vacancy: Any vacancy occurring on the Board of Directors, other than by expiration of the term of a Director, shall be filled by the majority vote of the remaining Directors. The appointee shall hold office until the unexpired term is completed.

Section 8: Removal: Any Director may be removed from the Board by a majority vote of the Voting Property Owners. In the event a Director is removed, his or her successor shall be selected in the same manner as provided in Article IV, Section 7: Vacancy.

Section 9: Meetings: Regular meetings of the Board of Directors shall be held monthly with notice, at such place and hour as may be fixed from time to time by resolution of the Board. An agenda shall be posted at the Clubhouse, Post Office or the Corporate Office not less than 72 hours prior to the meeting.

Special meetings of the Board of Directors shall be held when called by the President of the Board, or by any three (3) other Directors, after not less than three (3) days notice to each Director. Attendance of Directors at a special meeting shall constitute a waiver of notice of such special meeting, except when a Director attends the special meeting for the express purpose of (a) objecting to the transaction of any business, or (b) objecting to the fact that such meeting is not lawfully called or convened. The business to be transacted, and the purpose of any special meeting of the Board of Directors shall be specified in the notice or waiver of notice of such meeting, except as may be otherwise provided by statute or by the Articles of Incorporation.

A majority of the total number of Directors shall constitute a Quorum of Directors for the transaction of business. Except as otherwise provided herein, every act or decision done or made by a majority of the Directors present at a duly held meeting shall be regarded as the act of the Board.

Any Property Owner shall be entitled to attend any meeting of the Board; provided, however, that the Board shall have the right to hold private executive sessions for the purpose of conducting business relating to personnel and legal matters as they relate to the Corporation. Property Owners who are not Directors may be excluded from said private executive session portion of any meeting of the Board.

Section 10: Action Taken Without a Meeting: The Directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining a permanently recorded vote of a Quorum of Directors. Any action(s) so approved shall have the same effect as though taken at a meeting of the Directors.

Section 11: Authority and Responsibility: It shall be the responsibility of the Board of Directors to determine and implement the policy for the maintenance, operation and improvement of the Corporation. Neither the Board nor any individual Director shall have the authority or duties for the day-to-day operation of the Corporation.

The Board of Directors shall not have the authority to take any action(s) or expend any sum or incur any obligation on behalf of the Corporation with respect to the following decisions (Major Decisions), affecting the Corporation, as described below, unless such Major Decisions have been approved by a majority of the Board of Directors. A Major Decision is:

- A. the sale or purchase of real and personal property by the Corporation;
- B. making any expenditure or incurring any obligation by or for the Corporation involving a sum in excess of Twenty-five

- C. thousand dollars (\$25,000.00) for any transaction or series of similar transactions;
- D. expenditures of less than \$25,000 not covered by the annual budget; or
- E. entering into any employment or service contracts on behalf of the Corporation, which are not terminable at any time by the Board of Directors.

Section 12: Powers: The Board of Directors shall have the power to:

- A. adopt and publish rules and regulations governing the use of all Common Areas and Facilities, the conduct of Property Owners and/or guests thereon, and to establish penalties for the infraction thereof;
- B. suspend a Property Owner's voting rights and the right to use the Common Areas and Facilities during any period in which such Property Owner shall be in default in the payment of any obligation, including maintenance fees or Annual Assessment, to the Corporation;
- C. exercise for the Corporation all powers, duties and authority vested in or delegated to the Corporation by the Articles of Incorporation, Declaration, or authorized by law and not reserved to the Property Owners by other provisions of these By-laws, the Articles of Incorporation, or the Declaration;
- D. declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent, without prior written approval of the Board, from three (3) consecutive regular meetings of the Board of Directors; and
- E. employ a General Manager, independent contractors, or such other employee(s) as they deem necessary, and prescribe to their duties.

Section 13: Duties and Responsibilities: It shall be the duty and responsibility of the Board of Directors to:

- A. cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof at the annual meeting of Property Owners, or at any special meeting when such statement is requested in writing by one fourth (1/4) of the Property Owners who are entitled to vote;
- B. supervise the General Manager of the Corporation by establishing Policy and Procedures and see that his or her duties are properly performed;
- C. determine the amount of Annual Assessment, which may be collected monthly, against each lot at least thirty (30) days in advance of each Annual Assessment period;
- D. send written notice of each Annual Assessment to each Property Owner subject thereto at least thirty (30) days in advance of each Annual Assessment period;
- E. cause the Annual Assessments to be collected;
- F. foreclose the lien against any property for which Annual Assessments are not paid within thirty (30) days after due date or to bring an action at law against the Property Owner personally obligated to pay the same;
- G. issue, or cause an appropriate Officer to issue, upon demand by any person, a certificate setting forth whether or not an Assessment has been paid. A reasonable charge may be made for the issuance of these certificates. If a certificate states that an Assessment has been paid, such certificate shall be prima facie evidence of such payment;
- H. procure and maintain adequate worker's compensation, comprehensive liability and hazard insurance on property owned by the Corporation;
- I. cause all Officers, Directors or employees having fiscal responsibilities to be bonded or obtain liability insurance for such individual, as it may deem appropriate;
- J. cause the Common Areas and Facilities to be maintained, repaired and operated;
- K. take action(s), with input and discussion with the elected Architectural Control Committee, to assure that all Reservations, Restrictions & Covenants and By-laws are complied with in accordance with applicable laws;
- L. assure that each new Property Owner or a Property Owner who submits building plans for approval by the Architectural Control Committee shall be provided with a copy of these By-laws and a copy of the applicable Reservations, Restrictions & Covenants. A signed receipt from the Property Owner shall be kept on file in the Corporate office;
- M. periodically, but not less than once every ten years, implement a professionally developed demographic study of all Property Owners. Such study will provide the Board with needed information as an adjunct to the planning process. Property Owners will thereby have another avenue to express their needs and concerns. The study will include ages and gender of each eligible family member and will reflect the frequency of participation in the various facilities and programs available at Elkins Lake. Suggestions for additional activities, programs and/or facilities will be documented and the degree of participation recorded; and
- N. adopt and publish rules and regulations governing the use of all Common Areas and Facilities.

ARTICLE V OFFICERS OF THE CORPORATION

Section 1: Enumeration: The Officers of this Corporation shall be a President, Vice President(s), and Treasurer, who shall at all times be members of the Board of Directors, a Secretary, and such other officers as the Board may from time to time create by resolution.

Section 2: Election and Term: The election of Officers will occur annually at a January Special Meeting of the Board of Directors. Officers shall hold office for one (1) year unless he or she should resign or be removed, or otherwise be disqualified to

serve.

Section 3: Special Appointments: The Board may elect such other Officers as the affairs of the Corporation may require, each of whom shall hold office for no longer than twelve (12) months, have such authority, and perform such duties as the Board may, from time to time, determine.

Section 4: Resignation and Removal: The Board may remove any Officer from office. Any Officer may resign at any time by giving written notice to the Board, the President or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to be effective.

Section 5: Vacancy: A vacancy in any office may be filled by appointment by the Board. The Officer appointed to such vacancy shall serve for the remainder of the term of the Officer he or she replaces.

Section 6: Multiple Offices: The offices of Secretary and Treasurer may be held by the same person if qualifications for each office are met. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 3 of this Article V.

Section 7: Duties: The duties of the Officers are as follows:

- A. **President.** The President shall preside at all Property Owner meetings and meetings of the Board of Directors. The President shall appoint all Committee Chairpersons subject to the approval of the Board of Directors. The President shall also perform such other duties as may be prescribed by the Board of Directors from time to time.
- B. **Vice President(s).** The Vice President (or in the event there is more than one Vice President, the Vice President in the order designated, or in the absence of any designation, then in the order of their election) shall act in the place and instead of the President in the event of his or her absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required or assigned by the Board or the President.
- C. **Secretary.** The Secretary shall record the votes and/or cause to be kept the minutes of all meetings and proceedings of the Board and of the Property Owners; keep the corporate seal of the Corporation and affix it on all papers requiring said seal; serve notice of meetings of the Board and of the Property Owners; keep appropriate current records showing the Property Owners, together with their addresses; certify the voting rights of Property Owners from time to time and collect the votes of the Property Owners at any meeting of the Property Owners; and shall perform such other duties as required by the Board.
- D. **Treasurer.** The Treasurer shall receive and/or cause to be deposited in appropriate bank accounts all moneys of the Corporation and shall disburse such funds as directed by resolution of the Board of Directors; shall be authorized to co-sign checks and promissory notes of the Corporation; keep proper books of account; cause an annual audit of the Corporation books to be made by a public accountant at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at the regular annual meeting, and shall cause a summary of said report to be available to each Property Owner.

ARTICLE VI GENERAL MANAGER

The General Manager shall be the Registered Agent and Chief Operational Officer of the Corporation and is responsible for the proper management of all aspects of the Corporation's activities so as to ensure maximum Property Owner satisfaction; the maintenance and improvement of the Corporation's activities; and the security and protection of the Corporation's assets and facilities. The General Manager reports to the Board of Directors, and is selected by (and serves at the pleasure of) the Board of Directors.

ARTICLE VII COMMITTEES

The Board of Directors shall appoint such committees it deems appropriate in carrying out its purposes and duties. However, the designation of such committees and the delegation thereto of authority shall not relieve the Board of Directors or any individual Director, of any responsibility imposed by these By-laws or by law. Any non-Director who becomes a member of any such committee shall have the same responsibility with respect to such committee as a Director who is a member thereof. Committee recommendations shall be presented to the Board of Directors for consideration. Consultants may be required from time to time as approved by the Board.

Section 1: Standing Committees: The Corporation shall have six (6) advisory committees.

- A. **House**
- B. **Property and Facilities**
- C. **Lakes**

- D. Golf
- E. Non-Golf Recreational
- F. Long Range Planning: This committee shall consist of at least a majority of the Directors plus at least an equal number of non-Directors.

ARTICLE VIII
BOOKS, RECORDS, CONTRACTS, LOANS, CHECKS
DEPOSITS, TRANSACTIONS WITH TRUSTEES AND OFFICERS

Section 1: Contracts. The Board of Directors may, subject to the limitations contained in Section 2 of this Article VIII, authorize any Officer or Officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances.

Section 2: Voting Property Owners Major Decisions. Unless the majority of the Board of Directors and the majority of the Property Owners casting votes agree otherwise (in the manner set forth below), the Board of Directors shall, at no time,

- A. cause the Corporation to incur unsecured debt in an amount in excess of ten percent (10%) of the gross revenues of the Corporation for the preceding calendar year (inclusive of the Annual Assessments and the gross revenues from the operation of facilities owned by the Corporation), in the aggregate; or
- B. cause the Corporation to incur secured debt in an amount in excess of twenty-five percent (25%) of the gross revenues of the Corporation for the preceding calendar year (inclusive of the Annual Assessments and the gross revenues from the operation of facilities owned by the Corporation), in the aggregate;
- C. cause any and all indebtedness, including any indebtedness unsecured or secured, to be repaid more than seven (7) years after the date such indebtedness is incurred. In no event shall any property owned by the Corporation be mortgaged or pledged as security for any loan, other than as authorized by these By-laws.

As provided in A, B & C above, the majority of the Board of Directors and the majority of Property Owners casting ballots must approve any modification or amendment of these requirements for them to be effective. The modification or amendment approved in the manner provided by these By-laws shall apply only to the specific transaction or transactions, unless the provisions of this Section 2 are modified by an amendment to these By-laws.

Voting procedures are set forth in Article III, Section 8.

Section 3: Checks, Drafts, Etc. All checks, drafts or other orders for the payment of money, notes or other evidence of indebtedness issued in the name of the Corporation, shall be signed by such Officer or agent of the Corporation and in such manner as shall, from time to time, be determined by Resolution of the Board of Directors or as permitted by these By-laws.

Section 4: Deposits. All funds of the Corporation not otherwise employed shall be deposited to the credit of the Corporation in such banks, savings and loan associations or other depositories as the Board of Directors may select.

Section 5: Transactions with Directors and Officers. All contracts, transactions and acts entered into by the Directors and/or Officers on behalf of the Corporation shall be at "arm's length" and not violative of the limitations provided in the Articles of Incorporation or these By-laws against the Corporation's use or application of its funds for private benefit; and provided further that no contract or transaction shall be entered into on behalf of the Corporation if such contract or transaction is a prohibited transaction or would result in the denial of the tax exemption of the Corporation under any section of the Internal Revenue Code or Regulations.

In no event may the Corporation lend, contract for a loan, or issue evidence of indebtedness to any Director, Officer or Disqualified Persons (as that term is defined in the Internal Revenue Code). Moreover, the Directors of the Corporation who vote for or assent to the making of a loan to a Director or Officer of the Corporation or to such Disqualified Person and any Officer or Officers participating in the making of such loan, shall be held jointly and severally liable to the Corporation for the amount of such loan until repayment thereof.

Section 6: Indemnity of Directors and Officers.

- A. Subject to the exceptions and limitations contained in B. below:
 - (1) Every person who is, or has been a Director or Officer of the Corporation shall be indemnified by the Corporation to the fullest extent permitted by law against liability and against all expenses reasonably incurred or paid by him or her in connection with any claim, action, suit or proceeding in which he or she becomes involved as a party or otherwise by virtue of his or her being or having been a Director or Officer and against amounts paid or incurred by him or her in the settlement thereof;
 - (2) The words "claim," "action," "suits" or "proceedings" shall apply to all claims, actions, suits or proceedings (civil, criminal or other, including appeals), actual or threatened, made or commenced subsequent to the adoption of these By-laws; and the words "liability" and "expenses" shall include, without limitation, attorneys' fees, costs, judgments, amounts paid in settlement, fines, penalties, and other liabilities.
- B. No indemnification shall be provided hereunder to a Director or Officer or any other individual;

- (1) against any liability by reason of willful misfeasance, bad faith, gross negligence or reckless disregard of the duties involved in the conduct of his or her office;
 - (2) with respect to any matter as to which he or she shall have been finally adjudicated not to have acted in good faith in the belief that his or her action was in the best interests of the Corporation;
 - (3) with respect to any criminal actions wherein that Director or Officer or any other individual pleads or is found to be guilty or pleads nolo contendere;
 - (4) in the event of a settlement unless there has been a determination that such Director or Officer or any other individual did not engage in willful misfeasance, bad faith, gross negligence or reckless disregard of the duties involved in the conduct of his or her office;
 - a) by the Court or other body approving the settlement; or
 - b) by vote of not less than two-thirds (2/3) of those members of the Board of Directors, constituting at least a majority of such Board, who are not themselves involved in the claim, action, suit or proceeding; or
 - c) by written opinion of independent counsel, appointed by the Court.
- C. The rights of indemnification herein provided:
- (1) may be insured against by policies maintained by the Corporation;
 - (2) shall continue as to a person who has ceased to be such Director or Officer;
 - (3) and shall inure to the benefit of the heirs, executors and administrators of such a person.
- D. Expenses in connection with the preparation and presentation of a defense to any claim, action, suit or proceeding of the character described above may be advanced by the Corporation prior to final disposition thereof upon receipt of an undertaking by or on behalf of the Director or Officers, secured by a surety bond or other suitable insurance issued by a company authorized to conduct business in the State of Texas, to repay such amount if it is ultimately determined that he or she is not entitled to indemnification.

Section 7: Financial Records and Annual Reports. The Corporation shall maintain true and accurate current financial records with full correct entries made with respect to all financial transactions of the Corporation, including all income and expenditures, in accordance with generally accepted accounting practices. The books, records and papers of the Corporation shall at all times, during reasonable business hours, be subject to inspection by any Property Owner. The Declaration, the Articles of Incorporation, the By-laws of the Corporation and the minutes of all meetings and proceedings of the Board and the Corporation shall be available for inspection by any Property Owner at the principal office of the Corporation. Property Owners may purchase copies of such at a reasonable cost.

Section 8: Fiscal Year. The fiscal year of the Corporation shall begin on January 1 and end on December 31 of every year.

ARTICLE IX **ANNUAL ASSESSMENTS; MAINTENANCE FUND**

Section 1: Assessments. As more fully provided in the Declaration, each Property Owner is obligated to pay to the Corporation an Annual Assessment charge, which is used to create a fund known as the Maintenance Fund and is secured by a continuing lien upon the Lot against which such Assessment is made. Any Assessments not paid when due shall be delinquent. If the Assessment is not paid within thirty (30) days after the due date, the Assessment may bear interest from the date of delinquency at the rate specified in the Declaration, and the Corporation may bring action at law against the Property Owner personally obligated to pay the same or foreclose the lien against such Property Owner's Lot, and interest, costs, and reasonable attorney fees of such action shall be added to the amount of such Assessment. No Property Owner may waive or otherwise escape liability for the Assessments provided for herein by non-use of the Common Area or Facilities or abandonment of the Lot or Lots.

The annual assessment of a Property Owner who is 75 years or older and has been a property owner for 10 years will be fixed at the rate for the year the application is made and is accepted by the Board of Directors of the Elkins Lake Recreation Corporation. The surviving Spouse of a deceased Property Owner who previously qualified for and whose application for fixed fees was accepted, may continue to qualify for the fixed fee rate even if he / she does not personally qualify. Fixed fees may not be transferred to any other person for any reason. It is the responsibility of the Property Owner to provide the Board of Directors with proof of age and ownership to qualify for the fixed rate. The application of the fixed rate for the Annual Assessment will apply to only one property regardless of the number of properties owned. In the event the annual dues are reduced below the owner's fixed rate, the owner is entitled to the lower rate.

Section 2: Increases in Assessments. Unless the Voting Property Owners agree otherwise, in the manner set forth in Section 3 of this Article IX below, the Annual Assessments charged to Property Owners of Lots in the Elkins Lake Subdivision shall not be increased by an amount greater than ten percent (10%) per year. The right to increase the Annual Assessment shall not be cumulative.

Section 3: Membership Decision. The Annual Assessments may be increased above that provided in Section 2 above, by the affirmative approval of (a) a majority of the Board of Directors and (b) the majority of Property Owners voting via written ballots. Voting procedures are set forth in Article III, Section 8.

**ARTICLE X
DIVIDENDS AND INCOME OF THE CORPORATION**

No dividends shall be paid and no part of the income of the Corporation shall be distributed to or inure to the benefit of Directors, Officers, Property Owners or any individual, except upon total dissolution of the Corporation, and in that event according to the Texas Non-Profit Corporation Act, as amended.

**ARTICLE XI
CORPORATE SEAL**

The Corporation shall have a seal in circular form having within its circumference the words:
ELKINS LAKE RECREATION CORPORATION.

**ARTICLE XII
MISCELLANEOUS**

Section 1: Amendments. These By-laws may be amended at any time by the affirmative approval of (a) a majority of the Board of Directors and (b) sixty percent (60 %) of the Property Owners voting via written ballots.

Voting procedures are set forth in Article III, Section 8. Ballots shall contain the precise wording of each proposed amendment.

If the proposed amendment to the By-laws is approved by a majority of the Board of Directors and sixty percent (60 %) of the Property Owners voting, the Board of Directors shall prepare a formal amendment of the By-laws as so approved.

Section 2: Conflicts. In the case of any conflict between the Articles of Incorporation and these By-laws, the Articles of Incorporation shall control. In the case of any conflict between the Declaration and these By-laws, the Declaration shall control.

Section 3: Notices and Ballots. Any notice permitted or required to be given under these By-laws shall be in writing and shall be delivered by United States Mail, adequate postage prepaid, addressed to the last known address of the party to whom such notice is to be given according to the most recent records of the party sending such notice. The Corporation shall retain full and complete records of the list of all Property Owners and others to whom notices were sent, including the address of such Property Owners and others.

Section 4: Severability. Each of the provisions of these By-laws shall be deemed independent and severable and the invalidity or unenforceability or partial invalidity or partial unenforceability of any provision or portion thereof shall not affect the validity or enforceability of any other provision.

Section 5: Terminology. The use of any gender herein shall be applicable to all genders; the singular shall include the plural and vice versa.

Section 6: Covenant to Obey Laws, Rules and Regulations. Each Property Owner shall be subject to the Declaration and shall abide by the By-laws and the rules and regulations as the same are, or may from time to time be established by the Board of Directors. Each Property Owner shall observe, comply with and perform all rules, regulations, ordinances and laws made by any governmental authority or any municipal, state and federal government having jurisdiction over the Properties or any part thereof.

END