

BYLAWS OF SUGAR PLANTATION PROPERTY OWNERS ASSOCIATION, INC.

ARTICLE 1

DEFINITIONS

1.01 "Corporation" shall mean and refer to Sugar Plantation Property Owners Association, Inc., its successors and assigns.

1.02 "Property" or "Subdivision" shall mean and refer to that certain real property described in the "Declaration of Restrictions," filed in the Real Property Records of Brazoria County, Texas, Volume 1762, Page 273, et. seq., and such additions thereto as may hereafter be brought within the jurisdiction of the Corporation.

1.03 "Common Area" shall mean all real property owned by the Corporation for the common use and enjoyment of the Owners.

1.04 "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Subject Property with the exception of the Common Area.

1.05 "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot.

1.06 "Declaration" shall mean and refer to the "Declaration of Restrictions" recorded in the Deed of Records of Brazoria County, Texas.

1.07 "Member" shall mean and refer to lot owners entitled to memberships in the Association.

ARTICLE 2

APPLICABILITY OF BYLAWS

2.01 The provisions of this document constitute the Bylaws of the non-profit corporation known as Sugar Plantation Property Owners Association, Inc., hereinafter referred to as the "Association."

2.02 The provisions of these Bylaws are applicable to the property common areas and Lots as defined in these Bylaws.

ARTICLE 3

OFFICES

3.01 The principal office of the Association shall be located at the residence of the President of the corporation.

3.02 The Association shall have and shall continuously maintain in the State of Texas a registered office and a registered agent, whose office shall be identical with the registered office, as required by the Texas Non-Profit Corporation Act. The registered office may be, but need not be, identical with the principal office of the corporation, and the address of the registered office may be changed from time to time by the Board of Directors.

ARTICLE 4

MEMBERSHIP

4.01 The membership of the Association shall consist of all of the owners of Lots within the Subdivision.

4.02 The rights of the membership shall not be exercised by any person until satisfactory proof has been furnished to the Secretary of the Association that the person is qualified as a Member. Such proof may consist of a copy of a duly executed and acknowledged deed or title insurance policy evidencing ownership of a lot in the Subdivision.

4.03 The sole qualification for membership shall be the ownership of a Lot. No initiation fees, costs, or dues shall be assessed against any person as a condition of membership except such assessment, levies, and charges as are specifically authorized under the Articles of Incorporation, Declaration, or these Bylaws.

ARTICLE 5

VOTING RIGHTS

5.01 The Owner(s) of each Lot is/are entitled to one vote.

5.02 At all meetings of Members, a Member may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary of the Association. No proxy shall be valid after eleven (11) months from the date of its execution, unless otherwise specifically provided in the proxy.

5.03 The presence, either in person or by proxy, at any meeting, of Members entitled to cast at least twenty-five percent (25%) of the total voting power of the Association shall constitute a quorum for any action. In the absence of a quorum at a meeting of Members, a

majority of those Members present in person or by proxy may adjourn the meeting to a time not less than five (5) days or more than thirty (30) days from the meeting date.

5.04 The vote of the majority of the votes entitled to be cast by the Members present, or represented by proxy, at a meeting at which a quorum is present shall be the act of the meeting of Members, unless the vote of a greater number is required by statute or by the Declaration, by the Articles of Incorporation of this Association, or by these Bylaws.

5.05 Cumulative voting is not permitted.

ARTICLE 6

MEETINGS OF MEMBERS

6.01 The annual meeting of the Members of the Association shall be held on a day in February of each year to be selected by the Board of Directors.

6.02 Special meetings of the Members may be called by the President, the Board of Directors, or by Members representing at least twenty percent (20%) of the total voting power of the Association.

6.03 Meetings of the Members shall be held within the Subdivision.

6.04 Written notice of all Members' meetings shall be given by or at the direction of the Secretary of the Association or such other persons as may be authorized to call the meeting, by mailing or personally delivering a copy of such notice at least ten (10) but not more than fifty (50) days before the meeting to each Member entitled to vote at the meeting. The notice must be addressed to the Member's address last appearing on the books of the Association or supplied by such Member to the Association for the purpose of the notice. The notice shall specify the place, day and hour of the meeting and, in the case of a special meeting, the nature of the business to be undertaken.

6.05 The order of business at all meetings of the Members shall be as follows:

- (a) Roll call;
- (b) Proof of notice of meetings or waiver of notice;
- (c) Reading of Minutes of the preceding meeting;
- (d) Reports of officers;
- (e) Reports of committees;
- (f) Election of directors;
- (g) Unfinished business;
- (h) New business.

ARTICLE 7

BOARD OF DIRECTORS

7.01 The affairs of this Association shall be managed by a Board of Directors consisting of four (4) persons, all of whom must be Members of the Association.

7.02 Directors shall be elected at the annual meeting of the Members and shall hold office for a term of two (2) years or until their successors are elected and qualified. One-half of all Directors shall be elected each year.

7.03 Directors may be removed from office with or without cause by a majority vote of the Members of the Association.

7.04 In the event of a vacancy of the Board caused by the death, resignation or removal of a Director, the remaining Directors shall, by majority vote, elect a successor who shall serve for the unexpired term of the predecessor. Any directorship to be filled by reason of an increase in the number of directors shall be filled by election at an annual meeting of Members or at a special meeting of Members called for that purpose.

7.05 Directors shall receive no compensation. A Director may be reimbursed by the Board for actual expenses incurred by the Director in the performance of the Director's duties.

7.06 The Board shall have the powers and duties, and shall be subject to limitations on such powers and duties, as enumerated in the Declaration or as may be provided by law. These duties shall include: fixing and providing notice of and collecting annual assessments of members; procuring adequate insurance; and providing for maintenance of common areas.

ARTICLE 8

NOMINATION AND ELECTION OF DIRECTORS

8.01 Nomination for election of the Board of Directors shall be made from the floor at the annual meeting of the Members.

8.02 Members, personally or by proxy, may cast one (1) vote in respect to each vacant directorship. The nominees receiving the highest number of votes shall be elected.

ARTICLE 9

MEETINGS OF DIRECTORS

9.01 Regular meetings of the Board of Directors shall be held quarterly at a place within the Subdivision and at a time as may be fixed from time to time by resolution of the

Board. Notice of the time and place of regular meetings shall be posted at a prominent place within the Subdivision.

9.02 Special meetings of the Board of Directors shall be held when called by written notice signed by the President of the Association or by any two (2) Directors other than the President. The notice shall specify the time and place of the meeting and the nature of any special business to be considered. Notice of a special meeting must be given to each Director not less than three (3) days or more than ten (10) days prior to the date fixed for such meeting by written notice, either delivered personally or sent by mail, fax or e-mail, to each Director at the Director's address as shown in the records of the Association.

9.03 A quorum for the transaction of business by the Board of Directors shall be a majority of the number of Directors constituting the Board of Directors as fixed by these Bylaws.

9.04 The act of the majority of Directors present at a meeting at which a quorum is present shall be the act of the board of Directors.

9.05 Regular and special meetings of the Board shall be open to all Members of the Association, provided, however, that the Association Members who are not on the Board may not participate in any deliberation or discussion unless expressly authorized to do so by the vote of a majority of a quorum of the Board.

9.06 The Board may, with the approval of a majority of a quorum, adjourn a meeting and reconvene in executive session to discuss and vote on personnel matters, litigation in which the Association is or may become involved, contract negotiations, enforcement actions, other business of a confidential nature involving a Member, and matters requested by the involved parties to remain confidential. The nature of any and all business to be considered in executive session shall first be announced in open session.

ARTICLE 10

OFFICERS

10.01 The Officers of this Association shall be a President, a Vice-President, a Secretary, and a Treasurer, who shall at all times be members of the Board of Directors. The Board of Directors may, by resolution, create such other offices it deems necessary and desirable.

10.02 The Officers of the Association shall be elected annually by the Board of Directors, and each shall hold office for two (2) years, unless the Officer shall sooner resign, be removed or be otherwise disqualified to serve.

10.03 Any Officer may resign at any time by giving written notice to the Board, the President, or the Secretary. Such resignation shall take effect at the date of receipt of the notice or at any later time specified in the notice. Any Officer may be removed from office by the

Board whenever, in the Board's judgment, the best interests of the Association would be served by such removal.

10.04 Officers shall receive no compensation. An officer may be reimbursed by the Board for actual expenses incurred by the officer in the performance of the officer's duties.

ARTICLE 11

PRESIDENT

11.01 At the first meeting of the Board immediately following the annual meeting of the Members, the Board shall elect one of their number to act as President.

11.02 The President shall perform the following duties:

- (a) Preside over all meetings of the Members and of the Board;
- (b) Sign, as President, all legal documents which have been first approved by the Board, unless the Board, by duly adopted resolution, has authorized the signature of another Officer;
- (c) Call meetings of the Board whenever he or she deems it necessary in accordance with rules and on notice agreed to by the Board.

ARTICLE 12

VICE-PRESIDENT

12.01 At the first meeting of the Board immediately following the annual meeting of the Members, the Board shall elect one of its Members to act as Vice-President.

12.02 The Vice-President shall perform the following duties:

- (a) Act in the place and in the stead of the President in the event of the President's absence, inability or refusal to act;
- (b) Exercise and discharge such other duties as may be required of the Vice-President by the Board.

ARTICLE 13

SECRETARY

13.01 At the first meeting of the Board immediately following the annual meeting of the Members, the Board shall elect a Secretary.

13.02 The Secretary shall perform the following duties:

- (a) Keep a record of all meetings and proceedings of the Board and of the Members;

- (b) Keep the seal of the Association, if any, and affix it on all papers requiring the seal;
- (c) Serve notices of meetings of the Board and the Members required either by law or by these Bylaws;
- (d) Keep appropriate current records showing the Members of the Association together with their addresses;
- (e) Sign, as Secretary, all legal instruments in writing that have been first approved by the Board if the instruments require a second Association signature.

ARTICLE 14

TREASURER

14.01 At the first meeting of the Board immediately following the annual meeting of the Members, the Board shall elect a Treasurer.

14.02 The Treasurer shall perform the following duties:

- (a) Receive and deposit in a bank or banks, as the Board may from time to time direct, all of the funds of the Association;
- (b) Be responsible for and supervise the maintenance of books and records to account for the Association's funds and other Association assets;
- (c) Disburse and withdraw funds as the Board may from time to time direct, in accordance with prescribed procedures;
- (d) Prepare and distribute any financial statements for the Association.

ARTICLE 15

BOOKS AND RECORDS

15.01 Complete and correct records of account and minutes of proceedings of meetings of Members, Directors and committees shall be kept by the registered agent at the registered office of the corporation. A record containing the names and addresses of all Members entitled to vote shall be kept at registered office of the Association.

15.02 The membership register, the books of account, and the minutes of proceedings shall be available for inspection and copying by any Member of the Association, upon reasonable advance notice.

ARTICLE 16

GENERAL PROVISIONS

16.01 These Bylaws may be amended, altered, or repealed at a regular or special meeting of the Member of the Association by the affirmative vote or by proxy of Members representing a majority of a quorum of the Association.

16.02 Adopted by the Board of Directors on this 19th day of April, 1999.

Kimberly W. Carnwell
Director

Kathryn A. Jordan
Director

R. L. Summers
Director

Pamela M. McIntyre
Director