

POINT LOOKOUT OWNER'S ASSOCIATION, INC.

BY-LAWS

ARTICLE I.

Name, Location, Definitions, Purposes,
Functions and Area of Operations of the Association

Section 1. Name and Location: The name of the corporation is POINT LOOKOUT OWNER'S ASSOCIATION, INC., hereinafter referred to as the "Association". The principal office of the Association shall be located at P. O. Box 145, Point Blank, Texas, but meetings of Members and Directors may be held at such places with in the State of Texas as may be designated from time to time by the Board of Directors.

Section 2. Definitions:

(a) "Association" shall mean and refer to POINT LOOKOUT OWNER'S ASSOCIATION, INC., its successors and assigns. POINT LOOKOUT OWNER'S ASSOCIATION, INC., is and shall be and shall perform the functions of that same entity referred to as the POINT LOOKOUT RESTRICTIONS COMMITTEE in covenants, conditions, warranties and restrictions filed in the Deed Records of

San Jacinto County, Texas, pertaining to Point Lookout Estates Section 1, Annex to Section 1 and Section 2.

(b) "Property" and/or "Properties" shall mean and refer to that certain real property described in the "Restrictions", and shall include but not be limited to "Common Area" and/or "Lots", as hereinafter defined.

(c) "Common Area" shall mean all property owned by the Association for the common use and enjoyment of the lot owners.

(d) "Lot" shall mean and refer to any residential lot in POINT LOOKOUT ESTATES Section 1, except areas A,B,C, and D, which constitute the park area, and to areas G and H which may be developed as commercial property; and any lot in POINT LOOKOUT ESTATES Annex to Section 1, and Section 2, except Area H, which may be developed as commercial property; and to any residential lots in Section(s) to be admitted to the auspices of the Association in the future.

(e) "Lot Owner" and/or "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, including contract sellers, but excluding those having an interest merely as security for the performance of any obligation.

(f) "Restrictions" shall mean and refer to the Deed Restrictions applicable to the properties, recorded in the office of the County Clerk, San Jacinto County, Texas, and any amendments there to, if any.

(g) "Members" shall mean any person or entity that is the record owner of a lot; said lot must be duly plated in the Map Records of San Jacinto County, Texas.

(h) "Subdivision" shall mean and refer to POINT LOOKOUT ESTATES Subdivision Section 1, Annex to Section 1 and Section 2, a residential subdivision in San Jacinto County, Texas, as recorded in the Map Records of the Clerk of San Jacinto County, Texas.

(i) "Maintenance Fund Assessment" and/or "Assessment" shall mean and refer to the "Maintenance Fund" as more fully delineated in the "Restrictions".

Section 3. Purposes: POINT LOOKOUT OWNER'S ASSOCIATION, INC., is organized exclusively for the promotion of social welfare within the meaning of Section 501 (c) (4) of the Internal Revenue Code of 1954, including within the scope , but not limited to same, of such purpose the following specific activities: To promote and encourage civic pride , and to promote health, sanitation, safety, and convenience of the inhabitants of the area here in after

defined , and by way of illustration , and not by way of limitation , to accomplish such purposes by performing or assisting in the performance, or procuring, or assisting in the procuring or by subsidizing the performance or procurement of the functions hereinafter stated in Section 4, of this Article.

Except as individual members of the general public or groups of individuals who are members of the general public may realize benefits from the carrying on or the supporting of activities of the nature above described, no part of the net earnings of the Association shall inure or be pay able to or for the benefit of any private individual. No part of the activities of the Association shall consist of direct or indirect participation or intervention in political campaigns on behalf of or in opposition of any candidate for public office.

Section 4. Functions: The Association may perform, or assist in the performance, or procuring, or assist in the procuring, or may subsidize the performance or procurement of any of the following, the following being given in illustration but not in limitation of said functions:

- (a) Lighting, improving, planting, landscaping, beautifying and maintaining parks, parkways, esplanades, rights - of way, and other public areas.
- (b) Provision of police patrol service, and/or watchman service.

- (c) Collection and disposition of garbage, ashes, trash, rubbish, and refuse.
- (d) Provision of, establishment, operation of, maintenance of, and the supplying of the equipment and/or personnel for community recreational facilities pursuant to Common Areas. To care for vacant, unimproved, or unkept lots in the area subject to its jurisdiction and the removal and destruction of unsightly and obnoxious matter therefrom.
- (e) Protection of the community against unlawful use of property and against violation of public or private regulations restricting or affecting use thereof, including, by way of illustration, and not by way of limitation, the enforcement of any covenants or conditions restricting use of the property.
- (f) Collect and enforce the collection of, and administer, any maintenance charges and/or other charges and/or levies assessed against properties and/or lot owners subject to its jurisdiction.

- (g) Performance of any other services necessary or desirable in the opinion of the Board of Directors for the mutual benefit of the members of the community.

Section 5. Area: The activities of the Association shall be limited to the area known as POINT LOOKOUT ESTATES Section 1, Annex to Section 1, and Section 2, as delineated in definitions, above, and to such other areas which may hereafter be subdivided as subsequent sections of POINT LOOKOUT ESTATES and subject to a maintenance charge similar to that imposed upon POINT LOOKOUT ESTATES Section 1, Annex to Section 1, and Section 2, and shall also include such other areas which may hereafter, through the operation of conditions, covenants, restrictions, easements, reservations, or charges, pertaining to the same, be placed under or subjected to the jurisdiction of this Association and jurisdiction over which has been accepted by resolution of the Board of Directors of this Association.

ARTICLE II.

Members

Section 1. **Annual Meeting:** The annual meeting of the Members shall be held on the last Saturday in May of each year at eight o'clock p.m. Central Standard Time. Annual meetings of the Members shall be held at Point Lookout Estates, San Jacinto County, Texas, or such other place designated by notice pursuant thereto. An annual meeting shall be mandatory, except that failure to hold the annual meeting at the designated time shall not work a dissolution of the Association.

Section 2. **Special Meetings:** Special Meetings of the Members may be called by the President or Vice President of the Board of Directors or by the Board of Directors, or by fifteen (15) members of the Association. In the latter instance, the fifteen (15) members shall give notice of the call to the Secretary of the Board of Directors, who shall within ten (10) days determine the eligibility of such members to vote. The Board of Directors shall call the Special Meeting within thirty (30) days after the Secretary has certified the fifteen (15) members' eligibility to vote.

Section 3. Notice of Meetings: Written or printed notice shall be given for each annual and each special meeting of members. Such notice shall state the place, day and hour of the meeting and a brief statement of the purpose or purposes for which the meeting is called, which notice shall be delivered not less than ten (10) nor more than thirty (30) days before the date of the meeting, either personally or by mail, by or at the direction of the President of the Board of Directors, or the Secretary, or the officer or person calling the meeting, to each member entitled to vote at such meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States Mail addressed to the member at his address as it appears on the records of the Association, with postage thereon prepaid.

Section 4. Quorum of Members: Five percent (5%) of the members entitled to cast, and/or of proxies entitled to be cast, shall constitute a quorum for all purposes at any meeting. The vote of the majority of the votes and/or their proxies entitled to be cast by the members present and/or their proxies at a meeting at which a quorum is present, shall be the act of the members meeting, unless the vote of a greater number is required by law, the Articles of Incorporation, or the By-Laws. If the number of members and/or their proxies necessary to constitute a quorum at any annual or special meeting, shall

fail to obtain a quorum as above described, the members and/or their proxies present may adjourn the meeting from time to time, without notice, other than by announcement at the meeting, until the number requisite to constitute a quorum shall be present. At any such adjourned meeting at which a quorum may be present, any business may be transacted which might have been transacted at the meeting at the time and place originally fixed if a quorum had been present.

Section 5. Proxies: At all meetings, and in all instances wherein voting of members is required or sought by the Board of Directors, each member may vote inperson or by proxy. All proxies may be voted only by other members of the Association. All proxies shall be in writing and shall be valid for only one specific meeting and/or one specific proposition or matter for which it is cast. The written proxy must, on its face, indicate the meeting and/or the proposition or matter for which it is to be cast, must be signed by the member so casting by proxy, and must indicate the lot, block and section numbers of all lots owned by such member. All proxies shall become void at adjournment of the meeting for which drawn or upon being validly cast pursuant to specific proposition or matter for which drawn, or upon closing of the vote, whichever occurs sooner. Proxies drawn for meetings shall contemplate all matters brought before that meeting, and may be lawfully voted pursuant to same unless other wise limited on their

face. Voiding of a proxy as above delineated shall not affect the validity of the lawful vote for which cast.

Section 6. Voting: Each qualified member shall be entitled to one vote for each lot owned by that said member. Whenever a lot is owned by more than one person, then the owners of each lot shall, collectively, be entitled to only one vote for each such lot. Either the husband, wife or bona fide head of the household may vote. At all meetings of members, all questions shall be decided by a vote of the majority of the members present in person and/or their proxies, entitled to vote, a quorum being present, except where a vote of a prescribed percentage of the entire membership is required either by the Articles of Incorporation, by these By-Laws, or by Statute. All voting shall be by written ballot signed by the member voting and/or his proxy, and if voting is by proxy then that proxy shall be attached to said written ballot. All voting shall be noncumulative. Eligibility of the members to vote shall be determined at time of meetings, the then records of the Association being presumptive pursuant thereto, and conclusive in the event no challenge is raised with reference to a particular vote. Procedure pursuant to voting pertaining to any and all propositions and/or matters shall be governed specifically by these By-Laws and/or by resolution duly

adopted by the Board of Directors, and any decision of said Board pertaining to ²²²⁷³ same shall be conclusive.

Section 7. Qualifications: The membership shall include all owners of lots in POINT LOOKOUT ESTATES, Section 1, Annex A to Section 1 and Section 2, as described here in before, but such lots must be platted and recorded in the map or plat records of San Jacinto County, Texas, before such membership obtains. Provided, however, that no member shall be entitled to vote, either in person or by proxy, nor shall he be entitled to hold office in the Association, so long as any sum owing to the Association by way of assessment, charge, levy or maintenance fund charges against any lot owned by said member is more than ten (10) days past due, and no member shall be permitted to vote on any matter pertaining to the business of the Association or to hold office in the Association until such delinquent charge, assessment, levy , or maintenance fund has been paid.

Section 8. Matters Requiring Mandatory Member Votes: It shall be mandatory that a vote of the membership shall be necessary to ratify and affirm any single expenditure proposed by the Board of Directors of the Association, which such proposed expenditure will exceed the sum of \$50,000.00. It shall further be mandatory that a vote of the membership shall be necessary to

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ratify and affirm the inclusion of areas other than POINT LOOKOUT ESTATES Section 1, Annex A to Section 1, and Section 2, in the said subdivision.

Section 9. Voting by Members other than at Meeting: Except with respect to voting at meetings of members as hereinbefore described, and except with respect to other voting procedures concerning members as specifically stated in these By-Laws, a majority vote of the qualified votes and/or their proxies shall be required to carry any proposition and/or matter submitted to the members for their vote.

ARTICLE III.

Board of Directors

Section 1. Number and term of office: The affairs of the Association shall be managed by a Board of three (3) Directors. The term of office for each Director shall be one (1) year. A Director's term shall commence on the first day of October next following the election.

Section 2. Removal: Any Director may be removed from the Board, with or without cause, by a majority vote of a quorum of the members of the Association at a special meeting called for that purpose, and/or by a majority vote of the Board of Directors.

Section 3. 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 the written approval and consent of all the Directors. Any action so approved shall have the same effect as though taken at a meeting of the Directors.

Section 4. Election of Directors: Directors shall be elected by the majority of votes cast by qualified voters or their proxies on an election date set by the Board of Directors in accordance with the provisions of the Articles of Incorporation and/or these By-Laws.

A. Selection of Candidates: On or before the fifteenth day of August, the Secretary shall post notice of the impending election, and shall invite nominations for candidates therefor. The Secretary shall canvass the candidates, confirming for himself the desire of each candidate to run for the position indicated and to serve if elected, and shall earnestly consider all other qualifications of each candidate.

B. Call for Election: On or before the first day of September, the Secretary shall examine the list of candidates, Certifying them as eligible to vote, and hold office, and shall at that time make known his recommendation to the President and the Board (this canvass confirmation, consideration, and

recommendation shall encompass all candidates of the Secretary's knowledge), and shall close the nominations and issue the call for the election to be held on a Saturday in September to be selected by the Board. The Secretary shall cause the call for such election to be posted in at least three places readily seen by the public. The Board may have ballots prepared and mailed to each qualified voter, according to the then records of the Association, together with written call of election as above described; in which event said ballot will be so mailed no later than ten (10) days or earlier than thirty (30) days next preceding the election. Rather than vote by written ballot, the Board may cause voting to be show of hands of those members present and constituting a quorum of the designated meeting in September. The Board shall prescribed and organize the mechanics of the actual balloting, giving particular consideration to the qualifications and/or eligibility of those voting. None of the foregoing shall operate to deprive qualified voters to write in the candidate of their choice, subject to certification by the Secretary of such write-in candidates eligibility and willingness to serve, or to vote by proxy.

C. The Ballot: When ballots are used, the ballot shall be printed, and shall clearly describe the office, position or vacancies for which the candates are running, and the names of the candidates to be voted upon; the ballots shall

be numbered consecutively, and space contained for the signature of the person casting the ballot and for the lot, block and section numbers of all lots owned by said voter. No ballot will be considered which is not received at the office of the Association prior to 7:00 p.m. of the election day in September. Ballots received by said time, either by mail or in person, shall be counted, subject to voter and candidate eligibility; all other ballots shall be declared void. Only one vote shall be cast for each residential lot in POINT LOOKOUT ESTATES. Either the husband, wife, or bona fide head of the household may cast that ballot. Only one vote per ballot may be cast for each position to be filled. Voting shall not be cumulative and any ballot so cast shall be declared null and void when canvassed by the Board of Directors and shall be struck from the total. Proxy votes may be cast pursuant to the provisos concerning same delineated in these By-Laws.

Section 5. Vacancies: Each Director shall serve until his successor has been duly elected or appointed and qualified; or until death or resignation. Should a vacancy occur for any reason the position shall be filled by appointment by the President and confirmed by a majority vote of the Board. Such appointment shall be made within thirty (30) days of the vacancy.

Section 6. Qualifications: Each candidate for a position on the Board of Directors must be a lot owner in good standing in POINT LOOKOUT

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ESTATES. If a Director for any reason ceases to be a lot owner in POINT LOOKOUT ESTATES, his position on the Board of Directors shall terminate within thirty (30) days.

Section 7. Quorum: A majority of the number of Directors or their proxies shall constitute a quorum for the transaction of business. The act of the majority of the Directors present at a meeting or their proxies at which a quorum is present shall be the act of the Board.

Section 8. Meetings: The regular meeting of the Board shall be held on the second Saturday of each month, at the Association offices, commencing at 9:00 o'clock a.m., unless otherwise directed by the President. Meetings of the Board, either regular or special, shall be held at least once each month. At any meeting, or pursuant to any action requiring a vote of the Directors, the Directors, or any of them, may vote by proxy. Such proxy may be voted only by another Board member. Such proxy shall be in writing, on a form prepared by the Secretary, and shall be valid only for one specific meeting and/or one specific proposition or matter for which it is cast. The written proxy must on its face indicate the meeting and/or the proposition or matter for which it is to be cast, and must be signed by the Board Member*, so casting by proxy, and must designate that Board Member authorized to cast that vote by the said proxy. All

proxies shall become void at adjournment of the meeting for which drawn or upon being validly cast, which ever occurs sooner. Proxies drawn for meetings shall contemplate all matters brought before that meeting, and may be lawfully voted pursuant to same unless otherwise limited on their face. Voiding of a proxy as above delineated shall not affect the validity of the lawful vote for which cast. Regular meetings of the Board may also be held without notice immediately following each annual meeting of members or adjourned annual meeting of members. Special meetings of the Board of Directors shall be held whenever called by the President, Vice President, Secretary, or a majority of the Directors then in office. Notice of each special meeting shall be given by the person calling it by mail, telegram, or personal delivery to each Director at least two days prior to the meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States Mail addressed to the Director at his address as it appears on the records of the Association with postage there on paid. Unless otherwise indicated in the notice thereof, any and all business may be transacted at a special meeting. At any meeting at which every Director shall be present, even though without any notice, any business may be transacted.

Section 9. Services of Directors: No Director or officers of the Association shall be required to devote his time or render services exclusively to

the Association, and each shall be free to engage in any and all other business and activity, either similar or dissimilar to the activities of the Association without breach of duty to the Association, and with out liability to it. Likewise, each Director and Officer of the Association shall be entirely free to act for and serve any other corporation, firm, or association in any capacity or capacities, and to become director or officer, agent or employee of any of same, whether or not the purpose or activities thereof be similar or dissimilar to the purposes or activities of this Association without breach of duty to this Association or its members and without liability of any character or description to the association or its members. No contracts or other transaction of this Association shall ever be affected by the fact that any Director or Officer of the Association is interested in or connected with any party to such contract or transaction, provided that such contract or transaction shall be approved by a majority of the Directors present at a meeting of the Board at which such contractor transaction shall be authorized or confirmed, which majority shall consist of Directors not so interested or connected. The officers and directors may be reimbursed for out-of-pocket expenses incurred in the performance of their duties.

Section 10. Powers of t h e Board of Directors: By way of illustration, but not in limitation, the Board of Directors shall have the power to:

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(a) Adopt and publish rules and regulations governing use of the common area and facilities, and the personal conduct of the members and their guests thereon, and to establish penalties for infraction thereof;

(b) Suspend the voting rights and right to use of the recreational facilities of a member during any period in which such member shall be in default in the payment of any assessment levied by the Association, as hereinbefore stated. Such rights may also be suspended after notice and hearing, for a period not to exceed sixty (60) days for infraction of published rules and regulations;

(c) Exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these By-Laws or the Articles of Incorporation, or the Restrictions;

(d) Declare the office of a member of the Board of Directors to be vacant in the event each such member shall be absent from three consecutive regular meetings of the Board of Directors ; and

(e) Employ a manager, secretary, or independent contractors, or such other employees as they deem necessary, and to prescribe and oversee their duties;

Section 11. Duties: It shall be the duty 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 to the members at the annual meeting of the members or at any special meeting when such statement is requested in writing by one-fourth of the members;
- (b) Supervise all officers, agents and employees of the Association, and to see that their duties are properly performed;
- (c) As more fully provided in the Restrictions to:
 - (1) Fix the amount of the annual assessment against each building site at least fifteen (15) days in advance of each annual assessment.
 - (2) Send written notice of each assessment to every owner subject thereto at least fifteen (15) days in advance of each annual assessment.
 - (3) Take appropriate steps to enforce or to cause the enforcement of the Restrictions;
- (d) Issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been

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paid. A reasonable charge may be made by the Board before the issuance of those certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;

- (e) To procure and maintain adequate liability and hazard insurance on the property and/or employees and/or agents of the Association;
- (f) To cause all officers or employees having fiscal responsibility to be bonded, as the Board may deem appropriate;
- (g) To cause the Common Area to be maintained;
- (h) Within the scope of its power granted by law, the Restrictions, the Articles of Incorporation and these By-Laws, to do anything else necessary and proper for the functioning of the Association;

Section 12. Associate Members: The Board of Directors may from time to time appoint "Associate Members of the Board of Directors". Said "Associates" shall have the rights, powers and duties as may be conferred upon them by proper resolution of the Board of Directors, except however, such associates shall have no voting privileges except by way of canvas or straw vote only.

ARTICLE IV.

Officers

Section 1. Enumeration of Offices: The officers of this Association all of whom shall be Directors, shall be a President, Vice-President and Secretary-Treasurer.

Section 2. Election of Officers: The election of officers shall take place at the first meeting of the Board of Directors following their inauguration on October 1st.

Section 3. Term: The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year unless he shall sooner resign, be removed, or otherwise be disqualified to serve.

Section 4. Special Appointments: The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may from time to time, determine.

Section 5. Resignation and Removal: Any officer may be removed from office, with or without cause, by the Board. Any officer may resign at any time giving written notice to the Board, the President or the Secretary. Such resignation shall take effect on the date of receipt or at any later time

specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancies: 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 replaces.

Section 7. Multiple Office: No person shall simultaneously hold more than one of the other offices, except in the case of special offices created pursuant to Section 4 of this Article.

Section 8. Duties:

(a) Powers and Duties of the President: The President subject to the control of the Board of Directors, shall be in general charge of the affairs of the Association in the ordinary course of its business; he shall preside at all meetings of the members and of the Board of Directors; he may make, sign and execute any deeds, conveyances, assignments, bonds, contracts and other obligations and any and all other instruments and papers of any kind or character in the name of the Association; and he shall do and perform such other duties as may from time to time be assigned to him by the Board of Directors.

(b) Powers and Duties of the Vice-President: The Vice-President shall act in the place and stead of the President in the event of his absence or in

ability to act, and shall exercise and discharge such other duties as may be required of him by the Board.

(c) Secretary-Treasurer: The Secretary-Treasurer shall have custody of all the funds and securities of the Association which come into his hands. Whenever required by the Board of Directors, he shall render a statement of his books and accounts to any Director of the Association during business hours; cause a report of the Association's books to be made by a Public Accountant at the completion of each fiscal year; he shall perform all acts incident to the position of Secretary-Treasurer subject to the control of the Board of Directors, give such bond for the faithful discharge of his duties in such form as the Board of Directors may require.

The Secretary-Treasurer shall keep the minutes of all meetings of the Board of Directors and the minutes of all meetings of the members in books provided for that purpose; he shall attend to the giving and serving of all notices; he may sign with the President or Vice-President in the name of the Association all contracts, conveyances, transfers, assignments, authorizations and other instruments of the Association and affix the seal of the Association thereto. He shall have charge of and maintain and keep such books and papers as the Board of Directors may direct, all of which shall at all reasonable times be open to the

inspection of any Director upon request at the office of the Association during business hours, and he shall in general perform all the duties incident to the office of Secretary subject to the control of the Board of Directors.

ARTICLE V.

Books and Records

Section 1. The books, records and papers of the Association including annual audit of books, annual budget and statement of income and expenditures shall at all times, during reasonable business hours, be subject to inspection by any member. The Articles of Incorporation, By-Laws of the Association, and Restrictive Covenants shall be available for inspection by any member at the principal office of the Association.

ARTICLE VI.

Corporate Seal

The Association shall have a seal in circular forms, having within its circumference the words: POINT LOOKOUT OWNER'S ASSOCIATION, INC.

ARTICLE VII.

Contracts, Checks, Drafts, Bank Accounts, Etc.

Section 1. The Board of Directors, except as in these By-Laws otherwise provided, may authorize any officer or officers, agent or agents, in the name of and on behalf of the Association to enter into any contract execute and deliver any instrument, and such authority may be general or confined to specific instances; and, unless so authorized by the Board of Directors or expressly authorized by the By-Laws, no officer or agent or employee shall have any power or authority to bind the Association by any contract engagement or to pledge its credit or to render it liable pecuniarily for any purpose or to any amount.

Section 2. No loan shall be contracted on behalf of the Association, and no negotiable papers shall be issued in its name unless authorized by the vote of the Board of Directors.

Section 3. All checks, drafts and other orders for the payment of money out of the funds of the Association and all notes or other evidences of indebtedness of the Association shall be signed on behalf of the Association and in such manner as shall from time to time be determined by resolution of the Board of Directors.

Section 4. All funds of the Association not otherwise employed shall be deposited from time to time to the credit of the Association in such banks or other depositories as the Board of Directors may select, and for the purpose of

such deposit the President, the Secretary-Treasurer, or any other officer or agent or employee of the Association to whom such power may be delegated by the Board of Directors, may endorse, assign and deliver checks, drafts and other orders for the payment of money which are payable to the order of the Association.

ARTICLE VIII.

Miscellaneous Provisions

Section 1. Fiscal Year: The fiscal year of the Association shall end at midnight on September 30th of each calendar year.

Section 2. Notice and Waiver of Notice: Whenever any notice whatever is required to be given under the provisions of these By-Laws, said notice shall be deemed to be sufficient if given by depositing the same in a post office box in a seal postpaid wrapper addressed to the person entitled thereto at his post office address, as it appears on the books of the Association, and such notice shall be deemed to have been given on the day of such mailing. A Waiver of Notice, signed by the person or persons entitled to said notice, whether before or after the time stated therein, shall be deemed equivalent to notice.

ARTICLE IX.

Amendments

These By-Laws may be supplemented, altered, amended or repealed by the affirmative vote of a majority of the members of the Association at any annual or special meeting.

In the case of any conflict between the Articles of Incorporation and these By-Laws, the Articles shall control; and in the case of any conflict between the restrictions and these By-Laws, the Restrictions shall control.

ARTICLE X.

Indennification of Directors and Officers

Section 1. Scope of Indemnity: The Association shall indemnify each of its present and future Directors and Officers (and his executor, administrator and heirs without further act on his part, against all reasonable expenses actually and necessarily incurred by him (including, but not limited to, counsel fees, judgments and costs) in connection with the defense of any litigation (including any civil, criminal or administrative action, suit or proceeding) to which he may have been made a party because of his present or past status as a Director or Officer of the Association. The right to indemnity for expenses shall

also apply to expenses of suits which are compromised or settled if the court having jurisdiction of the action shall so approve, or a majority of the Board of Directors, excluding those interested, votes to approve such settlement.

Section 2. Limitation of Indemnity: Directors and officers of this Association, whether or not then in office, shall have no right of reimbursement, as provided above, however, in relation to matters as to which he has been adjudged liable to the Association for negligence or misconduct in the performance of his duties.

Section 3. Indemnity Not Exclusive Right: The foregoing right of indemnification shall be in addition to, and not exclusive of, all other rights to which such Director or Officer may be entitled.

Section 4. Reliance on Association Records: Each officer, director or member of any committee designated by the Board of Directors, shall in the performance of his duties be fully protected in relying in good faith upon the books of account or reports made to the Corporation by any of its officials, or by an independent Certified Public Accountant, or by an appraiser selected with reasonable care, or in relying in good faith upon other records of the Corporation. In addition, each officer, director or member of any committee designated by the Board of Directors, shall in the performance of his duties be fully protected in

relying in good faith upon the advice of counsel retained by the said Board of Directors.

ARTICLE XI.

Upon dissolution of the Association, the Board of Directors shall, after paying or making provision for the payment of all the liabilities of the Association, dispose of all the assets of the Association, exclusively for the purposes of the Association in such manner, or such organization or organizations organized and operated exclusively for the promotion of social welfare as shall at the time qualify as an exempt organization or organizations under Section 501 (c) (4) of the Internal Revenue Code of 1954 (or the corresponding provisions of any future United States Internal Revenue Law), as the Board of Directors shall determine.

ARTICLE XII.

In the event any clause or provision of these By-Laws should at any time be adjudicated unlawful and/or void by a Court of competent jurisdiction, said adjudication shall not operate to void or otherwise invalidate the remaining provisions hereof.

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Filed for Record in:
San Jacinto County

On: Aug 31, 2015 at 01:35P

As a
Recording

Document Number: 20154497

Amount 173.00

Receipt Number - 6939

By:
Chandra Gressett

STATE OF TEXAS

COUNTY OF SAN JACINTO

I, Dawn Wright hereby certify that this instrument was filed in number sequence on the date and time hereon by me, and was duly recorded in the OFFICIAL PUBLIC RECORDS of San Jacinto County, Texas as stamped hereon by me on

Aug 31, 2015

Dawn Wright, County Clerk
San Jacinto County, Texas