

BY-LAWS OF PINE LAKE CLUB, INC.

(AS AMENDED JUNE 16, 1957, MAY 3, 1964 AND JUNE 6, 1965)

ARTICLE I.

NAME AND LOCATION.

SECTION 1: THE NAME OF THIS CORPORATION SHALL BE "PINE LAKE CLUB, INC."

SECTION 2: ITS PRINCIPAL OFFICES SHALL BE LOCATED AT PINE LAKE IN MONTGOMERY COUNTY, TEXAS, BUT OTHER OFFICES FOR THE TRANSACTION OF BUSINESS MAY BE LOCATED AT SUCH OTHER PLACES AS THE DIRECTORS MAY DETERMINE.

ARTICLE II.

PURPOSES.

THE AIMS AND PURPOSES OF THE CORPORATIONS ARE:

A. TO PROVIDE METHODS AND MEANS WHEREBY MEMBERS MAY AVAIL THEMSELVES OF THE GREATER POWER OF COMBINED EFFORT THROUGH THE CORPORATION, ACTING AS AN AUTHORITY BODY IN SECURING MAINTENANCE AND IMPROVEMENTS OF ALL SUBDIVISION STREETS AS PER PLAT OF THE SUBDIVISION OF PINE LAKE RECORDED IN VOLUME 5 ON PAGE 115 IN THE MAP RECORDS OF MONTGOMERY COUNTY, TEXAS, AND ALL OTHER SIMILAR OBJECTIVES AS MAY BE DEEMED ADVISABLE BY THE MEMBERS OF THE CORPORATION.

B. TO PROVIDE METHODS AND MEANS OF COMBINED EFFORT IN THE ENFORCEMENT OF MUTUALLY PROTECTIVE RESTRICTIONS GOVERNING THE USE OF PROPERTY WITHIN THE CONFINES OF PINE LAKE CLUB SUBDIVISION.

C. TO PROVIDE METHODS AND MEANS WHEREBY MEMBERS MAY AVAIL THEMSELVES OF UNIFORMITY OF ACTION UPON GENERAL PRINCIPALS DECIDED UPON FROM TIME TO TIME AS IS DEEMED BEST FOR PINE LAKE CLUB SUBDIVISION.

D. TO PROMOTE BETTER RELATIONS BETWEEN ITS MEMBERS AND BETWEEN MEMBERS AND OTHERS; TO PROTECT THE BEST INTERESTS OF THE COMMUNITY IN PINE LAKE CLUB SUB-DIVISION, AND TO PROTECT THE VALUE AND DESIRABILITY OF ALL PROPERTY LOCATED WITHIN PINE LAKE CLUB SUBDIVISION FOR THE PURPOSES THAT PROPERTY MAY BE USED, ACCORDING TO THE RESTRICTIONS PERTAINING TO SAID SUBDIVISION; TO OBTAIN, THROUGH COMBINED EFFORT, SUCH MAINTENANCE AND IMPROVEMENTS OF SUBDIVISION STREETS, THE LAKE, SWIMMING POOL, UTILITIES, AND THE LAND SURROUNDING THE LAKE AND LYING BETWEEN THE LAKE AND THE STREETS, AND OTHER SUCH OBJECTIVES THAT MAY BE DEEMED ADVISABLE BY THE MEMBERS OF THE CORPORATION FOR THE SAFETY, HAPPINESS, WELL-BEING AND BEST INTERESTS OF THE ENTIRE COMMUNITY.

E. THE CORPORATION SHALL BE OPERATED AS A NON-PROFIT ORGANIZATION AND NO CAPITAL STOCK SHALL BE ISSUED.

ARTICLE III

IN NO INSTANCE SHALL THE CORPORATION GO ON RECORD AS ENDORSING AND ASPIRANT FOR PUBLIC OFFICE OR ANY POLITICAL MOVEMENT, OR CAMPAIGN SPEECHES, IN CONNECTION THEREWITH.

ARTICLE IV

OFFICERS AND DIRECTORS

SECTION 1: THE CORPORATION SHALL HAVE THE FOLLOWING OFFICERS WHOSE POWERS SHALL BE SUCH AS ARE HEREINAFTER PROVIDED BY THESE BY-LAWS:

PRESIDENT AND DIRECTOR
VICE-PRESIDENT AND DIRECTOR
SECRETARY AND DIRECTOR
TREASURER AND DIRECTOR
DIRECTOR AT LARGE

THE ABOVE OFFICERS SHALL BE ELECTED AT THE ANNUAL MEETING. THESE OFFICERS SHALL TAKE OFFICE IMMEDIATELY AND SHALL SERVE UNTIL THE NEXT REGULAR ANNUAL MEETING IN THE SUCCEEDING YEAR, OR UNTIL THEIR SUCCESSORS HAVE BEEN ELECTED. ALL OFFICERS AND DIRECTORS SHALL SERVE WITHOUT PAY.

IN THE CASE OF THE FIRST GENERAL ELECTION, THE ELECTED OFFICERS SHALL TAKE OFFICE IMMEDIATELY AND SHALL SERVE UNTIL THE NEXT ANNUAL MEETING OF THE SUCCEEDING YEAR. ALL SUBSEQUENT ELECTED OFFICERS SHALL SERVE IN ACCORDANCE WITH THE PRECEDING PARAGRAPH.

SECTION 2: THE ABOVE OFFICERS AND DIRECTORS SHALL BE ELECTED BY THE FOLLOWING PROCEDURE:

NOMINATIONS SHALL BE MADE FROM THE FLOOR BY ANY ACTIVE CORPORATION MEMBER. NOMINATIONS SHALL NOT BE LIMITED EXCEPT BY VOTE OF MEMBERS PRESENT AND VOTING. THE NOMINEES RECEIVING THE MAJORITY OF THE VOTES CAST BY SECRET WRITTEN BALLOT SHALL BE DECLARED ELECTED.

SECTION 3: THE ABOVE ELECTED OFFICERS AND DIRECTORS SHALL CONSTITUTE THE BOARD OF DIRECTORS, WHOSE DUTIES ARE HEREINAFTER PROVIDED. THREE MEMBERS OF THE BOARD OF DIRECTORS SHALL CONSTITUTE A QUORUM, AT ANY MEETING.

SECTION 4: IN THE EVENT ANY OF THE ABOVE ELECTED OFFICERS OR MEMBERS OF THE BOARD OF DIRECTORS OF THIS CORPORATION SHALL FOR ANY REASON DURING HIS TERM OF OFFICE BECOME UNABLE OR UNWILLING TO ACT IN HIS OFFICIAL CAPACITY, WHETHER SUCH REASON IS DEATH, RESIGNATION OR ANY OTHER REASON, THEN, UNLESS THE VACANCY OCCURS IN THE OFFICE OF PRESIDENT, IN WHICH CASE THE VICE-PRESIDENT SHALL AUTOMATICALLY SUCCEED TO THE PRESIDENCY, THE PRESIDENT MAY APPOINT AN ACTIVE CORPORATION MEMBER TO SERVE THE REMAINDER OF THE UNEXPIRED TERM OF SUCH OFFICER OR DIRECTOR WHO IS UNABLE TO OR UNWILLING TO ACT.

ARTICLE V.

DUTIES OF OFFICERS

SECTION 1: IT SHALL BE THE DUTY OF THE PRESIDENT TO PRESIDE AT ALL MEETINGS OF THE CORPORATION AND APPOINT ALL SPECIAL AND STANDING COMMITTEES. HE SHALL HAVE GENERAL SUPERVISION OF THE AFFAIRS OF THE CORPORATION, SUBJECT TO THE WILL OF THE BOARD OF DIRECTORS, AND SHALL BE AN EX-OFFICIO MEMBER OF ALL COMMITTEES.

SECTION 2: THE VICE-PRESIDENT, IN THE ABSENCE OF THE PRESIDENT, SHALL PRESIDE AT ALL MEETINGS OF THE ASSOCIATION AND PERFORM ALL OTHER NORMAL DUTIES AND FUNCTIONS OF THE PRESIDENT. IN THE EVENT THAT A VANCY OCCURS IN THE OFFICE OF THE PRESIDENT OF THE CORPORATION, THE VICE-PRESIDENT SHALL AUTOMATICALLY BECOME PRESIDENT AND ASSUME THE DUTIES AND RESPONSIBILITIES OF SUCH OFFICE.

SECTION 3: THE SECRETARY SHALL KEEP A PERMANENT RECORD OF THE MEETINGS OF THE CORPORATION AND BOARD OF DIRECTORS, HE SHALL MAINTAIN A ROSTER OF ALL MEMBERS, INCLUDING ADDRESSES AND OTHER PERTINENT INFORMATION RELATING TO THEM. HE SHALL BE REQUIRED TO READ, AT THE REQUEST OF THE PRESIDING OFFICER, THE MINUTES OF THE PRECEDING MEETING. HE SHALL BE IN CHARGE OF ALL CORRESPONDENCE PERTAINING TO THE CORPORATION, TOGETHER WITH THE CORPORATE SEAL.

SECTION 4: IT SHALL BE THE DUTY OF THE TREASURER TO MAKE A RECORD OF ALL PLEDGES AND FEES MADE TO THE CORPORATION, TOGETHER WITH ALL DUES COLLECTED, AND OF ALL BUSINESS TRANSACTIONS OF THE CORPORATION AND REPORT SAME AT EACH MEETING. HE SHALL DEPOSIT ALL FUNDS OF THE CORPORATION IN ANY BANK OR DEPOSITORY ACCEPTABLE TO THE BOARD OF DIRECTORS. HE SHALL DISBURSE FUNDS OF THE CORPORATION ONLY BY CHECK AS DIRECTED BY THE BOARD OF DIRECTORS, AND THE CHECKS SHALL BE SIGNED OR COUNTERSIGNED AS DIRECTED BY THE BOARD OF DIRECTORS. THE TREASURER SHALL BE REQUIRED TO BE BONDED AT THE EXPENSE OF THE CORPORATION AND THE BOND SHALL BE IN AN AMOUNT AS DETERMINED BY THE BOARD OF DIRECTORS.

SECTION 5: THE DUTIES OF THE BOARD OF DIRECTORS SHALL CONSIST OF THE FOLLOWING:

- A. TO MEET DURING THE WEEK PRECEDING THE REGULAR ANNUAL MEETING OF EACH YEAR. A MAJORITY OF THE BOARD OF DIRECTORS OR THE CHAIRMAN OF THE BOARD OF DIRECTORS MAY CALL SUCH ADDITIONAL MEETINGS AS DEEMED DESIRABLE. NO BOARD MEETING SHALL BE HELD UNLESS PRIOR ACTUAL NOTICE THEREOF IS GIVEN TO ALL BOARD MEMBERS AND THE CORPORATION PRESIDENT.
- B. THE DULY ELECTED CORPORATION PRESIDENT SHALL ACT AS CHAIRMAN OF THE BOARD OF DIRECTORS.
- C. EACH MEMBER OF THE BOARD SHALL HAVE ONE EQUAL VOTE.
- D. TO CARRY PUBLIC LIABILITY, PERSONAL INJURY AND PROPERTY DAMAGE INSURANCE IN FORCE AT ALL TIMES WITH REPUTABLE INSURANCE COMPANY OR COMPANIES IN A SUFFICIENT AMOUNT TO PROTECT THE CORPORATION FROM LOSS, AND TO CARRY SUCH OTHER TYPES OF INSURANCE AS DEEMED REASONABLE BY THE DIRECTORS.
- E. THE ANNUAL MEETING OF THE NEW BOARD OF DIRECTORS EACH YEAR SHALL BE HELD IMMEDIATELY FOLLOWING THE ANNUAL MEETING OF THE STOCKHOLDERS AND AT THE SAME PLACE, EXCEPT THAT IN THE EVENT THAT ANY OF THE NEWLY ELECTED DIRECTORS ARE NOT PRESENT AS SUCH STOCKHOLDERS MEETING, THE NEWLY ELECTED DIRECTORS PRESENT MAY POSPONE THE FIRST ANNUAL MEETING OF THE NEWLY ELECTED BOARD OF DIRECTORS FOR A PERIOD OF TIME NOT EXCEEDING TWO (2) WEEKS, AND ALL DIRECTORS SHALL BE GIVEN NOTICE OF SUCH MEETING.
- F. SPECIAL MEETINGS OF THE BOARD OF DIRECTORS SHALL BE HELD WHENEVER CALLED BY THE PRESIDENT OR VICE-PRESIDENT, OR BY A MAJORITY OF THE BOARD OF DIRECTORS, AFTER PRIOR NOTICE THEREOF IS GIVEN. NOTICE OF ANY MEETING NEED NOT BE GIVEN TO ANY DIRECTOR IN THE EVENT HE WAIVES SAME IN WRITING.
- G. TO ACTIVELY ASSUME FULL RESPONSIBILITY FOR CONDUCTING AND MAINTAINING THE CORPORATION AND ALL ACTIVITIES PERTAINING THERETO, AND TO FUNCTION AS THE POLICY MAKING GROUP OF THE CORPORATION IN ACCORDANCE WITH THESE BY-LAWS.
- H. ANY OF THE CORPORATION MAY RESIGN AT ANY TIME BY GIVING WRITTEN NOTICE OF THE PRESIDENT OR THE SECRETARY OF THE CORPORATION. ANY AND ALL OF THE DIRECTORS MAY BE REMOVED AT ANY TIME BY APPROPRIATE RESOLUTION ADOPTED BY THE MAJORITY OF THE MEMBERS OF THE CORPORATION.
- I. ALL OF THE CORPORATE POWERS OF THE CORPORATION SHALL BE VESTED IN AN EXERCISED BY THE BOARD OF DIRECTORS.

ARTICLE VI.

COMMITTEES

THE PRESIDENT SHALL APPOINT SUCH STANDING AND SPECIAL COMMITTEES NECESSARY FOR THE BEST INTERESTS OF THE CORPORATION.

ARTICLE VII.

MEMBERSHIP MEETINGS

SECTION 1: THE CORPORATION SHALL HAVE A REGULAR ANNUAL MEETING WHICH SHALL BE HELD ON THE FIRST SUNDAY IN MAY OF EACH YEAR. THE PRESIDENT, OR A MAJORITY OF THE BOARD OF DIRECTORS, SHALL HAVE THE POWER TO CALL SPECIAL MEETINGS AT ANY TIME THEY DEEM NECESSARY, AFTER ACTUAL PRIOR NOTICE TO MEMBERS.

SECTION 2: AT ALL MEETINGS OF THE CORPORATION, SIXTY (60) PERCENT OF THE MEMBERS SHALL BE REQUIRED TO CONSTITUTE A QUORUM. IN THE ABSENCE OF A QUORUM, THE MEETING MAY BE ADJOURNED TO THE FOLLOWING SUNDAY, AND IF AT LEAST SIXTY (60) PERCENT OF THE CORPORATE MEMBERS BE NOT PRESENT AT THAT TIME, THEN THE MAJORITY OF THOSE PRESENT AT SUCH SECOND MEETING SHALL CONSTITUTE A QUORUM. SAID MEMBERSHIP MAY BE REPRESENTED BY THEIR PERSONAL ATTENDANCE OR BY WRITTEN PROXY GIVEN TO ANOTHER TO ATTEND FOR THEM.

SECTION 3: THE PROCEEDINGS OF ALL MEETINGS OF THE CORPORATION SHALL BE IN ACCORDANCE WITH ROBERT'S RULES OF ORDER.

ARTICLE VIII.

MEMBERSHIP.

SECTION 1: ONLY BONA FIDE PROPERTY OWNERS OF PINE LAKE CLUB SUBDIVISION, WHICH SUBDIVISION IS RECORDED IN VOLUME 5, PAGE 115 OF THE MAP RECORDS OF MONTGOMERY COUNTY, TEXAS, SHALL BE ELIGIBLE FOR ACTIVE MEMBERSHIP IN THE CORPORATION.

SECTION 2: THE MEMBERSHIP OF THE CORPORATION SHALL CONSIST OF THOSE PROPERTY OWNERS LISTED ABOVE IN SECTION 1 WHO JOIN THE CORPORATION AND PAY THEIR DUES AS HEREINAFTER PROVIDED.

ARTICLE IX.

APPLICATION FOR MEMBERSHIP AND DUES:

SECTION 1: ACTIVE MEMBERSHIP IN THE CORPORATION IS HEREIN GRANTED TO ALL SUCH PROPERTY OWNERS AS ABOVE DESCRIBED IN ARTICLE VIII WHO COMPLY WITH SECTIONS 2 AND 3 OF THIS ARTICLE IX.

SECTION 2: DUES FOR MEMBERSHIP IN THE CORPORATION ARE DUE AND PAYABLE TO THE TREASURER OF THE CORPORATION IN ADVANCE AT THE RATE OF EIGHT (\$8.00) DOLLARS PER YEAR.

SECTION 3: MEMBERS WHO HAVE NOT PAID DUES FOR THREE (3) MONTHS WILL BE DROPPED FROM THE ROLL OF ACTIVE MEMBERS.

SECTION 4: ACTIVE MEMBERS DROPPED FROM THE MEMBERSHIP ROLL UNDER THE PROVISIONS OF THE PRECEDING SECTION MAY BE REINSTATED BY REAPPLYING FOR MEMBERSHIP IN WRITING, AFTER PAYMENT OF CURRENT DUES AN ALL DELINQUENT DUES. UPON FULFILLMENT OF THESE REQUIREMENTS, SAID DELINQUENT MEMBERS WILL BE REGARDED AND TREATED AS ACTIVE MEMBERS.

SECTION 5: NO MEMBER WHOSE DUES ARE NOT PAID IN FULL MAY CAST A VOTE AT ANY ELECTION OR OFFER ANY NAME IN NOMINATION.

SECTION 6: PAYMENT OF THE MEMBERSHIP DUES AS HEREIN PROVIDED SHALL ENTITLE THE OWNER OF THE PROPERTY IN PINE LAKE CLUB SUBDIVISION TO BECOME AN ACTIVE MEMBER OF THE CORPORATION AND TO VOTE, SUBJECT TO THE OTHER PROVISIONS HEREOF. IF SUCH PROPERTY IS OWNED BY A MARRIED PERSON, THEN SUCH PERSON AND HIS WIFE, OR HUSBAND, AS THE CASE MAY BE, SHALL EACH BE REGARDED AS A MEMBER AND EACH SHALL HAVE ONE VOTE, BUT PAYMENT OF AN ADDITIONAL MONTHLY DUES FOR THE SPOUSE OF SUCH PROPERTY OWNER SHALL NOT BE LEVIED.

ARTICLE X.

SEAL.

THE CORPORATE SEAL OF THE CORPORATION SHALL BE CIRCULAR IN FORM AND SHALL BEAR THE NAME OF THE CORPORATION UPON THE OUTER EDGE THEREOF, AND A FIVE POINTED STAR IN THE CENTER.

ARTICLE XI.

THE BY-LAWS OF THE CORPORATION MAY BE AMENDED AT ANY TIME AT ANY MEETING BY TWO-THIRDS VOTE OF MEMBERS PRESENT AND VOTING, PROVIDED THE AMENDMENT SHALL HAVE BEEN PRESENTED IN WRITING TO ALL ACTIVE MEMBERS AT LEAST TEN DAYS BEFORE SUCH MEETING. SAID MEMBERS MAY VOTE BY PROXY AS WELL AS IN PERSON, PROVIDED SUCH PROXY IS DULY EVIDENCED BY INSTRUMENT IN WRITING FILED WITH THE CORPORATION.

ARTICLE XII.

WATER.

SECTION 1: THE CORPORATION SHALL CHARGE THE FOLLOWING AMOUNTS FOR WATER, WHICH AMOUNTS ARE DUE AND PAYABLE TO THE TREASURER OF THE CORPORATION IN ADVANCE ON THE FIRST DAY OF EACH MONTH ACCORDING TO THE FOLLOWING SCHEDULE:

A. OWNERS OF A LOT OR LOTS WITH NOT MORE THAN ONE WEEK-END HOUSE THEREON,
THE SUM OF SEVEN AND 35/100 (\$7.35) DOLLARS PER MONTH.

B. OWNERS OF LOT OR LOTS WITH MORE THAN ONE WEEK-END HOUSE THEREON, OR WITH
A PERMANENT RESIDENCE THEREON, THE SUM OF NINE AND 35/100 (\$9.35) DOLLARS PER
MONTH.

C. OWNERS OF LOT OR LOTS WITHOUT HOUSED, THE SUM OF FIVE AND 35/100 (\$5.35)
DOLLARS PER MONTH.

SECTION 2: THE BOARD OF DIRECTORS OF THE CORPORATION SHALL HAVE THE POWER AND
AUTHORITY TO ORDER THE DISCONTINUANCE OF WATER SERVICE TO ANY ONE DELINQUENT
IN THE PAYMENT OF WATER CHARGES FOR A PERIOD OF ANY THREE (3) MONTHS, AND TO
PASS AND ENFORCE OTHER RULES AND REGULATIONS TO COLLECT SAID CHARGES.