

BY-LAWS OF
INDIAN LAKE OWNERS ASSOCIATION

ARTICLE ONE

Membership

Section 1. Each owner of one or more lots in any section of Indian Lake Sub-division (hereinafter "Indian Lake Subdivision") and each purchaser under a contract to purchase from Indian Lake, Inc., one or more lots (with such contract then being in force), who is of good moral character, reputation and habits, and who is approved for membership by the membership committee of Indian Lake Owners Association (the "Association" hereinafter), is eligible for membership.

Section 2. All members and their families shall have the right to use all of the Association's facilities, including its swimming pool, boat ramp, parks and recreational areas, to the extent permitted by and in accordance with terms and conditions that may be set out in the Association's rules which may from time to time be established by its Board of Directors. as to each membership which is held by other than a single individual, that is, a membership held by two or more persons, by a corporation or by a firm or partnership, the use of the Association's facilities shall be only by an individual person named by such member. No member who is in arrears for more than 30 days in respect to the \$1.50 per lot per month assessments set forth in the restrictions of record in respect to Indian Lake Subdivision, or in any other dues and/or accounts of the Association, shall be eligible to vote at any meeting of members.

Section 3. Upon the termination of membership for any cause, whether by resignation, death, expulsion or otherwise, all rights and interest of the member in the privileges, rights, properties, funds or assets of the Association shall cease, ipso facto.

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

Section 5. Members shall be selected by a membership committee which shall consist of three individuals appointed by the President of the Association, and such committee shall have final and complete authority to pass on all applications for membership.

Section 6. Each applicant for membership shall present to the Association for submission to the membership committee an application in writing containing all of the information required on the application form. The application must be signed by the applicant. After the application is approved by the membership committee, the applicant shall be entitled to membership (unless thereafter expelled).

Section 7. A member may be expelled only by a majority vote of all of the Board of Directors, plus a majority of the vote of the membership committee of the Association, but subject only to this limitation such expulsion shall be in the sole discretion of the Board of Directors and the membership committee. In no event shall expulsion operate to discharge the expelled member's indebtedness to the Association.

ARTICLE TWO

There shall be no initiation fees. The Board of Directors, by unanimous vote of the entire Board plus the approval of at least two-thirds of the members, may from time to time assess additional dues and assessments.

(Raised to 30.00 per month effective Billing Period 1981)

ARTICLE THREE

Section 1. The affairs and management of the Association shall be conducted by a Board of Directors consisting of the number of Directors as provided in Section 3 of this Article Three, which Board shall have full power and authority to carry out the

purposes of the Association and to do any and all lawful acts necessary or proper thereto.

Section 2. Except as otherwise provided in Section 3 of this Article Three, Directors shall serve a term of three years and thereafter until their successors are elected and have qualified. Any Director may succeed himself and serve as many consecutive terms or non-consecutive terms as he may be elected. Directors must be members of the Association.

Section 3 The initial three Directors named in the Articles of Incorporation shall act as the first duly qualified Board of Directors of the Association. The terms of the Board of Directors shall be staggered and, to this end, the initial Director first named in the Articles of Incorporation shall serve for a term of three years; the initial Director next named in said Articles of Incorporation for a term of three years; and the initial Director last named in said Articles of Incorporation shall serve for a term of two years. Likewise, hereafter, the terms of the Board of Directors shall be so staggered that no more than two Directors shall be elected yearly (in addition to Directors elected due to resignation, death or removal, and Directors to fill vacancies thus caused may be elected by a majority of the remaining Directors constituting a quorum). The aforesaid initial three directors shall elect two additional directors at a meeting on the last (Tuesday) (Saturday) in July 1973 (one of which shall be elected to serve for one year and the other elected to serve for two years) to increase the Board of Directors from three to five members, and the Board of Directors after such election shall consist of five Directors.

Section 4 Beginning in July 1974, Directors shall be elected at the annual meeting of members by a majority of the vote cast in person or by proxy at such meeting. Before the expiration of the term of any Director, the President shall appoint a nominating committee of three members, which committee shall nominate one nominee for each directorship to be filled.

Section 5 A majority of the Directors shall constitute a quorum at any meeting, and a majority of those present shall be sufficient to determine any question, except in regard to expulsion of members as hereinbefore provided. Meetings of the Board of Directors may be held at any place within the State of Texas.

ARTICLE FOUR

Officers

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

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

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

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

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

ARTICLE FIVE

Committees

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

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

ARTICLE SIX

Meetings

Section 1. The annual meeting of the members of the Association shall be held at the park area in Indian Lake Subdivision or at such other place as shall be determined by the President of the Association, on the Third ~~Tuesday~~(Saturday) in July of each year commencing with the year 1973, at 10:30 O'clock AM. Special meetings may be called by the President or by a majority of the Board of Directors.

Section 2 The Vote of a majority of the total votes cast by qualified voting members present ~~in~~ person or by proxy shall decide any question brought before such meeting, the respective members to have such number of votes as hereinafter provided in Article One.

Section 3. Without notice, the annual meeting of the Board of Directors shall be held on the same day and at the same place as the annual meeting. Special meetings of the Board of Directors shall be called at any time by the President or by any three members of the Board of Directors. Ten days written notice shall be required for special meetings unless notice is waived in writing.

Section 4. No notice shall be required in respect to any annual or regular meeting of members not annual nor regular meeting of the Board of Directors.

ARTICLE SEVEN

Miscellaneous

Section 1. These By-laws or any part thereof may be amended, modified, or repealed only by the unanimous vote and approval of all the Directors of the Association.

Section 2 . Unless otherwise required by statute, by the Articles of Incorporation or by these By-laws, any notice required to be given shall not be deemed to be personal notice, but may be given orally by the President or may be given by the President causing to be ~~posted~~ such notice upon any bulletin board at the park area in Indian Lake Subdivision.

Section 3. The Association shall not enter into any contract to pay, and shall not pay, any salary or other remuneration to any officer, Director not committee member of the Association for their services as such nor in any other capacity regardless of the capacity in which they may act.

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