

BY-LAWS OF

FLAMINGO LAKES LOT OWNERS ASSOCIATION, INC.

(Approved by Majority Vote of Membership)

May 4, 1975

OFFICERS:

President, W. J. Francis
Vice-President, C. L. Cotton
Secretary-Treasurer, Bea Zwernemann

BOARD OF DIRECTORS:

Joe Fabian
Travis Harris
Melvin Justice
Billy Rodgers

BY-LAWS OF
FLAMINGO LAKES LOT OWNERS ASSOCIATION, INC.

ARTICLE I

NAME AND LOCATION

SECTION 1. NAME. The name of this corporation is FLAMINGO LAKES LOT OWNERS ASSOCIATION, INC.

SECTION 2. The principal office shall be located at FLAMINGO LAKES SUBDIVISION, MONTGOMERY COUNTY, TEXAS.

ARTICLE II

PURPOSE OF THE CORPORATION

SECTION 1. The purpose or purposes for which the corporation is organized are: to do any and all things necessary and proper for the maintenance, upkeep and improvement of the roads, streets, lakes, parks, playgrounds, and all other properties of Flamingo Lakes Subdivision, as per plat thereof recorded in Volume 5, Page 317, Map Records, Montgomery County, Texas, and to collect and manage all monies and funds paid and collected for such purposes; to carry out the restrictions, covenants and terms applicable to said subdivision; to promote the enhancement of property values, and the betterment of the property known as Flamingo Lakes Subdivision, and the benefit and welfare of the owners thereof; to purchase, receive, lease, or otherwise acquire, own, hold, improve, use or otherwise deal in and with real or personal property or any interest therein, wherever situated, necessary, proper, or incidental to the performance of the purposes of the corporation.

ARTICLE III

MEMBERSHIP AND MEETINGS

SECTION 1. The Corporation shall have one class of members and all owners or purchasers of property in Flamingo Lakes Subdivision, Montgomery County, Texas, are eligible for membership in this Corporation, subject to the following qualifications and entitled to the following rights, to-wit:

QUALIFICATION:

a) An owner or purchaser of property in Flamingo Lakes Subdivision, Montgomery, Texas, or the head of a family or household that is the owner or purchaser of property in said subdivision. In the event two or more persons acquire undivided ownership or purchase interest in the same parcel or property in said subdivision, then the person designated in writing by the owners of such undivided interest shall be eligible to apply for membership in the organization. Membership fee for non-water line subscribers will be \$12.00 per year.

RIGHTS:

a) Each member in good standing, being a member who has retained his qualifications for membership and is current in his water line rental payments, shall have the right to cast one vote in each matter that in these By-Laws is required to be decided by a vote of the membership, or that is submitted to a vote of the members by the Directors.

b) Each member in good standing shall be entitled to participate in the community water system. However, upon

obtaining water, such member shall be solely liable for any damages resulting from his own action in connection with the water system. The Corporation, its officers, directors or members, shall not be liable to another member or user of the water system for any damages resulting therefrom.

c) Officers and board members shall be qualified voters.

SECTION 2. Any member may resign by filing a written resignation with the Secretary, but such resignation shall not relieve the member so resigning of the obligation to pay all dues, assessments or other charges theretofore accrued and unpaid.

SECTION 3. Upon written request, signed by a former member and filed with the Secretary, the Board of Directors may reinstate such former member, if such member has the qualifications for membership and is not default in payments or other charges theretofore accrued to such former member's account.

SECTION 4. An annual meeting of the member shall be held on the first Saturday in the month of May in each year, at the hour of 2:00 o'clock p.m., for the transaction of such business as may come before the meeting. The election of directors shall be the second Saturday in February, with the new Directors to take office on March 1st.

SECTION 5. Special meetings of the members may be called by the President, the Directors, or not less than one-tenth (1/10th) of the members having voting rights.

SECTION 6. Annual meetings and any special meetings shall be held in Montgomery County.

SECTION 7. Ten days written notice stating the place, day and hour of any meeting of members shall be delivered, either personally or by mail, to each member. In case of a special meeting, the purpose or purposes for which the meeting is called, shall be stated in the notice.

SECTION 8. The members holding one-tenth (1/10th) of the votes which may be cast at any meeting shall constitute a quorum at such meeting.

SECTION 9. At any meeting of members, a member entitled to vote may vote by proxy, executed in writing by the member or by his duly authorized attorney-in-fact. No proxy shall be valid after one (1) month from date of its execution.

ARTICLE IV

DIRECTORS

SECTION 1. POWERS. All the general powers of the Corporation shall be vested in and exercised by the Board of Directors. The number of Directors shall be seven (7) including the officers, unless changed by the vote of two-thirds (2/3rds) of the members of the Corporation at any regular or

special meeting called for such purpose.

SECTION 2. TERM OF OFFICE. Each of the Directors of the Corporation shall hold office until his successor shall have been elected and qualified, or until he shall have resigned or has been removed in the manner hereinafter provided. The Directors shall be elected for two-year terms, and each Director shall continue in office until the next election, or until his successor shall have been elected, or until he shall have resigned or shall have been removed in the manner hereinafter provided. The Officers shall be elected on alternate years of board members.

SECTION 3. At all meetings of the members for the election of Directors at which a quorum is present, there shall be required a majority of the members so present in person or by proxy to elect any member of this Board of Directors. Such election shall be written, secret ballot.

SECTION 4. ORGANIZATION. At all meetings of the Board of Directors, the President, or in his absence the Vice-President, shall act as Chairman, and the Secretary of the Corporation, or in his absence, any person appointed by the Chairman, shall act as Secretary.

SECTION 5. RESIGNATION OR REMOVAL. Any Director of the Corporation may resign at any time by giving written notice to the President or Secretary of the Corporation. Any or all of the Directors may be removed at any time by appropriate resolution adopted by at least two-thirds (2/3rds) of the Corporation membership.

SECTION 6. VACANCY. In case any vacancy shall exist in the Board of Directors caused by death, resignation, removal, or any other cause, the Directors, at any regular meeting, or special meeting, may elect a Director or Directors to fill such vacancy or vacancies by vote of the remaining Directors.

SECTION 7. ANNUAL MEETING. The annual meeting of the Board of Directors shall be held immediately following the annual meeting of the members and each quarter thereafter.

SECTION 8. SPECIAL MEETINGS. Special Meetings of the Board of Directors shall be held whenever called by the President or Vice-President, or a majority of the Board of Directors. Notice of such meetings shall be mailed to each Director, addressed to him at his last known post office address, or shall be delivered personally or communicated by telephone, at least five (5) days before the day on which the meeting is to be held.

SECTION 9. QUORUM AND MANNER OF VOTING. Except as otherwise provided by statute and these By-Laws, a majority of the Directors shall be required in order to constitute a quorum for the transaction of business: and the act of a majority of the Directors present at any meeting shall be the act of the Board of Directors.

ARTICLE V

OFFICERS

SECTION 1. The officers of the organization shall be a President, one Vice-President and a Secretary/Treasurer. The officers may appoint committees as deemed necessary.

SECTION 2. The officers of the organization shall be elected bi-ennially by the members at the regular annual meeting by a majority of the qualified voters. If the election of the officers shall not be held at such meeting, such election shall be held as soon thereafter as conveniently may be. Each officer shall hold office until his successor shall have been duly elected and shall have qualified, or until he shall have resigned or has been removed in the manner herein set forth. The Directors shall be elected for two-year terms, and each Director shall continue in office until his successor shall have been elected, or until he shall have resigned or shall have been removed in the manner herein provided.

SECTION 3. A vacancy in an office because of death, resignation, removal, disqualification or otherwise, may be filled by the Board of Directors for the unexpired portion of the term.

SECTION 4. The President shall be the principal executive officer of the organization and shall supervise all of the business and affairs of the organization. He shall preside at all meetings of the members and the Board of Directors. He may sign, with the Secretary/Treasurer or any other proper officer of the organization authorized by the members, any deeds, mortgages, bonds, contracts, or other instruments which the members have authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the members or by these By-Laws, or by statute to some other officer or agent of the organization; and in general he shall perform all duties incident to the office of President and

~~such~~ other duties as may be prescribed by the members or the Board of Directors from time to time.

SECTION 5. In the absence of the President or in the event of his inability or refusal to act, the Vice-President shall perform the duties of the President, and when so acting, shall have all the powers of and be subject to all the restrictions upon the President. The Vice-President shall perform such other duties as from time to time may be assigned to him by the President or by the members.

SECTION 6. The Secretary/Treasurer shall give a bond for the faithful discharge of his duties in such sum and with such surety or sureties, as the Board of Directors shall determine. He shall have charge and custody of and be responsible for all funds and securities of the organization; receive and give receipts for monies due and payable to the organization from any source whatsoever, and deposit all such monies in the name of the organization such banks, trust companies and in general perform all the duties incident of the office of Secretary/Treasurer and such other duties as from time to time may be assigned to him by the President or by the members. The Corporation will pay the bond charge.

SECTION 7. The Secretary/Treasurer shall keep or cause to be kept, the minutes of the meetings of the members and of the Board of Directors in one or more books provided for that purpose; see that all notices are duly given in accordance with the provisions of these By-Laws or as required by

law; be custodian of the organization records, keep a register of the post office address of each member which shall be furnished to the Secretary/Treasurer by such member; and in general perform all duties incident to the office of Secretary/Treasurer and such other duties as from time to time may be assigned to him by the President or by the members.

ARTICLE VI

CONTRACTS, CHECKS, DEPOSITS, FUNDS AND EXPENDITURES

SECTION 1. All funds of the corporation shall be deposited from time to time to the credit of the corporation in such banks, trust companies or other depositories as the Board of Directors may select.

SECTION 2. The Board of Directors may accept on behalf of the organization any contribution, gift, bequest or devise for the general purposes or for any special purpose of the corporation.

ARTICLE VII

BOOKS AND RECORDS

The corporation shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its members, Directors and committees having any of the authority of the members or Directors, and shall keep at the registered or principal office a record giving the names and addresses of the members entitled to vote. All books and records of the organization may be inspected but not removed by any member, or his agent or attorney for

any proper purpose at any reasonable time in the presence of the President or Secretary/Treasurer.

ARTICLE VIII

FISCAL YEAR

The fiscal year of the organization shall begin on the first day of January and end on the last day of December in each year.

ARTICLE IX

DUES

SECTION 1. Each member of the corporation who obtains water or participates in the water system shall pay not less than Three Dollars (\$3.00) nor more than Ten Dollars (\$10.00) per month, as set by the Board of Directors and approved by the qualified voting members.

SECTION 1.a) Each member who desires to participate in the water system shall pay a connection fee of cost plus 10%, said amount to be in addition to normal water line rental fees listed above.

SECTION 1.b) Any member who defaults in his water fees for a period of thirty (30) days shall lose his right to participate in the water system, be subject to discontinuance of water immediately, and lose his right to vote until regualified. In the event service is discontinued because of default he shall pay the amount of Twenty-Five Dollars (\$25.00), unless waived by a majority of the Board of Directors to reconnect or recommence participation together with all delinquent payments. Water bills are to be paid bi-annually starting November 1st.

ARTICLE X

WAIVER OF NOTICE

Whenever any notice is required to be given under the provisions of the State of Texas or under the provisions of the By-Laws of the corporation, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

ARTICLE XI

AMENDMENTS TO THE BY-LAWS

These By-Laws may be altered amended or repealed and new By-Laws may be adopted by a current voting majority of the members present at any annual meeting or any special meeting, if at least two weeks written notice is given of intention to alter, amend or repeal or to adopt new By-Laws at such meeting, or as indicated in Article X.

AMENDMENTS TO THE BY - LAWS

On Saturday, May 2, 1981, two Amendments to the By-Laws were voted on by the voting majority of the membership, being given over fourteen days written notice.

ARTICLE III

SECTION 4. An annual meeting of the member shall be held on the first Saturday in the month of May in each year, at the hour of 2:00 o'clock P.M., for the transaction of such business as may come before the meeting. The election of directors every other year, and officers, alternate year shall be conducted at this same meeting, to take office effective that day after the meeting.

ADDENDUM TO THE BY-LAWS

Every Lot Owner shall be assessed a Maintenance Fee for the purpose of general upkeep of the subdivision at the rate of \$25.00 per year per lot owner and shall be payable every six months starting November 1, and again on May 1 at \$12.50 each billing. Every lot owner being required to pay this maintenance fee each and every year thereafter.

AMENDMENT TO THE BY - LAWS

On Saturday, May 2, 1987, one Amendment to the By-Laws was voted on by the voting majority of the membership, being given over fourteen days written notice.

ARTICLE IX

SECTION 1. Each member of the corporation who obtains water or participates in the water system shall pay water rates approved by the State (Texas Water Commission) of \$14.00 for the first 4,000 gal., then \$1.50 for each additional 1,000 gal. used, beginning May 1, 1987.

ARTICLE IV - DIRECTORS

SECTION 5. REMOVAL OF DIRECTORS

A. Removal by Membership

Any Director may be removed from office, with or without cause, by resolution duly adopted by not less than two-thirds (2/3) of the membership of the Corporation at any annual or special meeting for which proper notice has been given in accordance with these By-Laws.

B. Removal by Board of Directors (For Cause)

The Board of Directors may, by majority vote of the remaining Directors, remove a Director for cause upon the occurrence of any of the following:

1. Dereliction of Duty - Failure or refusal to discharge the duties and responsibilities required of a Director.
2. Non-Attendance - Failure to attend three (3) consecutive meetings of the Board without good cause shown.
3. Misconduct or Violation of Fiduciary Duty - Any act of dishonesty, harassment, misuse of Association funds, or other breach of fiduciary duty.
4. Conflict of Interest - Participation in activities materially adverse to or in conflict with the interests of the Association
5. Loss of Qualification - Cessation of membership in good standing, as defined in Article III.

C. Automatic Removal

A Director shall be removed automatically, without vote of the Board or the membership, upon the occurrence of any of the following:

1. The Director becomes delinquent for more than ninety (90) days in the payment of maintenance fees or water fees;
2. The Director is convicted of a felony involving fraud, theft, or violence; or
3. The Director ceases to be a member of the Association.

Any vacancy arising under this Section shall be filled in accordance with Article IV, Section 7.

D. Filling Vacancies

Any vacancy created by removal pursuant to Paragraph A, B, or C of this Section shall be filled by majority vote of the remaining Directors; provided, however, that the successor Director shall satisfy all eligibility requirements set forth in these By-Laws.

BE IT FURTHER RESOLVED, that this Amendment shall become effective immediately upon approval by a current voting majority of the members present at a meeting duly called

On this 16th day of June, 1998, one amendment to the By-Laws was voted on by the voting majority of the membership, being given over fourteen days written notice.

1. THE MEMBERSHIP SHALL BE STRICTLY GOVERNED BY THE APPROVED BY-LAWS AT ALL TIMES, AND MEETINGS SHALL BE GOVERNED BY ROBERTS RULES OF ORDER.

YES NO

2. MEMBERSHIP MAINTENANCE FEE WILL BE \$100.00 PER YEAR FOR INITIAL LOT AND \$25.00 FOR ADDITIONAL LOTS.

★ 3. TERM OF OFFICE : TERM LIMIT SHALL BE NO MORE THAN TWO CONSECUTIVE TERMS (4 YEARS TOTAL). THEY SHALL BE ELIGIBLE FOR ANOTHER OFFICE AFTER A FULL YEAR HAS PAST.

YES NO

4. NO TWO MEMBERS OF THE SAME FAMILY SHALL SERVE AS OFFICERS OR DIRECTORS AT THE SAME TIME. FAMILY MEMBERS DEFINED AS ANY RELATIVE.

5. ALL BOARD MEETINGS SHALL HAVE OPEN DOOR POLICY. WITH ANY MEMBER BEING ABLE TO ATTEND. ANY MEMBER SHALL BE ALLOWED TO SPEAK IF PROPERLY REQUESTED WITHIN THE FIVE DAY PERIOD.

YES NO

6. THE BOOKS SHALL BE AUDITED BY A GROUP OF THREE QUALITIFIED MEMBERS APPOINTED BY THE PRESIDENT AT THE CHANGE OF EACH TERM OF THE TREASURE.

YES NO

★ 7. NO SINGLE PURCHASE EXCEEDING \$500.00 ON WATER ACCOUNT OR \$300.00 ON MAINTENANCE ACCOUNT OR IF IN AN EXTREM EMERGENCY \$1000.00 ON WATER WELL SHALL BE PERMITTED WITHOUT APPROVEL AT ANY TIME.

YES NO

8a. THERE SHALL BE APPROPRIATE UP KEEP OF PROPERTY FOR PHYSICAL APPEARANCE AND SAFETY FOR ALL MEMBERS. THERE SHALL BE A

TIME LIMIT OF CLEAN UP ON ALL PROPERTY WITHIN THE SUBDIVISION.
IF HAZARDOUS CONDITIONS EXIST CORRECTIONS SHOULD BE TAKEN
WITHIN 30 DAYS, OTHER WISE A REASONABLE AMOUNT OF TIME NOT
TO EXCEED 6 MONTHS. HAZARDOUS CONDITIONS DEFINED AS TREE
TRUNKS OR LIMBS FALLEN, LARGE PIECES OR REFUGE, ABANDONED
HOUSES, ETC.

YES NO

- 8b. IF NON-COMPLIANCE AFTER A REASONABLE AMOUNT OF TIME A
REGISTERED LETTER WILL BE ISSUED WITH NOTICE OF INTENT
OF HAVING THE PROPERTY CLEANED UP OR SAFE GUARDED, AND
ISSUING A BILL TO THE OWNER.

YES NO

9. PERSONAL DOGS SHALL BE CONTAINED AND NOT ALLOWED TO ROAM FREELY
AS PER COUNTY LAW. ANIMAL CONTROL WILL BE NOTIFIED FOR NON-
COMPLIANCE BY ANY MEMBER OF THE ASSOCIATION.

YES NO

10. ANY CONTRACTURAL WORK ON THE LAKES SHALL BE DECIDED ON BY
THE BOARD WITH THE MAJORITY OF LAKES FRONT OWNERS APPROVAL
AND INPUT, THEN BROUGHT BEFORE THE MEMBERSHIP.

YES NO

11. POOL MAINTENANCE SHALL CONTINUE YEAR AROUND FOR PROTECTION
OF THE POOL SURFACE.

YES NO

12. OPENING OF THE POOL SHALL BEGIN THE 1st DAY OF MAY AND
CLOSE THE LAST DAY OF SEPTEMBER EVERY YEAR UNLESS VOTED ON
BY THE MAJORITY OF THE MEMBERSHIP.

YES NO

13. SUBDIVISION MEMBERS SHALL NOT BE PAID FOR CONTRACT LABOR.

OUTSIDE CONTRACT LABOR WILL BE ~~AT~~ AUTHORIZED AT THE DISCRETION
OF THE BOARD AND ONLY WHEN NECESSARY. THREE BIDS WILL BE
PRESENTED TO THE BOARD.

YES NO

✶ 14. BUDGETS SHALL BE SET UP FOR ALL PRIVATELY OWNED EQUIPMENT
USED VOLUNTARILY FOR WORK PERFORMED. THIS ACCOUNT WILL TAKE
CARE OF FUEL AND MAINTENANCE COST OF THE LOANED EQUIPMENT.

YES NO

15. NO MONEY SHALL BE REFUNDED ON ANY PURCHASE WITH OUT RECEIPT
FROM PLACE OF PURCHASE.

YES NO

16. NO MAJOR DISCUSSIONS SHALL BE MADE WITH OUT APPROVAL OF
MEMBERSHIP.

YES NO

✶ 16. SECRETARY/TREASURE WILL BE TWO (2) SEPARATE POSITIONS.

YES NO