

BYLAWS
OF
RAGUS LAKE ESTATES HOMEOWNERS ASSOCIATION, INC.

ARTICLE I
NAME AND LOCATION

The name of the corporation is Ragus Lake Estates Homeowners Association, Inc., hereinafter referred to as the "Association". The principal office of the corporation shall be located at 2727 North Loop West, Suite 200, Houston, Texas, but meetings of members and directors may be held at such places within the State of Texas, County of Fort Bend, as may be designated by the Board of Directors.

ARTICLE II
DEFINITIONS

Section 1. "The Act" shall mean and refer to the Texas Non-Profit Corporation Act, TEX. CIV. STAT. ANN. art. 1396 - 1.01-9.03 (Vernons 1976 & Supp. 1979), as amended if amended.

Section 2. "Architectural Control Committee" shall mean and refer to the Ragus Lake Estates Homeowners Association, Inc., Architectural Control Committee, as provided for in the Declaration.

Section 3. "Association" shall mean and refer to Ragus Lake Estates Homeowners Association, Inc., a Texas non-profit corporation incorporated pursuant to the Act, its successors and assigns, as provided for in the Declaration.

Section 4. "Common Area" shall mean and refer to all real property owned by the Association for the common use and enjoyment of the Owners.

Section 5. "Declaration" shall mean and refer to that certain Declaration of Covenants and Restrictions for Ragus Lake Estates, Section One, filed for record in the Office of the County Clerk of Fort Bend County, Texas, under County Clerk's File Number 66416 in the Official Public Records of Real Property of Fort Bend County, Texas and any recorded amendments thereto.

Section 6. "Declarant" shall mean and refer to Ragus Lake Corporation, the Declarant in the Declaration, and its successors and assigns (if such assigns should acquire more than one undeveloped lot from the Declarant for the purpose of development).

Section 7. "FHA" shall mean and refer to the Federal Housing Administration.

Section 8. "Lot" and/or "Lots" shall mean and refer to each of the lots as defined in the Declaration. References herein to "the Lots (each Lot) in the Subdivision" shall mean and refer to Lots as defined respectively in the Declaration and all Supplemental Declarations.

Section 9. "Member" and/or "Members" shall mean and refer to all those Owners (as defined below) who are members of the Association as provided in the Declaration and all Supplemental Declarations.

Section 10. "Owner" shall mean and refer to the record owner, or if such Lot is subject to a term purchase contract with Declarant, to the contract purchaser, whether one or more persons or entities, of the fee simple title to any Lot situated upon the Properties, but, notwithstanding any applicable theory of mortgage, shall not mean or refer to any mortgagee unless and until such mortgagee has acquired title pursuant to foreclosure or any proceeding in lieu of foreclosure. References herein to "the Owners (any Owner) in the Subdivision" shall mean and refer to Owners as defined respectively in the Declaration and all Supplemental Declarations.

Section 11. "Supplemental Declaration" shall mean and refer to any Supplemental Declaration of Covenants and Restrictions bringing additional property within the jurisdiction of the Association under the authority provided in the Declaration. References herein (whether specific or general) to provisions set forth in "any (all) Supplemental Declaration(s)" shall be deemed to relate to the respective properties covered by such Supplemental Declarations.

Section 12. "the Properties" shall mean and refer to the properties described in the Declaration which are subject to the restrictions, covenants, conditions, stipulations and reservations of the Declaration, and any additional properties which may hereafter be brought within the jurisdiction of the Association pursuant to the terms of the Declaration.

Section 13. "The Subdivision" shall mean and refer to Ragus Lake Estates, Section One; all subsequent sections of Ragus Lake Estates brought within the jurisdiction of the Association; and any

other real property (including specifically, but without limitation, all or portions of other subdivisions being or to be developed by Declarant or affiliated or subsidiary entities) hereafter brought within the jurisdiction of the Association pursuant to the provisions set forth in the Declaration.

Section 14. "VA" shall mean and refer to the Veterans Administration.

ARTICLE III

MEETING OF MEMBERS

Section 1. Annual Meetings. The regular annual meeting of the members of the Association shall be held on _____ of each year beginning in 1981 at 7:00 p.m. at the principal office of the Association. If such date for the annual meeting of the members is a legal holiday, the meeting will be held at the same hour on the first day following which is not a legal holiday. The failure to hold the regular 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 at any time by the president or by the Board of Directors, or upon the written request of the members who are entitled to vote one-tenth (1/10th) of all the votes of the membership

Section 3. Notice of Meetings. Written notice of each special meeting of the members shall be given by, or at the direction of, the secretary or any person or persons authorized to call a meeting, by mailing a copy of such notice, postage paid, at least 15 days before such meeting to each member entitled to vote thereat, 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 notice. Such notice shall specify the place, day and hour of the meeting, and the purpose of the meeting. Notice of annual meetings shall not be required, but may be given in a like manner.

Section 4. Quorum. The presence at the meeting of members entitled to cast, or of proxies entitled to cast, one-tenth (1/10) of the votes of each class of membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, an applicable Supplemental Declar-

ation , or these Bylaws. If however, such quorum shall not be present or represented at any meeting, the members entitled to vote thereat shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 5. Proxies. At all meetings of members, each member may vote in person or by proxy. All proxies shall be in writing and filed with the secretary. No proxy shall be valid after eleven (11) months from the date of its execution, unless otherwise provided in the proxy. Each proxy shall be revocable and shall automatically cease upon conveyance by the member of his lot.

ARTICLE IV

BOARD OF DIRECTORS

Section 1. Board of Directors. The affairs of this Association shall be managed by a Board of not less than five (5) Directors, who need not be members of the Association. The number of Directors may be increased or decreased from time to time by amendment of the Bylaws in accordance with Article XII.

Section 2. Term of Office. The initial Directors for the Association set forth in the Articles of Incorporation shall hold office until the first annual meeting of Members. The initial Directors shall be selected by Declarant. Any vacancy, from whatever cause, occurring in the Board of Directors during the initial term shall be filled by appointment made by the remaining Director-- or Directors. The person appointed by the remaining Director or Directors to fill such vacancy shall serve for the remainder of the initial term and until his successor is duly elected and qualified. At the first annual meeting of Members, the Members shall elect not less than five (5) Directors two of whom for a term of three (3) years each, two for a term of two (2) years each and one (1) for a term of one (1) year. At each annual meeting thereafter the Members shall elect that number of Directors equal to the number of Directors whose terms expire at such time for a term of ^{two} one year each.

Section 3. Nomination. Nomination for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two or more members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the members, to serve from the close of such annual meeting until the close of the next annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations may be made from among members or non-members.

Section 4. Election. Election to the Board of Directors shall be secret written ballot. At such election the members or their proxies may cast, in respect of each vacancy, as many votes as they are entitled to cast under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting shall not be permitted.

Section 5. Removal. No member of the Board of Directors shall be removed from office except for malfeasance in the conduct of his duties. In the event of death, resignation or removal of a Director, his successor shall be selected by the remaining members of the Board and shall serve for the unexpired term of his predecessor

Section 6. Compensation. No Director shall receive compensation for any service he may render to the Association; provided, however, any Director may be reimbursed for his actual expenses incurred in the performance of his duties.

ARTICLE V

MEETINGS OF DIRECTORS

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held annually without notice, at such place and hour as may be fixed from time to time by resolution of the Board. Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.

Section 2. Special Meetings. Special meetings of the Board of Directors shall be held when called by the president of the Association or by any Director after not less than three (3) days notice to each Director, when such notice may be waived at or prior to such meeting.

Section 3. Quorum. A majority of the number of Directors, but not less than three (3) directors, shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the Directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

Section 4. Action Without a Meeting. Any action which may be required or permitted to be taken at a meeting of the Board of Directors may be taken without a meeting if a consent in writing, setting forth the action so taken is signed by all of the members of the Board of Directors. Such consent shall be placed in the minute book of the Association with the minutes of the Board of Directors. Any action so approved shall have the same effect as though taken at a meeting of the Directors.

ARTICLE VI

POWERS AND DUTIES OF THE ASSOCIATION

Section 1. Powers. The Board of Directors shall have the following rights and powers:

- (a) to construct, manage and maintain Common Areas and facilities thereon, and any adjacent or included public properties; and to make assessments annually therefor, and for other purposes, all pursuant to the Declaration or applicable Supplemental Declaration; and
- (b) to charge reasonable admission and other fees for the use of the recreational facilities located on the Common Areas, and to make, publish and enforce reasonable rules and regulations governing the use and enjoyment of the Common Areas and facilities thereon, or any part thereof, all of which reasonable rules and regulations shall be binding upon, complied with, and observed by each member. These rules and regulations may include provisions to govern and control the use of the Common Areas and facilities thereon, or any part thereof, at the same time;
- (c) to suspend the voting rights of a Member and his right and the rights of the members of said Member's immediate family residing with said Member's and said Member's guests, to use any recreational Community facility of the Common Areas during the period said Member is in default in excess of thirty (30) days in the payment of

- any maintenance charge assessment against said Member's Lot; and to suspend such rights for a period not to exceed sixty (60) days for any infraction of its published rules and regulations;
- (d) in the event any maintenance charge assessments have been or are being expended to provide services for the Members (e.g., garbage collection services), to terminate or cause to be terminated such services for any Member during the period said Member is in default in excess of thirty (30) days in the payment of any maintenance charge assessment against said Member's Lot;
 - (e) to enter management and/or operating contracts or agreements relative to the maintenance and operation of the Common Areas and facilities thereon, in such instances and on such terms as the Board of Directors may deem appropriate; to operate recreational facilities and related concessions located on the Common Areas; to enter lease agreements or concession agreements granting leasehold, concession, or other operating rights relative to recreational facilities located on the Common Areas in such instances and on such terms as the Board of Directors may deem appropriate;
 - (f) to exercise for the Association all rights, powers, duties and authority granted, vested in or delegated to this Association and not reserved to the membership by other provisions of these Bylaws, the Articles of Incorporation, or the Declaration or applicable Supplemental Declaration;
 - (g) upon transfer of the duties and powers of the Architectural Control Committee or Committees established by the Declaration and Supplemental Declarations to the Board of Directors according to the provisions of the Declaration and Supplemental Declarations, to designate and appoint, by a resolution adopted by a majority of the Board of Directors at a meeting at which a quorum is present, a committee to exercise architectural control for the Properties. Membership on such committee to exercise said architectural control may, but need not be, limited to the members of the Board of Directors.
 - (h) to indemnify any director or officer or former director or officer of the Association for expenses and costs (including attorneys fees) actually and necessarily incurred by said director or officer in connection with any claim asserted against said director or officer, by action in court or otherwise, by reason of said director or officer having been a director or officer of the Association, except in relation to matters as to which said director or officer shall have been guilty of negligence or misconduct in respect of the matter in which indemnity is sought;
 - (i) declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors;
 - (j) to designate a depository of the funds of the Association and to designate officers or other persons who shall be authorized to withdraw funds and sign checks on such account; and
 - (k) to designate an officer of the Association or other person who shall be authorized to sign all leases, mortgages, deeds, promissory notes and other written instruments on behalf of the Association.

Section 2. Duties. It shall be the duty of the Board of Directors to:

- (a) cause to be kept a complete record of all of 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-tenth (1/10) of the Class A members who are entitled to vote;
- (b) supervise all officers, agents, and employees of this Association, and to see that their duties are properly performed;
- (c) fix the amount of the annual assessment against properties subject to the jurisdiction of the Association and take such actions as it deems appropriate to collect such assessments and to enforce the liens given to secure payment thereof;
- (d) issue, or cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any maintenance assessment charge has been paid; and, in the event annual maintenance assessments are expended to provide services for the Members, to issue or cause an appropriate officer to issue, evidence sufficient to enable the entity providing such services to the Members to determine said Member's eligibility for said service. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states that an assessment has been paid, such certificate shall be conclusive evidence of such payment;
- (e) upon termination of the duties and powers of the Architectural Control Committee or Committees designated in the Declaration and Supplemental Declarations, and the resignation of the members thereof, to exercise the duties and powers reserved and delegated to said Architectural Control Committee or Committees by the Declaration and Supplemental Declarations;
- (f) procure and maintain such liability and hazard insurance as it may deem appropriate on any property or facilities owned by the Association;
- (g) cause any officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate; and
- (h) cause the Common Areas and facilities thereon, to be maintained.

ARTICLE VII

OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Offices. The officers of this Association shall be a president, who shall be at all times a member of the Board of Directors; a vice president, a secretary; and a treasurer, and such other officers as the Board may from time to time by resolution create.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the members.

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, or shall be removed, or otherwise 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 by giving written notice to the Board, the president or secretary. Such resignation shall take effect on the date of receipt of such notice 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 Offices. No person shall simultaneously hold more than one office except the office of vice president, secretary, treasurer, and/or special offices created pursuant to Section 4 of this Article.

Section 8. Execution of Association Documents. In the absence of a designation by the Board of Directors of an officer or other person authorized to sign all leases, mortgages, deeds, promissory notes, checks and other written instruments, any officer of the Association may sign such documents on its behalf except that any two officers must sign each promissory note executed by the Association

Section 9. Duties. The duties of the officers of the Association are as follows:

President

- (a) The president shall preside at all meetings of the Board of Directors and of the Association; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds, and other written instruments and shall co-sign all promissory notes.

Vice President

- (b) The vice president shall act in the place and stead of the president in the event of his absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board.

Secretary

- (c) The secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the members; keep the corporate seal of the Association and affix it on all papers requiring said seal, serve notice of meetings of the Board and of the members; keep appropriate current records showing the members of the Association together with their addresses, and shall perform such other duties as required by the Board.

Treasurer

- (d) The treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall sign all checks and promissory notes of the Association; keep proper books of account; and keep accurate books and records of the fiscal affairs of the Association and make the same available for inspection by members of the Association during normal business hours.

ARTICLE VIII

COMMITTEES

The Association shall appoint a Nominating Committee, as provided in Section 3. of Article IV of these Bylaws. The Board of Directors shall appoint other committees as deemed appropriate in carrying out the Association's purpose.

ARTICLE IX

BOOKS AND RECORDS

The books, records and papers of the Association shall at all times during reasonable business hours be subject to inspection by any member. The Declaration, the Articles of Incorporation and the Bylaws of the Association shall be available for inspection by any member at the principal office of the Association, where copies may be purchased at reasonable cost.

ARTICLE X

ASSESSMENTS

As more fully provided in the Declaration, each Owner is obligated to pay to the Association certain annual and special assessments which are secured by a continuing lien upon the property against which the assessment is made. Any assessments which are not paid when due shall be delinquent. In the event an Owner's assess-

ment is delinquent in excess of thirty (30) days, said Owner and members of his or her immediate family residing with said Owner and said Owner's guests may be denied use of any of the Common Areas and facilities thereon, and any services provided for the Members and funded from the annual or special assessments may be terminated. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of ten percent (10%) per annum, and the Association may bring an action at law against the Owner personally obligated to apy the same or foreclose the lien against the property, and interest, costs, and reasonable attorney's fees of any such action shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of any of the facilities or services provided by the Association or by abandonment of said Owner's Lot.

ARTICLE XI

CORPORATE SEAL

The Association shall have a seal in circular form having within its circumference the name of the Association and within the center th word "Texas".

ARTICLE XII

AMENDMENTS

Section 1. Amendment. These bylaws may be amended, at a regular or special meeting of the members, by a vote of a majority of a quorum of members present in person or by proxy. However, the FHA or the VA shall have the right to veto amendments while there is a Class B membership.

Section 2. Conflict. In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control, and in the case of any conflict between the Declaration or applicable Supplemental Declaration and these Bylaws, the Declaration or applicable Supplemental Declaration shall control.

ARTICLE XIII

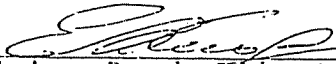
MISCELLANEOUS


The fiscal year of the Association shall begin on the first

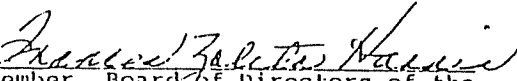
day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

IN WITNESS WHEREOF, we being all of the Directors of Ragus Lake Estates Homeowner's Association, Inc. have hereunto set out hands this 29 day of July, 1981.


Member, Board of Directors of the Association


Member, Board of Directors of the Association


Member, Board of Directors of the Association


Member, Board of Directors of the Association


Member, Board of Directors of the Association