

BY-LAWS  
OF  
LAKE OLYMPIA CIVIC ASSOCIATION  
A Texas Non-Profit Corporation

ARTICLE I

DEFINITIONS

1.01. Assessments. "Assessments" shall mean the assessments created in the Declaration for the purpose of promoting the health, safety, welfare, common benefit, enjoyment, and maintenance of the Subdivision, and other real property annexed thereto, including the actual and estimated expenses, and reserves reasonably required for operating the Association pursuant to the Articles of Incorporation of the Association, these By-Laws, and the Declaration.

1.02. Association: "Association" means Lake Olympia Civic Association, a non-profit corporation created pursuant to the laws of the State of Texas.

1.03. Common Area: "Common Area" means all real and personal property now or hereafter utilized by the Association for the common use and enjoyment of the Owners, and shall include all such property now owned or hereafter acquired by the Association or designated as a Common Area by Declarant by Declaration or other instrument recorded among the Real Property Records of Fort Bend County, Texas.

1.04. Conveyance Date: "Conveyance Date" means the first date that the Declarant is no longer the owner of any Lot.

1.05. Declarant: "Declarant" means Lake Olympia Development, N. V., a Netherlands Antilles corporation doing business as Lake Olympia Development Corporation, and its successors and assigns.

1.06. Declaration "Declaration" means the Declaration of Covenants, Conditions, and Restrictions executed by the Declarant and recorded among the Real Property Records of Fort Bend County, Texas by which the Declarant subjects the Subdivision to certain covenants, conditions, and restrictions, and shall include any Declaration of Annexation (as defined in the Declaration).

1.07. Equalization Date: "Equalization Date" means the first date on which the total number of outstanding Class A membership votes equals the total number of outstanding Class B membership votes, taking into consideration all Lots owned by the Declarant within the Subdivision.

1.08. Lot: "Lot" means an individual tract or parcel reflected on the recorded plat of the Subdivision and specifically described in the introductory portion of the Declaration, which is restricted to residential use by the Declaration.

1.09. Owner: "Owner" means each record owner, whether one or more persons or entities, of fee simple title to a Lot, excluding a mortgagee until such mortgagee has acquired fee title to the Lot.

1.10. Subdivision: "Subdivision" means Palmer Plantation at Lake Olympia Section One, and any other real property which is subdivided by a map or plat recorded among the appropriate records of Fort Bend County, Texas, and annexed to the Subdivision by a Declaration of Annexation executed by the Declarant.

## ARTICLE II

### PRINCIPAL OFFICE

2.01. Principal Office: The principal office shall be in Missouri City, Texas, and the Association may have offices at such other places as the business of the Association may require.

## ARTICLE III

MEETINGS OF MEMBERS

3.01. Place of Meetings All meetings of the Members shall be held at the registered office of the Association, or any other place within or without this State, as may be designated for that purpose from time to time by the Board of Directors.

3.02. Annual Meetings: The annual meetings of the Members shall be held on the 2nd Tuesday of January of each year. If this day falls on a legal holiday, the annual meeting shall be held at the same time on the next following business day thereafter.

3.03. Special Meetings: Special meetings of the Members for any purpose or purposes whatsoever may be called at any time by the President, or by the Board of Directors, or by any one (1) or more Director, or by Members holding not less than one-tenth (1/10) of the votes of the combined classes of membership entitled to be cast at the meeting.

3.04. Notice of Meeting: No notice of the annual meetings of the Members shall be required. Notice of special meetings, stating the place, day, and hour of the meeting and the purpose or purposes for which the meeting is called, shall be given in writing by the Secretary or by the Directors or Members calling the meeting to each Member entitled to vote at the meeting, and shall be either personally delivered or deposited in the United States mail, postage prepaid, and addressed to the Member at his address as it appears on the records of the Association, not less than ten (10) nor more than fifty (50) days before the date of the meeting. Unless otherwise notified by a Member, the address of each Member for purposes of such notice shall be the address

of any Lot owned by him. Notice of adjourned meetings shall be required in the same manner. Alternatively, if the Association then has more than one thousand (1,000) Members, notice as required by this section may be given by publication in any newspaper of general circulation in the community in which the principal office of the Association is located.

3.05. Quorum: The presence of Members entitled to cast ten percent (10%) of the total votes of the combined classes of membership in person or by proxy shall constitute a quorum. Business may be continued after withdrawal of enough Members to leave less than a quorum. If at any meeting of the Members called in accordance with this Article III a quorum is not present, subsequent meetings may be called, subject to the requirements of this Article III, except that the required quorum for any such subsequent meeting shall be one-half (1/2) of the required quorum for the meeting called immediately preceding such subsequent meeting. No such subsequent meeting shall be held more than sixty (60) days following the date of the meeting called immediately preceding such subsequent meeting.

3.06. Members: Each Owner shall, upon and by virtue of becoming an Owner, automatically become a Member of the Association and shall remain a Member thereof until his ownership ceases for any reason, at which time his membership in the Association shall be appurtenant to and shall automatically follow the legal ownership of each Lot and may not be separated from such ownership. Whenever the legal ownership of any Lot passes from one person to another, by whatever means, it shall not be necessary that any instrument provide for transfer of membership in the Association, as such membership is appurtenant to and automatically follows and passes with the legal ownership of a Lot.

Membership in the Association is expressly limited to the Owners of Lots which are subject to the assessments stated in the Declaration. Certificates of Membership may be issued to Members at the option of Declarant.

3.07. Voting Rights The Association shall have two classes of voting membership:

CLASS A: Each Owner of a Lot other than the Declarant shall be a Class A Member of the Association. Each Class A Member shall be entitled to one vote for each Lot owned; provided, however, that when more than one person or entity holds an interest in a Lot, all such persons or entities shall be Members and the vote for such Lot shall be exercised as they may determine, but in no event shall more than one vote be cast with respect to any Lot. There shall be no fractional votes.

CLASS B: The Declarant shall be the Class B Member and shall be entitled to three votes for each Lot owned by it. The Class B membership shall cease and shall be converted into a Class A membership upon the occurrence of any of the following events, whichever occurs first: (a) the Equalization Date, (b) January 1, 2015; or (c) when, in its discretion, the Declarant so determines.

3.08. Suspension of Voting Rights The Association shall have the right by action of the Board of Directors of the Association to suspend the voting rights of any Member and/or the right of any Member to use any Common Area if (a) such Member is in default in the payment of any assessment or charge lawfully imposed upon him or any property owned by him by the Association or is in default in the payment of any other amount of money due to the Association for a period of forty five

(45) days after the due date thereof; or (b) such Member has failed to comply with any of the restrictions created by declaration executed by the Declarant or the rules or regulations of the Association, for a period of fifteen (15) days after written notice thereof from the Association; and (c) in the event of a default in payment of an assessment, or failure to comply with such restrictions, rules, or regulations, for an additional period not to exceed sixty (60) days from the date such default or violation is cured or rectified. The Association's right to suspend voting rights shall not be exclusive, but shall be cumulative of, and in addition to, any and all other rights and remedies of the Association.

3.09. Voting: Only those persons entitled to vote in accordance with the Articles of Incorporation and these By-Laws of the Association on the date on which notice of the meeting is mailed, or if no notice is required, on the date of the meeting, as determined by the Board of Directors shall be entitled to vote at a meeting of the Members, unless some other date is fixed by the Board of Directors for the determination of the Members entitled to vote at such meeting. No Member shall have the right to cumulate his votes at any election for Directors of this Association. Voting for the election of Directors shall be by voice unless any Member demands a ballot vote before the voting begins. If the Board of Directors so determines, the election of Directors by the Members may be conducted by mail in lieu of a meeting.

3.10 Proxies: Every person entitled to vote or execute consents may do so either in person or by written proxy executed in writing by the Member or his duly authorized attorney-in-fact.

3.11. Consent of Absentees: No defect in the calling or notice of a Members' meeting will affect the validity of any action at the meeting if a quorum was present, and if each Member not present in person or by proxy at such meeting and entitled to vote at such meeting signs a written waiver of notice, consent to the holding of the meeting, or approval of the minutes, either before or after the meeting, and such waivers, consents, or approvals are filed with the corporate records or made a part of the minutes of the meeting.

3.12. Action Without Meeting: Action may be taken by Members without a meeting if each Member entitled to vote signs a written consent to the action.

#### ARTICLE IV

##### DIRECTORS

4.01. Powers: The Directors shall act only as a board and an individual Director shall have no power as such. All corporate powers of the Association shall be exercised by, or under the authority of, and the business and affairs of the Association shall be controlled by the Board of Directors, subject, however, to such limitations as are imposed by law, the Articles of Incorporation, the Declaration, or these By-Laws, as to actions to be authorized or approved by the Members. Without limiting the generality of the preceding sentence, or any power vested in it by law, the Board of Directors shall have the power (a) to establish, levy, assess, and collect the Assessments in accordance with the Declaration, (b) to manage and maintain the Common Area in accordance with the Declaration, (c) to exercise on behalf of the Association all powers, duties, and authority vested in or delegated to the Association, except those expressly reserved to the

Members. The Board of Directors may, by contract or otherwise, give general or limited or special power and authority to the officers and employees of the Association to transact the general business, or any special business, of the Association, and may give powers of attorney to agents of the Association to transact any special business requiring such authorization.

4.02. Number and Qualification of Directors: The authorized number of Directors of this Association shall be five (5). The Directors need not be Members of this Association or residents of Texas. The number of Directors may be increased or decreased from time to time by amendment to these By-Laws but no decrease shall have the effect of shortening the term of any incumbent Director. Prior to the Equalization Date, any directorship to be filled by reason of an increase in the number of Directors shall be filled by the Declarant. After the Equalization Date, any directorship to be filled by reason of an increase in the number of Directors shall be filled by election at an annual meeting of the Members or at a special meeting of the Members called for that purpose.

4.03. Election and Term of Office: Each initial Director shall serve until the Equalization Date; provided, however, that any Director may resign at any time and, until the Equalization Date, the Declarant shall have the right to remove any Director, at any time, with or without cause, by written document sent to the Board of Directors. After the Equalization Date, the Members of the Association shall elect the Directors, and each Director shall hold office for a term of three (3) years and until his respective successor is elected, or until the death, resignation, or removal of such Director.



4.04. Vacancies: Vacancies in the Board of Directors may be filled by the Declarant until the Equalization Date. After the Equalization Date, vacancies in the Board of Directors may be filled by a majority of the remaining Directors, though less than a quorum, or by a sole remaining Director. After the Equalization Date, the Members may elect a Director at any time to fill any vacancy not filled by the Directors. A Director elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office.

4.05. Removal of Directors: Prior to the Equalization Date, the Declarant may remove any or all Directors with or without cause. After the Equalization Date, the entire Board of Directors or any individual Director may be removed from office with or without cause by majority vote of the Members present and entitled to vote for Directors, at any regular or special meeting of the Members.

4.06. Place of Meetings: All meetings of the Board of Directors shall be held at the principal office of the Association or at such place within or without the State as may be designated from time to time by resolution of the Board or by written consent of all of the members of the Board.

4.07. Regular Meetings: Regular meetings of the Board of Directors shall be held, without call or notice, immediately following each annual meeting of the Members of the Association, and at such other times as the Directors may determine.

4.08. Special Meetings - Call and Notice: Special meetings of the Board of Directors for any purpose may be called at any time by the President or, if he is absent or unable or refuses to act, by any Vice President or any two Directors. Written notices of the special

meetings, stating the time, and in general terms the purpose or purposes thereof, shall be mailed or telegraphed or personally delivered to each Director not later than the day before the day appointed for the meeting.

4.09. Quorum: A majority of the authorized number of Directors shall be necessary to constitute a quorum for the transaction of business, except to adjourn as hereinafter provided. Every act or decision done or made by a majority of the Directors present shall be regarded as the act of the Board of Directors, unless a greater number be required by law, by the Articles of Incorporation of the Association, or by the Declaration

4.10. Board Action Without Meeting: Any action required or permitted to be taken by the Board of Directors may be taken without a meeting and with the same force and effect as a unanimous vote of Directors, if all members of the Board shall individually and collectively consent in writing to such action.

4.11. Adjournment - Notice: A quorum of the Directors may adjourn any Directors' meeting to meet again at a stated day and hour. Notice of the time and place of holding an adjourned meeting need not be given to absent Directors if the time and place is fixed at the meeting adjourned. In the absence of a quorum, a majority of the Directors present at any Directors' meeting, either regular or special, may adjourn from time to time until the time fixed for the next regular meeting of the Board.

4.12. Conduct of Meeting. The President or, in his absence, any Director selected by the Directors present shall preside at meetings of the Board of Directors. The Secretary of the Association

or, in his absence, any person appointed by the presiding officer, shall act as Secretary of the Board of Directors.

4.13 Compensation. Directors may receive such compensation, if any, for their services, and such reimbursement for expenses, as may be fixed or determined by resolution of the Board of Directors.

4.14. Advisory Directors: The Board of Directors shall have the right, at any time, and from time to time, to appoint one or more Advisory Directors, each of whom shall serve at the pleasure of the Board of Directors for such term and upon such conditions as the Board of Directors may prescribe from time to time. Advisory Directors shall not be entitled to vote upon matters presented to the Board of Directors for decision, but shall be entitled to attend, receive notice of, and be heard at all meetings of the Board of Directors, subject to such reasonable limitations or conditions as the Board of Directors may prescribe from time to time.

ARTICLE V

COMMITTEES

5.01. Architectural Control Committee: The Board of Directors shall promulgate standards pursuant to which the Architectural Control Committee, created by the Declaration and consisting of five (5) members, shall review and control the architectural and environmental appearance of the Subdivision in accordance with the Declaration. The Architectural Control Committee shall have the duty to review and control the architectural and environmental appearance of the Subdivision in accordance with the Declaration and such other duties as may be prescribed, from time to time, by the Board of Directors.

5.02. Election and Tenure: The persons serving on the Architectural Control Committee shall serve until the Conveyance Date. After the Conveyance Date, the members of the Architectural Control Committee shall be appointed by the Board of Directors and shall serve for such term as the Board of Directors may determine. Any member of the Architectural Control Committee shall have the right to resign at any time, and, prior to the Conveyance Date, the Declarant shall have the right to remove any member of the Architectural Control Committee, with or without cause. In the event of a vacancy on the Architectural Control Committee for any reason, the Declarant may appoint a successor committee member prior to the Conveyance Date which successor shall serve the remaining term of his predecessor. After the Conveyance Date, the Board of Directors may fill any vacancy on the Architectural Control Committee with a successor committee member who shall serve the remaining term of his predecessor.

5.03. Other Committees: The Board of Directors may create and appoint and remove members to such other committees as the Board of Directors may from time to time determine to exercise such powers of the Board of Directors, other than the election of officers and the powers reserved to the Architectural Control Committee, as the Board of Directors may prescribe, or to perform such other function as the Board of Directors may prescribe. Each committee having and exercising the authority of the Board of Directors in the management of the Association shall consist of two or more members, the majority of whom must be Directors; the remainder need not be Directors. Members of other committees need not be Directors

5.04. Subcommittees. Any committee shall have the power to appoint a subcommittee from among its members and to delegate to any such subcommittee any of its powers, duties, and functions.

5.05. Compensation of Committee Members: No member of any committee shall be entitled to compensation for his services on the committee, as such, but each committee shall have the right to retain and use the services of such architects, engineers, attorneys, accountants, and other professionals or consultants as the committee may determine, from time to time, all of whom shall be entitled to reasonable compensation for their services as such, regardless of whether or not they are a member of the committee.

5.06. Indemnification: Each member of a committee shall be entitled to the same immunities and indemnification as are provided for officers and Directors of the Association.

## ARTICLE VI

### OFFICERS

6.01. Title and Appointment: The officers of the Association shall be a President, one Vice President, a Secretary, a Treasurer, and such assistants and other officers as the Board of Directors shall from time to time determine. Any two officers, except President and Secretary, may be held by one person. All officers shall be elected by and hold office at the pleasure of the Board of Directors, which shall fix the compensation and tenure of all officers

6.02. Powers and Duties of Officers: The officers of the Association shall have the powers and duties generally ascribed to the respective officers, and such additional authority or duty as may from time to time be established by the Board of Directors.

ARTICLE VII

INDEMNIFICATION

7.01. Indemnification The Association shall indemnify itself, the Board of Directors, each Director, each officer of the Association, the Architectural Control Committee, each member of the Architectural Control Committee, and every other committee and subcommittee created pursuant to these By-Laws and each member thereof, against any and all expenses, including reasonable attorney's fees incurred by or imposed upon such individual or entity in connection with any suit, claim, or other proceeding (including settlement of any such claim, suit, or proceeding if such settlement is approved by the Board of Directors) to which such entity may be a party or any such individual may be a party by reason of being, or having been, an officer or Director of the Association or member of a committee unless, and only unless, such individual is found (by a final judgment which cannot be further appealed) to have been guilty of negligence or misconduct in respect to the matter in which indemnity is sought.

7.02. Liability of Officers, Directors, and Committee Members  
No officer of the Association, Director, or member of the Architectural Control Committee or any other committee created pursuant to these By-Laws shall be liable to the Association, any such committee, any Owner, or any other person or entity for any mistake of judgment, whether negligent or otherwise or for the exercise of such individual's judgment except in the event of judicially determined bad faith, malice, or gross negligence on the part of such individual. No officer or Director of the Association or member of any such committee shall have personal liability with respect to any contract or other

commitment made by him on behalf of the Association or any such committee, and the Association shall indemnify and hold harmless each such officer, Director, and committee member from any and all liability in connection with any such contract or commitment.

7.03. Insurance The Association shall obtain and keep in force such general liability insurance and such officers', Directors', and committee members' liability insurance as the Board of Directors may reasonably determine, from time to time, to insure the Association's indemnity obligations pursuant to these By-Laws.

#### ARTICLE VIII

##### EXECUTION OF INSTRUMENTS

8.01. Authorization: The Board of Directors may, in its discretion, determine the method and designate the signatory officer or officers, or other person or persons, to execute any corporate instrument or document, or to sign the corporate name without limitation, except where otherwise provided by law, and such execution or signature shall be binding upon the Association.

#### ARTICLE IX

##### CERTIFICATES OF MEMBERSHIP

9.01. Issuance of Certificates: The Association may issue certificates of membership to the Members if the Declarant shall so determine prior to the Equalization Date, or if the Board of Directors shall so determine after the Equalization Date. Such certificates shall be in such form and shall contain such recitations and references as the Board of Directors shall determine or as are required by law.

9.02. Replacement of Certificates. No new certificates shall be issued until the former certificates for the membership

represented thereby shall have been surrendered and cancelled, except in the case of lost or destroyed certificates for which the Board of Directors may order new certificates to be issued upon such terms, conditions, and guarantees as the Board may see fit to impose, including the filing of sufficient indemnity.

9.03. Transfer of Certificates: No certificate of membership may be transferred except in connection with the transfer of fee simple title to a Lot. Upon such a transfer of a Lot, the Board of Directors may issue a new certificate of membership to the transferee upon compliance with such terms and conditions as the Board of Directors may prescribe.

#### ARTICLE X

##### RECORDS AND REPORTS

10.01. Books and Records. The Association shall keep correct and complete books and records of account and shall keep minutes of the proceedings of its Members, Board of Directors, and committees and shall keep at its registered office or principal office in Texas a record of the names and addresses of each Member entitled to vote. All books and records of the Association may be inspected by any Member, or his agent or attorney, for any proper purpose at any reasonable time

#### ARTICLE XI

##### AMENDMENT OF BY-LAWS

11.01. Amendment of By-Laws: The power to alter, amend, or repeal these By-Laws or to adopt new by-laws is vested in the Board of Directors.



CERTIFICATE OF AMENDMENT  
to  
THE BY-LAWS  
of  
LAKE OLYMPIA CIVIC ASSOCIATION

I, AYSEGUL KILIC RAMIREZ, Secretary of Lake Olympia Civic Association, a Texas non-profit corporation (the "Association"), do hereby certify that a unanimous decision was made to amend the By-Laws of the Association at a duly called meeting of the Board of Directors, held on the 29<sup>th</sup> day of OCTOBER, 1999. Said Amendment was duly and properly adopted by the Board of Directors with at least a majority of the Directors being present thereat and remaining throughout the meeting. Said Amendment to the By-Laws shall be effective immediately at the conclusion of the meeting of the Board of Directors held on the 29<sup>th</sup> day of OCTOBER, 1999, and shall read as follows:

Article IV, Section 4.02 of the By-Laws is hereby amended to read as follows:

4.02 Number and Qualification of Directors Until the Equalization Date the number of Directors of this Association shall be five (5), which Directors need not be Members of the Association. After the Equalization Date the number of Directors shall be seven (7), which Directors shall be Members of the Association or a designated representative of a business entity that is a Member of the Association. At the meeting of the Members of the Association called for the purpose of voting on Directors after the Equalization Date, as required by Article IV, Section 3 of the Declaration (the "Equalization Date Meeting"), seven (7) Directors shall be elected by the Members. Each of the seven (7) Directors elected at the Equalization Date Meeting shall be designated "Area Directors" to be elected from specific geographic areas in which they or the business entity they represent, own property. Area Directors shall represent the specific geographic areas of the Association as set forth below: