

PPOA BY-LAWS

BY-LAWS OF PECAN PLANTATION OWNERS ASSOCIATION, INC. A TEXAS NONPROFIT CORPORATION

ARTICLE ONE

OFFICES

Section 1. Principal Office. The principal office of the Corporation shall be located at Pecan Plantation in the Counties of Hood and Johnson, State of Texas. The Corporation may have such other offices as the Board of Directors may determine or as the affairs of the Corporation may require from time to time.

ARTICLE TWO

DEFINITIONS

The following words or phrases, when used in these By-laws (unless the context shall prohibit), shall have the following meanings:

- (a) "Association" and "Corporation" shall mean and refer to this nonprofit Corporation.
- (b) "Country Club" shall mean and refer to Pecan Plantation Country Club Inc., a nonprofit Corporation.
- (c) "The Property" shall mean and refer to Pecan Plantation subdivision in Hood and Johnson Counties, Texas, as delineated and depicted in the various plats or maps of said subdivision or parts thereof placed of record by the Developer, Republic Land Company, d/b/a Pecan Plantation, a Texas corporation, and owned by Pecan Plantation Owners Association, Inc., from time to time.
- (d) "Unplatted Parts of the Property" shall mean and refer to all parts of the property, as may exist from time to time, which have not been subdivided and upon which there has been no subdivision units or recreational facilities as may be added by Developer from time to time as set forth in the Restrictive Covenants affecting the Property.
- (e) "Association Property" and "Common Facilities" shall mean and refer to the property owned by the Association, including the streets, roads and other public ways, fences, gates, fire and security equipment, marina (including boat storage, boat launching ramps, docks, and fuel facilities only), beach areas, equestrian center, camper area, airstrip, and

any other real and personal property used for the acquisition, ownership, construction, management, maintenance, and care of "Association Property" and "Common Facilities".

(f) "Recreational Area" shall mean and refer to certain portions of the real property (together with any improvements thereon) located in Pecan Plantation, in the counties of Hood and Johnson, State of Texas, which was conveyed to the Association by Republic Land Company by Deed recorded in the Deed Records of Hood County, Texas, to wit: Clubhouse and Grounds, Parking area, Golf Course, Tennis Courts, Swimming Pool, Driving, Trap and Skeet Range.

(g) "Lot" shall mean and refer to each lot shown on the recorded plats of the Property, and also to any plot of land shown upon any future recorded subdivision map or plat of the Property or any part thereof, excluding the Association Property and Common facilities as heretofore defined.

(h) "Residential Lot" shall mean and refer to each lot shown on a recorded plat of Pecan Plantation, Hood and Johnson Counties, Texas, and also any plot of land shown upon any future recorded subdivision map or plat of the property or any part thereof, with the exception of the Association Property and Common Facilities, as heretofore defined, the permissible use of which is limited, by Restrictive Covenants, to the construction thereon of one detached single family residence with a private garage and appropriate outbuildings, boat houses and servants houses as permitted in the Restrictions and Covenants.

(i) "Apartment Lot" and "Condominium Lot" shall mean and refer to each lot the use of which is limited (by Restrictions and Covenants now or hereafter recorded) to the construction there on of apartment or condominium buildings, parking facilities and outbuildings as permitted in such Restrictions and Covenants.

(j) "Commercial Lot" shall mean and refer to any lot upon which commercial buildings or activities are permitted by Restrictions and Covenants now or hereafter recorded.

(k) "Owner" shall mean and refer to the owner or purchaser of record under a Contract of Sale or Deed, whether one or more persons or entities, of the fee simple title to any lot situated upon the Property, whether it be a Residential Lot, Apartment Lot, Condominium Lot or Condominium Unit, and also to the record owner of the fee simple title to any Unplatted Parts of the Property (not platted of record and sold as tract acreage), but, notwithstanding any applicable theory of the mortgage, shall not mean or refer to the mortgagee of any lot or part unless and until such mortgagee has acquired title to such lot or unit pursuant to foreclosure or any proceeding in lieu of foreclosure.

(l) "Developer" shall mean and refer to Republic Land Company d/b/a Pecan Plantation a Texas Corporation, and its successors and assigns.

ARTICLE THREE

RESPONSIBILITIES OF CORPORATION - IN GENERAL

Section 1. Declaration of Covenants and Restriction Binding on Corporation. The Declarations of Restrictions, Covenants, Easements and Liens recorded by Developer with respect to the various units in Pecan Plantation Subdivision and all additional and further Restrictions, Covenants, Easements and Liens which may be filed of record on any part of the Property or the Unplatted parts of the Property are acknowledged to be valid and binding upon the Association and its members.

Section 2. Functions of Corporation - In General. This corporation shall have, exercise and enjoy all of the rights, privileges and remedies, and shall perform all of the functions and duties assigned to, delegated to, granted to and required of it by the terms and provisions of said Declarations of Restrictions and such further rights and powers as may be appropriate under the Articles of Incorporation and applicable law.

ARTICLE FOUR

USE, ENJOYMENT, MANAGEMENT AND OWNERSHIP OF ASSOCIATION PROPERTY AND COMMON FACILITIES

Section 1. Use of Association Property and Common Facilities. The use and enjoyment of the Association Property and Common Facilities is limited to those persons or entities who are members of the Association (including tenants or lessees approved as members), as hereinafter set forth, and their respective families and guests, subject to Section 2 hereof. Use and enjoyment of Association Property and Common Facilities shall, pursuant to rules and regulations established by the Board of Directors, be limited to members who are current in payment of assessments as provided herein.

Section 2. Regulations for Use of Association Property and Common Facilities. Such rules and regulations as may be necessary for the orderly use and management of Association Property and Common Facilities, including but not limited to, Rules and Regulations concerning the rights and privileges of tenants and guests of members, shall be made by the Board of Directors of the Association or by committees appointed by the Board of Directors for such purposes; subject, however, to the provisions contained in these By-laws concerning appointment or designation of such committees.

Section 3. Management of Association Property and Common Facilities. The Association by and through its Board of Directors, has the sole responsibility and liability for the ownership, maintenance, improvement, management, administrations and regulations of the Association Property and Common Facilities, and funds for such purposes, including

all taxes on said Association Property and Common Facilities shall be secured by the Association from the assessments as hereinafter provided, or such other funds as may be available to the Corporation. On behalf of the Country Club, the Corporation may provide for additional charges, other than assessments, for the use of the facilities in the Recreational Area, and for services provided to members, provided however, no additional charge shall be made to members for green fees, use of park areas, use of streets and roads, use of tennis courts, use of boat launching ramp, landing at the Airstrip, or use of the camping area, other than for utility services in these areas.

ARTICLE FIVE

MEMBERS AND VOTING RIGHTS

Section 1. Requirements for Membership.

(a) Except as hereinafter provided, no person or entity other than those who have been approved as members and who own a fee interest (under contract of sale or deed) in a Lot or Condominium Unit shall be members of the Association; provided however that a person or entity holding legal title to a Lot or Condominium Unit as security for the performance of an obligation shall not be a member.

(b) The Board of Directors may, consistent with the Restrictions and Covenants of Pecan Plantation subdivision regulate or limit the number of memberships available to the owners of undivided interest in a Lot or Condominium Unit and may limit the memberships to one per Lot or Condominium Unit.

(c) Tenants (including lessees) of apartments, condominium units or single family dwellings shall be eligible for "tenant memberships" upon approval of their applications, such "tenant memberships" to be subject to such conditions and limitations as the Board of Directors may from time to time impose. The approval of a tenant as a "tenant member" shall automatically terminate the membership rights of the owner of such property, except for voting purposes, but the owner shall nonetheless remain liable for assessments and all other charges incurred by the tenant and levied by the Association if not timely paid by the tenant member. The assessments levied for a tenant member shall not exceed those levied with respect to an owner member. (Amended 3/2/96)

(d) The Board of Directors may, in its discretion and upon such terms and conditions as it deems proper, authorize special or honorary memberships; provided that any such membership shall be subject to limitation or revocation at any time by action of the Board of Directors.

(e) Membership or tenant membership shall automatically terminate when the applicable requirement as to ownership or tenancy ceases or when the member dies.

(f) Continued membership shall be conditioned upon the members' observance and compliance with these By-laws, the Restrictive Covenants, other rules and regulations promulgated by the Board of Directors and payment, when due, of all dues and assessments levied by the Board of Directors and other charges incurred by the member.

Section 2. Suspension of Revocation of Membership Rights. The Board of Directors may suspend or revoke the membership rights (in whole or in part) of any member who fails to comply with applicable By-laws, Restrictive Covenants, Rules and Regulations. Such suspension or revocation shall not be ordered until after the member involved has been given an opportunity for the member or an appointed representative to appear before the board to explain the non-compliance with rules and regulations. Any member who has an account that is past due over 60 days will be advised by Certified Mail Return Receipt Requested that his membership privileges have been suspended and that a \$25.00 handling and certified mail expense will be charged. The member may make a written request for the member or an appointed representative to appear before the Board of Directors at the next regular meeting of the Board of Directors. Such suspension or revocation shall not have the effect of denying the member access to his lot, condominium unit or apartment. Such suspension or revocation shall not affect the continuing obligation of the owner to pay assessments or other charges previously accrued or penalties thereafter accruing. (Amended 3/6/93)

Section 3. Voting Rights of Members. Members (not including tenant members) in good standing of the Association shall have one vote for each Lot or Condominium Unit owned, unless two (2) contiguous lots have been granted "single assessment" status, in which case only one vote will be allowed for those two (2) lots. Where a Lot or Condominium Unit is owned by a corporation, firm or other entity or by more than one individual, the individual designated by the owner as the person entitled to membership privileges shall be entitled to vote for such owner. A member who is sixty (60) days or more delinquent in payment of any assessment or other charge due to the Association shall be ineligible to vote until such assessments or charges have been paid in full. Developer shall have one vote for each lot owned by it at the time of the voting. Lots owned by PPOA (owned in common by PPOA members) shall not be eligible to be voted under any condition. (Amended 3/4/95)

Section 4. Membership Cards. The Board of Directors may provide for the issuance of membership cards evidencing membership in the Corporation, which shall be in such form as may be determined by the Board. The name and address of each member and the date of issuance of the card shall be entered on the records of the Corporation. If any card shall become lost, mutilated or destroyed, a new card may be issued therefore upon such terms and conditions as the Board of Directors may determine.

Section 5. Limitation on Membership. Subject to the Restrictions and Covenants of Pecan Plantation and any written agreements between the Association and Developer duly recorded in the Hood County Real Property Records on or before March 7, 1998, the Board of Directors shall not allow the total membership to exceed 3,000 members

without first obtaining consent of the membership. The membership's consent to increase the membership beyond 3,000 members shall be expressed only by a simple majority vote of each eligible member of the Association present and voting at either a special meeting or an annual meeting held in accordance with these By-laws. (Amended 3/7/98)

ARTICLE SIX

MEETINGS OF MEMBERS

Section 1. Annual Meeting. An Annual Meeting of the voting members shall be held on the first Saturday in the month of March in each year, for the purpose of electing Directors and for the transaction of such other business as may properly come before the meeting. If the day fixed for the annual meeting shall be a legal holiday in the State of Texas, such meeting shall be held on the next succeeding Saturday. If the election of Directors shall not be held on the day designated herein for any annual meeting, or at any adjournment thereof the Board of Directors shall cause the election to be held at a special meeting of the members.

Section 2. Special Meetings. Special meetings of the voting members may be called by the President, the Board of Directors or by the Members holding the voting rights to not less than one-tenth (1/10) of the total votes outstanding as defined in Article Five, Section 3.

Section 3. Place of Meeting. The Board of Directors shall designate the place of meeting or for any special meeting called by the Board of Directors. If no designation is made or if a special meeting be otherwise called. The place of meeting shall be at the Pecan Plantation Subdivision; but if all of the voting members shall meet at any time and place and consent to the holding of a meeting, such meeting shall be valid without call or notice, and at such meeting any corporate action may be taken.

Section 4. Notice of Meeting. Written or printed notice stating the place, day and hour of any meeting of members shall be delivered, either personally or by mail, to each member entitled to vote at such meeting as of the time the notice is sent, not less than thirty (30) nor more than fifty (50) days before the date of such meeting, by or at the direction of the President, or the Secretary, or the officers or persons calling the meeting. In case of a special meeting or when required by statute or by these By-laws, the purpose or purposes for which the meeting is called shall be in the Notice. No business shall be voted on at any meeting except as set forth in the Notice. If mailed, the notice of a meeting shall be deemed to be delivered when deposited in the United States mail addressed to the member at his address as it appears on the records of the Corporation, with postage thereon prepaid. (Amended 3/5/94)

Section 5. Voting Procedures. A member may vote either in person or by mail on any issue properly designated in a Notice of Meeting, as set out in Article Six, Section 4, for any Annual Meeting or Special Meeting as required in this Article. No less than thirty (30) days before the Annual Meeting or any duly called Special Meeting, the Association shall prepare and mail to all properly designated members in good standing an official ballot describing the issues to be voted upon at such meeting, and shall provide a place for the member to register the member's vote relating to such issues. Each member shall receive one ballot for each Lot or Condominium Unit owned by that member, subject to Article Five, Section 3. To be counted, all official ballots must be clearly marked, placed into the envelope provided with the official ballots marked "Secret Ballot", then placed into the envelope provided with the ballots marked with the account number, then returned to the Association before the meeting to which it pertains convenes. Upon receipt of each ballot returned, the ballot shall be placed in a safe place, and upon the date of the designated meeting, all ballots shall be opened and counted by the Election Committee at the time the voting in person starts. (Amended 3/4/00)

Section 6. Quorum. The members holding ten (10) percent of the total voting rights of the Corporation shall constitute a quorum at a membership meeting. If a quorum is not present at any meeting of members, a majority of the voting members present or by proxy may adjourn the meeting from time to time without further notice.

Section 7. Procedures for Electing Directors at Annual Meeting.

(a) At least one hundred and five (105) days before the Annual Meeting, the Board of Directors shall appoint a Nominating Committee of seven (7) members, no more than one of whom shall be a member of the Board. At the Board meeting at which a Nominating Committee is appointed seventy-five (75%) of the Board must be present. The Nominating Committee must be approved by at least seventy-five percent (75%) of the Board members present and voting. At said time, announcement of the Nominating Committee members shall be made to the membership by mail. In said written announcement, member shall be requested to suggest names and qualifications of Association members who in their opinion would be effective members of the Board. At least six (6) members of the Nominating Committee must be present at the final selection of the candidates. Seventy percent (70%) of those present shall constitute a majority for the selection of the nominees. (Amended 3/4/00)

(b) At least seventy-five (75) days before the Annual Meeting, the Nominating Committee shall mail the names and qualifications of its nominees. (Amended 3/2/85)

(c) Thereafter, additional nominations may be made by the membership at large by submitting the names and qualifications of such additional proposed Board members accompanied by the written endorsement of fifty (50) members. Such additional nominations must be received at the Association office not later than sixty (60) days prior to the meeting in order to qualify. Notice of additional nominees shall be mailed to the membership no less than forty-five (45) days before the meeting. (Amended 3/2/85)

(d) The Nominating Committee shall nominate twice the number of vacancies to be filled and these, plus any additional nominees provided in the preceding paragraph, shall constitute the slate to be voted on. The nominees receiving the largest number of votes shall be deemed elected.

(e) Voting by members for Directors shall be conducted by mail, as well as in person. Accordingly, an official ballot describing the number of vacancies to be filled and setting forth the names of those nominated by the Nominating Committee, together with any additional nominees made by the membership at large shall be prepared and mailed to all members in good standing no less than thirty (30) days before the Annual Meeting. Each member shall receive one ballot for each lot or condominium unit owned. The ballot may also contain all other issues to be voted upon at the meeting, as discussed in Article Six, Section 5. Official ballots must be voted and returned to the Association before the Annual Meeting convenes. Upon receipt of each ballot returned, same shall be placed in a safe place, and upon the date of the annual meeting, the ballots shall be opened and counted by the Election Committee at the time the voting in person starts. (Amended 3/4/00)

(f) The Board shall designate the time and place for voting in person, providing that the place shall be at or convenient to the meeting place, and the period of time for voting in person shall be set for at least two (2) hours preceding the time set for the Annual Meeting to convene, voting in person to cease no later than at the time the meeting convenes. The Board shall establish such other voting procedures as are necessary for a fair and orderly election. (Amended 3/7/92)

(g) The Board of Directors shall appoint an Election Committee of five (5) judges, and as many clerks deemed necessary by committee chairperson, no more than one of who shall have been on the Nominating Committee and no more than one of whom shall be a member of the Board of Directors. Such Committee shall count and supervise the counting of ballots and certify in writing to the Association Secretary the results of the election.

ARTICLE SEVEN

BOARD OF DIRECTORS

Section 1. General Powers. The affairs of the Corporation shall be managed by its Board of Directors.

Section 2. Number, Tenure and Qualifications. The number of Directors shall be nine (9). At the first election of Directors three (3) of the Directors shall be elected for a term of one (1) year, three (3) of the Directors shall be elected for a term of two (2) years, and three (3) of the Directors shall be elected for a term of three (3) years. After the first

election and at the expiration of the term of any group of three (3) Directors, the subsequent terms for such Directors' positions shall all be for three (3) years. No person shall serve as a Director for more than five (5) consecutive years; that is, a person who has served a full three-year term as a Director shall not be eligible for election to succeed himself. Each member of the Board of Directors of the Association must be a member in good standing of the Association.

Section 3. Regular Meetings. A regular annual meeting of the Board of Directors shall be held without other notice than this By-law, immediately after and at the same place as the Annual Meeting of members. The Board of Directors may provide by resolution the time and place for the holding of additional regular meeting of the Board without other notice than such resolution.

Section 4. Special Meetings. Special meeting of the Board of Directors may be called by or at the request of the President or any three (3) Directors. The person or persons authorized to call special meeting of the board may fix any place within the State of Texas as the place for holding any special meetings of the Board called by them.

Section 5. Notice. Notice of any special meeting of the Board of Directors may be given by telephone or by written notice delivered in person, by mail or by telegram. Notice by telephone or personal delivery of notice shall be given at least three (3) days in advance of the meeting. Notice by mail or telegram shall be given at least five (5) days in advance of the meeting and such notice shall be deemed delivered when deposited in the U.S. first class mail, properly addressed and with postage prepaid or when delivered to the telegraph company for transmittal. Any Director may waive notice of any meeting. The attendance of a Director at any meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business on the grounds the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board need be specified in the notice or waiver of notice of such meeting, unless specifically required by law or by these By-laws.

Section 6. Quorum. A majority of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board; but if less than a majority of the Directors is present at said meeting, a majority of the Directors present may adjourn the meeting from time to time without further notice.

Section 7. Manner of Acting. The act of a majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, unless the act of a greater number is required by law or by these By-laws.

Section 8. Vacancies. Any vacancy occurring in the Board of Directors shall be filled by the nominee of the most recent election who received the larger number of votes and will serve the duration of the unexpired term of his or her predecessor. Should all nominees from the most recent election decline as Director, then any vacancies shall be filled temporarily by the Board of Directors with such Director or Directors to serve until the

next election of Directors. Unexpired terms shall be filled by the candidate receiving the highest number of votes following those three elected for a three-year term. (Amended 3/2/96)

Section 9. Compensation. Directors as such shall not receive any slated salaries for their service, but by resolution of the Board of Directors expenses of attendance may be allowed for attendance at each regular or special meeting of the Board, and where such meeting occurs at Pecan Plantation. The Directors may avail themselves of free food services if they so elect, and members of the Board who do not reside at Pecan Plantation may be allowed lodging at Pecan Plantation if available and, if not available, may be reimbursed for lodging in the area. Nothing herein contained shall be construed to preclude any Directors from serving the Corporation in any other capacity and receiving compensation therefore.

Section 10. Limitations on Capital Expenditures. The Board of Directors shall have the authority to commit the Corporation for further capital additions and improvements in an amount not to exceed \$25,000.00 during any one fiscal year. Capital additions and improvements in excess of said amount in any one fiscal year must be approved by a majority vote of the members of the Corporation present at any regular or special meeting of the members at which a quorum is present. "Capital additions and improvements" refer to land, buildings, equipment and improvements beyond those currently existing and do not refer to assets presently in existence, which need replacement or repair because of obsolescence or wear and tear.

Section 11. Informal Action by Directors. Any action required by law to be taken at a meeting of Directors may be taken without a meeting if a consent in writing setting forth the action so taken, shall be signed by all of the Directors.

Section 12. Developers' Representative. Developer may, from time to time, designate a representative whose primary functions will be to act as liaison between Developer and the Directors. Such designated representative shall receive notice of all Directors' meetings and shall be entitled to attend and participate in all meetings of Directors just as if he were a member of the Board of Directors, but such representative shall not be entitled to vote or to receive any compensation as provided in Section 9 of this Article Seven. Developer's designated representative may be excluded from a meeting, upon motion and majority vote, during such time as there is under discussion or consideration by the Directors any matter involving a direct conflict between Developer and the Association.

Section 13. Procedure for removal of Directors.

(a) Any member may submit to the Board a written request for the removal of a Director from the Board, setting forth in such written request a specific statement of the cause for the removal of such Director. Such written request must be accompanied by the endorsement of fifty (50) members who are in good standing.

(b) At the next regular scheduled meeting of the Board of Directors, the Board shall consider and vote upon the request for removal of the designated Director. If seventy-five (75%), or more, of the entire Board vote in favor of the removal of the designated Director, the Board shall then be required to call a special meeting of the voting members for the purpose of considering the removal of the designated Director. Proper notice of such meeting shall be given in accordance with By-laws and the Director in question shall have the right of rebuttal mailed with the notice of the meeting of members. Vote on such removal shall be conducted by vote in person or by mail.

(c) At the meeting of the voting members at which a quorum is present, and is called for the purpose of considering removal of a Director, a vote of seventy-five percent (75%) of the members voting in favor of the removal of a Director shall be required in order to remove a Director. A vacancy created by removal shall be filled in accordance with Article Seven, Section 8 of the By-laws.

(d) If less than seventy-five percent (75%) of the total Board shall vote for the removal of a Director the Board shall not call a special meeting of the members to consider removal of such Director. However, in such event, the members holding the voting rights to no less than one-tenth (1/10) of the total votes outstanding as defined in Article Five, Section 3 of the By-laws may petition for a special meeting to consider removal of a Director, and same shall be called and conducted in accordance with Article Six of these By-laws.

Section 14. Limitation on Installment Purchases and Monetary Borrowing. The Board of Directors shall have the authority to commit the Corporation for installment purchases and for monetary borrowing of any nature for a combined total not exceed \$100,000.00 provided that all corporate indebtedness will be paid down to an amount where never more than \$25,000.00 will can-v forward into the next fiscal year. If the Boards of Directors wish to exceed either or both of these borrowing limits, as stated herein, they must receive approval of majority vote of members of the Corporation present at any regular or special meeting of members at which a quorum is present. This provision will become effective on November 1, 1992. (Amended 3/7/98)

ARTICLE EIGHT

OFFICERS

Section 1. Officers. The officers of the Corporation shall be a President, one or more Vice-presidents (the number thereof to be determined by the Board of Directors), a Secretary, a Treasurer and such other officers as may be elected in accordance with the provisions of this Article. The Board of Directors may elect or appoint such other officers, including one or more Assistant Secretaries or one or more Assistant Treasurers, as it shall deem desirable, such officers to have the authority and perform the duties prescribed, from time to time, by the Board of Directors. Any two (2) or more offices

may be held by the same person, (except the offices of President and Secretary. The President, Vice-president's), Secretary and Treasurer must be members of the Board of Directors.

Section 2. Election and Term of Office. The officers of the Corporation shall be elected annually by the Board of Directors at the regular annual meeting of the Board of Directors. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as conveniently may be. New offices may be created and filled at any meeting of the Board of Directors. Each officer shall hold office until he is relieved or until his successor shall have been duly elected.

Section 3. Removal. Any officer elected or appointed by the Board of Directors may be removed by the Board of Directors whenever in its judgment the best interest of the Corporation would be served.

Section 4. Vacancies. A vacancy in any office, because of death, resignation, removal, disqualification or otherwise, shall be filled by the Board of Directors for the unexpired term of office.

Section 5. President. The President shall be the principal executive officer of the Corporation and shall in general, under the direction of the Board of Directors, supervise the business and affairs of the Corporation. He shall preside at all meetings of the members of the Board of Directors. He may sign, with the Secretary or any other proper officer of the Corporation authorized by the Board of Directors, any deeds, mortgages, bonds, contracts or other instruments which the Board of Directors has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these By-laws or by statute to some other officer or agent of the Corporation; and in general he shall perform all duties incident to the office of the President and such other duties as may be prescribed by the Board of Directors from time to time. (Amended 3/3/01)

Section 6. Vice-president. In the absence of the President or in event of his inability or refusal to act, Vice-president (or in the event there be more than one Vice-president, the Vice-presidents in order of their election) 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. Any Vice-president shall perform such other duties as from time to time may be assigned to him by the President or by the Board of Directors.

Section 7. Treasurer. If required by the Board of Directors, the 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 Corporation; receive and give receipts for monies due and payable to the Corporation from any source whatsoever and deposit all such monies in the name of the Corporation in such banks, trust companies or other depositories as shall be selected in accordance with the provision of Article Ten of these

By-laws; and in general perform all the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him by the Board of Directors.

Section 8. Secretary. The Secretary shall keep the minutes of the meetings of the members 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 corporate records and of the seal of the Corporation and see that the seal of the Corporation is affixed to all documents, the executive of which on behalf of the Corporation under its seal is duly authorized in accordance with the provisions of these By-laws; keep a register of the post office address of each member which shall be furnished to the Secretary by such members; and in general perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him by the Board of Directors.

Section 9. Assistant Treasurers and Assistant Secretaries. If required by the Board of Directors, the Assistant Treasurers shall give bonds for the faithful discharge of their duties in such sums and with such sureties as the Board of Directors shall determine. The Assistant Treasurers and Assistant Secretaries, in general, shall perform such duties as shall be assigned to them by the Treasurer of the Secretary or by the President of the Board of Directors.

ARTICLE NINE

COMMITTEES

Section 1. Architectural Control Committee

(a) The Board of Directors shall appoint an Architectural Control Committee which shall have the authority as set out in the Declarations of Restrictions, Covenants and Liens record by the Developer with respect to review and approval of plans for construction of improvements on a lot. The Architectural Control Committee shall consist of as many persons as designated by the Board of Directors. The Board of Directors, by resolution adopted by a majority of the Directors in office, shall designate and appoint the members of the Architectural Control Committee, as herein provided, which persons may consist of members of the Board of Directors, persons who are members of the Corporation and qualified architects, planners and builders as designated by the Board of Directors. The Board may charge a fee not to exceed \$25.00 for each review of plans and specifications by the Architectural Control Committee for any type of construction, except a residence, on a member's lot. If the type of construction is to be a residence, the Board may charge a fee of \$1,000.00 which must be paid prior to approval of the plans and prior to starting construction. All fees collected for the construction of a residence will be credited to the road repair account. (Amended 3/7/98)

(b) The Committee shall have the power to make variations, alterations and changes as long as said variations, alterations and changes are not in conflict with the protective covenants of record affecting the Property as to any one or more of the lots, and provided the same is accomplished for the mutual benefit of the particular owner and of the surrounding building site owners.

Section 2. Membership Committee. The Board of Directors shall appoint a Membership Committee composed of at least three (3) members of the Association, which committee shall review and approve or disapprove all applications for membership in the Association. Said Committee shall endeavor to review membership applications as expeditiously as possible and shall, in any event, approve or disapprove an application within ten (10) days from the date the application in proper form is received.

Section 3. Other Committees. The Board of Directors, by resolution adopted by a majority of the Directors in office, may designate one or more other committees. Except as otherwise provided in such resolution, members of such committee or committees shall be members in good standing of the Corporation, and the Board of Directors shall appoint the members thereof; provided, however, that any Committee to which is delegated the authority of the Board of Directors in the management of the Corporation (Executive Committee) which is so authorized must consist of two (2) or more Directors; provided further that no such committee shall have the authority of the Board of Directors in reference to amending, altering or repealing the By-laws; electing, appointing or removing any member of such Committee or any Director or officer of the Corporation; amending the Articles of Incorporation; authorizing the voluntary dissolution of the Corporation or revoking proceedings therefore; adopting a plan for the distribution of the assets of the Corporation; or amending, altering or repealing any resolution the Board of Directors which by its terms provides that it shall not be amended, altered or repealed by such committee. The designation and appointment of any such committee and the delegation thereto of authority shall not operate to relieve the Board of Directors or any individual Directors of any responsibility imposed upon it or him by law. (Amended 3/7/92)

Section 4. By-laws Committee. The Board of Directors shall appoint a By-laws Committee consisting of three members of the Association, one or more of who shall be a member of the Board of Directors. The By-laws Committee shall be appointed by the Board of Directors at its regular annual meeting. The function of the Committee shall be to review any and all proposed amendments to the By-laws which are submitted by members and make a recommendation to the Board as to whether or not a proposed amendment to the By-laws should be submitted to the membership for its approval or disapproval.

Section 5. Term of Office. Each member of a Committee shall continue as such until his successor is appointed, unless the Committee shall be sooner terminated or unless such member be removed from such Committee or unless such members shall cease to qualify as a member of the Association in good standing thereof. (Amended 3/7/92)

Section 6. Chairman. One member of each Committee shall be appointed chairman by the Board of Directors.

Section 7. Vacancies. Vacancies in the membership of any Committee may be filled by appointments made in the same manner as provided in the case of the original appointments.

Section 8. Rules. Each Committee may adopt rules for its own government no inconsistent with these By-laws or with rules adopted by the Board of Directors, or the Declaration of Covenants and Restrictions and subject to approval by the Board of Directors. (Amended 10/30/82)

ARTICLE TEN

CONTRACTS, CHECKS, DEPOSITS AND FUNDS

Section 1. Contracts. The Board of Directors may authorize any officer or officers agent or agents of the Corporation, in addition to the officers so authorized by these by-laws, to enter into any contract or execute and deliver any instrument in the name of an on behalf of the Corporation, and such authority may be general or confined to specific instances.

Section 2. Checks, Drafts, etc. All checks, drafts and orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Corporation shall be signed by such officer or officers, agent or agents of the Corporation and in such manner as shall from time to time be determined by resolution of the Board of Directors. In the absence of such determination by the Board of Directors, such instruments shall be signed by the Treasurer or an Assistant Treasurer and countersigned by the President or a Vice-president of the Association.

Section 3. Deposits. 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 and designate by appropriate resolution.

Section 4. Gifts. The Board of Directors may accept on behalf of the Corporation any contribution, gift, bequest or devise for the general purpose or for any special purpose of the Corporation.

ARTICLE ELEVEN

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, Board of Directors and Committees having any of the authority of the Board of Directors and shall keep at the registered or principal office a record giving the names and addresses of the members. All books and records of the Corporation may be inspected by any member eligible to vote, or his agent or attorney, for any proper purpose during normal office hours.

ARTICLE TWELVE

FISCAL YEAR

The fiscal year for the Corporation shall begin on the first day of November and end on the last day of October of the following year.

ARTICLE THIRTEEN

ASSESSMENTS

Section 1. Corporation to make Assessments. By virtue of the authority delegated to it and subject to the provisions of the Declarations of Restrictions, heretofore described in Article Three of these By-laws, the Board of Directors of the Corporation may fix, levy and collect assessment or charges.

Section 2. Parts of Property Not Assessed. There shall be no assessment whatsoever against any Unplatted Parts of the property, nor against property owned by Republic Land Company d/b/a Pecan Plantation (whether or not such property has ever been sold to a third party and later reacquired), or any corporation or other entity with substantially the same ownership and control as Republic Land Company, nor against property owned by the stockholders of Republic Land Company or successor entity where such ownership results from a complete or partial liquidation of such corporation and distribution of assets to its stockholders. Further, there shall be no assessment against any property owned by a "wholesale purchaser for resale", except as herein provided.

A "wholesale purchase for resale", is a purchaser who acquires from Developer, in a single transaction at least ten of the lots then owned by Developer, where such lots are acquired for the purpose of resale to the general public or the builders. The lots initially purchased by a "wholesale purchaser for resale", and all lots subsequently acquired from Developer by such purchaser shall be deemed "wholesale lots" until resold, and no

assessment by the Association shall be levied or collected with respect to "wholesale lots" except as follows:

(a) The owner of "wholesale lots" shall be required, so long as one or more "wholesale lots" are owned, to pay one assessment (the assessment levied with respect to other lots in the subdivision) which shall entitle such owner to designate one individual to use the Association facilities as a member.

(b) Each "wholesale lots" on an individual lot basis shall be liable for the regular assessment then in effect beginning with the nineteenth (19th) month after such lots became a "wholesale lot". That is, the status of a lot as a "wholesale lot" shall terminate after a lot has occupied such status for eighteen (18) months.

Section 3. Purpose of Assessments. The assessments levied by the Corporation shall be used for the purpose of the improvement, maintenance, management, and administration of the Association Property and Common facilities, including, but not limited to, the payment of taxes and insurance thereon and repair replacement and additions thereto, and for the expenses of administering and enforcing the Declarations of Restrictions heretofore mentioned in Article Three thereof, and for carrying out the purposes of the Corporation as stated in its Articles of Incorporation as amended.

Section 4. Basis and Maximum of Annual Assessments. The maximum annual assessment may be modified by a two-third (2/3) vote of a quorum present and voting at a meeting of the members of the Association. The Board of Directors of the Association may, after considering the current maintenance costs of the Association Property and Common Facilities and future needs of the Association fix the actual assessment for any year at a lesser amount, or the Board of Directors of the Association may fix no assessment whatsoever for any year, depending upon the needs of the Association. This section governs the maximum amount to be fixed as actual assessments, but in no way limits the authority of the Board of Directors of the Association to fix a lesser amount or no assessment whatsoever for any year. No proposal to modify the maximum assessment may be considered at a membership meeting unless the notice of such meeting given to the members includes a notification that the matter of modification of the maximum assessment will or may be considered at such meeting. Subject to the special provisions (where and when applicable) concerning payment of assessments contained in the recorded Restrictions and Covenants, the owner of an apartment lot shall be responsible for the payment of one basic assessment for each apartment located on the lot regardless of rental or occupancy status. A condominium unit shall be assessed on the same basis as a single-family residence lot, in accordance with the Restrictions and Covenants of Pecan Plantation subdivision. (Amended 12/11/99)

Section 5. Date of Commencement of Annual Assessments, Due Dates. The assessments provided for herein shall commence on the date (which shall be the first day of the month) fixed by the Board of Directors of the Corporation to be the date of commencement. The assessments shall be payable monthly in advance; provided the

Boards of Directors may permit payment in advance annually, semi-annual or quarterly with or without discount for such advance payment.

Section 6. Duties of Board of Directors. The Board of Directors of the Corporation shall fix the date of commencement and the amount of the assessment (within the allowable maximum) if any is so fixed, at least thirty (30) days in advance of such commencement date and shall, at that time prepare a roster of the properties and assessments applicable thereto which shall be kept in the office of the Corporation and shall be open to inspection by any member. Written notice of any change in assessment shall be sent to every member or owner subject thereto. The Corporation shall upon demand at any time furnish to any member liable for said assessment or to any first mortgage holder of any properties liable for said assessment a certificate in writing signed by an officer or authorized agent of the Corporation, setting forth whether said assessment has been paid. Such certificate shall be conclusive evidence of payment of any assessment therein stated to have been paid.

Section 7. Effect of Non-payment of Assessment; the personal obligation of the Owner, the Lien, remedies of the Corporation. If an assessment or other charge is not paid on the date when due, then such assessment or charge shall be delinquent and shall, together with interest thereon and cost of collection thereof as hereinafter provided, thereupon constitute a continuing lien upon the property assessed which shall encumber and bind such property in the hands of the then owner, his heirs, devisees, person representatives and assigns.

If the assessment is not paid within thirty (30) days after the delinquency date, the assessment shall bear interest from the date of delinquency at the rate of ten (10) per cent per annum, and the Corporation may bring action at law against the owner personally obligated to pay the same and to foreclose the lien against the property and there shall be added to the amount of such assessment court costs and reasonable attorney fees incurred in prosecuting such action, and in the event a judgment is obtained, such judgment shall include interest on the assessment as above provided and a reasonable attorney's fee to be fixed by the court together with the costs of the action.

Section 8. Subordination of the Lien to Mortgages. The lien resulting from any assessment provided for herein shall be subordinate to the lien of any first mortgage or first deed of trust placed upon the property subject to assessment; provided, however, that such ~subordination shall apply only to the assessments which have become due and payable prior to the sale of any such property pursuant to a sale thereof under power of sale in any such deed of trust. Such sale shall not relieve the property from liability for any assessment thereafter becoming due nor from the lien resulting from any such subsequent assessment.

Section 9. Transfer and Tenant Fees.

(a) Transfer Fee. When an application for a regular membership is approved it will become effective when payment of six hundred dollars (\$600.00), plus tax, is made to the

Association. A member in good standing will not be charged a transfer fee for any additional lots that the member might purchase. Also no transfer fee will be charged if a member transfers a lot to a member's spouse, parents or children. (Amended 3/7/98)

(b) Tenant Fee. When an application for a tenant membership is approved it will become effective when payment of eight hundred dollars (\$800.00), plus tax, is made to the Association. If a tenant becomes a property owner within five (5) months a prorated amount of the tenant fee will be refunded. Tenant membership fees will not be charged to a member in good standing as long as the member holds title to a lot. If said lot is sold while the member is renting elsewhere at Pecan Plantation, he/she must purchase a lot within six (6) months or a tenant membership fee will be charged. (Amended 3/7/98)

ARTICLE FOURTEEN

PURCHASE OF STOCK IN COUNTRY CLUB

The Association shall own all of the issued shares of stock in the Country Club, and in return therefore, the Association shall grant, sell and convey to the Country Club all property hereinbefore defined as "recreational area". The Association is authorized to make capital contributions to the Country Club at such times as the Board of Directors of the Association deems necessary, upon the approval of the Board of Directors of the Association of such capital contributions at a regular or special meeting of the Board of Directors for that purpose.

ARTICLE FIFTEEN

WAIVER OF NOTICE

Whenever any notice is required to be given under the provisions of the Texas Non-profit Corporation Act or under the provisions of the Articles of Incorporation or 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 SIXTEEN

AMENDMENTS TO BY-LAWS

Section 1. These By-laws may be altered, amended or repealed and new By-laws may be adopted by the vote of two-thirds (2/3) of the members of the Corporation present and voting at any regular or special meeting of the members at which a quorum is present, in person or by proxy, provided that no such proposal to alter, repeal or enact new By-laws shall be entitled to be voted on at such meeting unless the written notice of such proposal hereinafter provided for shall have been given. (Amended 3/4/95)

Section 2. Written notice or proposals to alter, amend, repeal or enact new By-laws shall be given to the members at least thirty (30) days and not more than fifty (50) days prior to the membership meeting at which the proposal is to be presented. Such notice shall state the substance of the proposed change, alteration or amendment (or state same verbatim) and shall briefly state the proponent's reasons therefore. (Amended 10/30/82)

Section 3. Any proposal to amend the By-laws made by a member shall be submitted in writing to the By-laws Committee, which Committee shall then make a recommendation to the Board of Directors within forty-five (45) days from the date the proposal is submitted to the By-laws Committee as to whether such proposed amendment should be submitted for consideration at the next membership meeting. The Board of Directors shall then consider the recommendation of the By-laws Committee, and if a majority of the Board determines that the proposed By-laws amendment should be submitted to the membership for its consideration, said proposed amendment shall be submitted to the membership meeting in which such proposal is to be presented, in accordance with Section 1 hereinabove. (Amended 10/30/82)

Section 4. If a majority of the Board of Directors rejects the proposed amendment to the By-laws, the members holding the voting rights to not less than fifty (50) of the total votes outstanding as defined in Article Five, Section 3 may then submit in writing to the Board the proposed amendment at least sixty (60) days prior to the membership meeting at which the proposal is to be presented, whereupon it shall be the duty of the Board to include the proposed amendment to the By-laws in the Notice of the meeting to be given to the members.

J. C. Wright, President Anthony Tull, Secretary

These By-laws were revised to include Amendments approved by the Membership on March 4, 2000.

STATE OF TEXAS

COUNTY OF HOOD

SUBSCRIBED AND SWORN TO BEFORE ME by _____,
President of Pecan Plantation Owners Association, Inc. and
_____, Secretary of Pecan Plantation Owners Association,
Inc. on this _____ day of _____, 2000, to certify which witness my hand
and official seal of office.

Notary Public, State of Texas
My Commission Expires _____