

BY-LAWS...

By-Laws
Lake Venice Property Owners Association, Inc.
DBA Venetian Estates Property Owners Association, Inc.
As Amended June 30, 1995

ARTICLE I. OFFICES

The principal office of the Corporation in the State of Texas shall be located in the City of Sugar Land, County of Fort Bend.

The Corporation shall have and continuously maintain in the State of Texas a registered office, and a registered agent whose office is identical with such registered office, as required by the Texas Non-Profit Corporation Act. The registered office may be, but need not be, identical with the principal office in the State of Texas, and the address of the registered office may be changed from time to time by the Board of Trustees.

ARTICLE II. DEFINITIONS

SECTION 1. "ASSOCIATION" and "CORPORATION", as used herein, shall be interchangeable and shall mean and refer to the Lake Venice Property Owners Association, its successors and assigns.

SECTION 2. "SUBDIVISION" shall mean and refer to Venetian Estates Section One, Two, Three and Four, a residential subdivision in Sugar Land, Fort Bend County, Texas, according to the maps or plats thereof recorded in the Official Public Records of Real Property of Fort Bend County, Texas.

SECTION 3. "SUBDIVISION PLAT" shall mean and refer to the maps or plats of the subdivision recorded in the Official Public Records of Real Property of Fort Bend County, Texas.

SECTION 4. "LOT" shall mean and refer to any of the enumerated lots as shown on the Subdivision Plat.

SECTION 5. "OWNER" shall mean and refer to the record owner, whether one or more persons or entities, of any Lot, but excluding those holding title merely as security for the performance of an obligation.

ARTICLE III. MEMBERSHIP

SECTION 1. (ELIGIBILITY FOR MEMBERSHIP) The owner, whether one or more, of each Lot in the subdivision, shall automatically become a member of this Corporation (hereinafter sometimes referred to as "**MEMBER**" or "**MEMBERS**").

SECTION 2. (VOTING PRIVILEGES) Only Members in Good Standing shall have voting privileges, and shall have one vote for each Lot owned. "**MEMBERS IN GOOD STANDING,**" as used herein, shall mean only the Owner of a Lot in the subdivision for which all required dues, assessments and fees (which shall include any dues,

assessments or fees payable by a predecessor in title to such Lot) remain unpaid in whole or in part.

SECTION 3. (REINSTATEMENT) Reinstatement of voting privileges shall be upon payment of all required annual dues, assessments and fees.

SECTION 4. (TRANSFER OF MEMBERSHIP) Membership in this Corporation is not transferable or assignable.

ARTICLE IV. MEETINGS OF MEMBERS

SECTION 1. (ANNUAL MEETINGS) Annual meeting of the members shall be held in the month of January in each year, at approximately 7:30 P.M. for the purpose of electing Trustees and for the transaction of such other business as may come before the meeting. If the election of Trustees shall not be held as designated herein for any annual meeting, or at any adjournment thereof, the Board of Trustees shall cause the election to be held at a special meeting of the members as soon thereafter as conveniently may be.

SECTION 2. (SPECIAL MEETINGS) Special meetings of the members may be called by the President and the majority of the Board of Trustees, or not less than one-third of the Members in Good Standing.

SECTION 3. (PLACE OF MEETING) The Board of Trustees may designate any place within the Sugar Land area as the place of meeting for any annual meeting or for any called special meeting of the members.

SECTION 4. (NOTICE OF MEETINGS) Written or printed notice stating the place, day and hour of any meeting of members shall be delivered by mail to each member entitled to vote at such meeting, not less than ten or more than fifty days before the date of such meeting. In case of a special meeting, the purpose or purposes for which the meeting is called shall be stated in the notice. 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.

SECTION 5. (QUORUM) A quorum shall consist of the members present in person or by proxy, but not less than (20) in number. *ANNUAL MEETING*

SECTION 6. (PROXIES) At any meeting of members, a member entitled to vote may vote by proxy executed in writing by the member or by his duly authorized attorney-in-fact. No proxy shall be valid after one month from the date of its execution unless otherwise provided in the proxy.

SECTION 7 (ROBERT'S RULES OF ORDER) Robert's Rules of Order shall be the order for procedure in conducting meetings when not in conflict with the By-Laws.

ARTICLE V. BOARD OF TRUSTEES

SECTION 1. (GENERAL POWERS) The affairs of the Corporation shall be managed by its Board of Trustees. Trustees must be Members in Good Standing of the Corporation.

SECTION 2. (NUMBER, TENURE AND QUALIFICATIONS) The number of Trustees shall not exceed twenty. No more than fifteen Trustees shall reside on Lake Venice, and

no more than five trustees shall reside at other locations. At least five trustees shall be elected each year, each serving a three-year term. No more than three trustees may be elected to serve on the Board at the same time who own Lots on the same street within Venetian Estates. Each trustee shall hold office until the next annual meeting and until his successor shall have been elected. All trustees shall be selected from among the membership qualified to vote.

SECTION 3. (REGULAR MEETINGS) A regular meeting of the Board of Trustees shall be held without other notice than this by-law, immediately after the annual meeting of members. At least nine other regular meetings of the Board of Trustees shall be held each year without other notice than such resolution.

SECTION 4. (SPECIAL MEETINGS) Special meetings of the Board of Trustees may be called by or at the request of the President or any five trustees.

SECTION 5. (NOTICE) Notice of any special meeting of the Board of Trustees concerning policy shall be given at least seven days previous thereto by written notice delivered personally or sent by mail to each trustee at his address as shown by the records of the Corporation. If mailed, such notice shall be deemed to be delivered when deposited in the United States Mail, properly addressed, with postage thereon prepaid.

SECTION 6. (QUORUM) A majority of the Board of Trustees shall constitute a quorum for the transaction of business at any meeting of the Board; but if less than a majority of the trustees are present at said meeting, a majority of the trustees present may adjourn the meeting from time to time without further notice.

SECTION 7. (MANNER OF ACTING) The act of a majority of the trustees present at a meeting at which a quorum is present shall be the act of the Board of Trustees, 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 Trustees and any trusteeship to be filled shall be filled by the Board of Trustees. A Trustee elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office.

SECTION 9. (COMPENSATION) Trustees, as such, shall not receive any compensation for their services.

SECTION 10. (REMOVAL) Any Trustee who misses three consecutive regular meetings may be removed by the Board of Trustees whenever, in its judgment, the best interest of the corporation would be served.

ARTICLE VI. OFFICERS

SECTION 1. (OFFICERS) The officers of the Corporation shall be a President, a Vice President, a Secretary and a Treasurer. The Board of Trustees may elect or appoint such other officers as it shall deem desirable. Officers shall be members of the Board of Trustees.

SECTION 2. (ELECTION AND TERM OF OFFICE) The officers of the Corporation shall be elected annually by the Board of Trustees at their first regular meeting after the annual homeowners meeting. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as conveniently may be. Each officer shall hold office until his successor shall have been duly elected and shall have

qualified as a Member in Good Standing, provided, however, that no officer shall hold an office for more than three (3) successive one-(1) year terms.

SECTION 3. (REMOVAL) Any officer elected or appointed by the Board of Trustees may be removed by the Board of Trustees whenever, in its judgment, the best interest of the Corporation or the officer would be served.

SECTION 4. (VACANCIES) A vacancy in any office because of death, resignation, removal, disqualification or otherwise, may be filled by the Board of Trustees for the unexpired portion of the term.

SECTION 5. (PRESIDENT) The President shall be the principal executive officer of the Corporation and shall, in general, supervise and control all of the business and affairs of the Corporation. He or she shall normally preside at all meetings of the members and of the Board of Trustees. He or she may sign, with the Secretary or any other proper officer of the Corporation authorized by the Board of Trustees, any deeds, mortgages, contracts, bonds or cases where the signing and execution thereof shall be expressly delegated by the Board of Trustees or by these By-Laws or by statute to some other officer or agent of the Corporation; and, in general, he or she shall perform all duties incident to the office of President and such other duties as may be prescribed by the Board of Trustees from time to time.

SECTION 6. (VICE PRESIDENT) In the absence of the President, the Vice President shall perform the duties of the President, and when so acting, shall have the powers of and be subject to all the restrictions upon the President. The Vice President shall perform such other duties as from time to time may be assigned to him or her by the President.

SECTION 7. (TREASURER) The Treasurer shall have charge and custody of and be responsible for any 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 VIII 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 or her by the President. A bond, if required by the Board of Trustees, shall be paid for by the Corporation.

SECTION 8. (SECRETARY) The Secretary shall keep the minutes of the meetings of the members and of the Board of Trustees 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 to be affixed to all documents authorized in accordance with the provisions of these By-Laws; keep a register of the post office address of each member; 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 or her by the President.

ARTICLE VII. COMMITTEES

SECTION 1. (COMMITTEES) Committees may be designated by a resolution adopted by a majority of the trustees present at a meeting at which a quorum is present. Except as otherwise provided in such resolution, members of each committee shall be members of the Corporation having voting rights and the President of the Corporation shall appoint the members thereof. Any members thereof may be removed by the President

whenever, in his or her judgment, the best interest of the Corporation shall be served by such removal.

SECTION 2. (TERMS OF OFFICE) Each member of a committee shall continue as such until the next annual meeting of the members of the Corporation and until his successor is appointed, unless the committee shall be sooner terminated, or unless such member be removed from such committee, or unless such member shall cease to qualify as a member thereof.

SECTION 3. (CHAIRMAN) One member of each committee shall be appointed Chairman by the President.

SECTION 4. (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 5. (QUORUM) Unless otherwise provided in the resolution of the Board of Trustees designating a committee, a majority of the whole committee shall constitute a quorum and the act of a majority of the members present at the meeting at which quorum is present shall be the act of the committee.

SECTION 6. (RULES) Each committee may adopt rules for its own government not inconsistent with these By-Laws or with rules adopted by the Board of Trustees.

SECTION 6-A. Document entitled "**FUNCTIONS OF THE ARCHITECTURAL CONTROL COMMITTEE (ACC) AND THE ARCHITECTURAL GUIDELINES**" adopted by the Board of Trustees.

SECTION 7. (APPEALS) Any member or other individual or entity affected by a decision of any designated committee may appeal to the President of the Board of Trustees. Such appeal must be in writing and must reach the President ten (10) days prior to scheduled monthly meeting held on the first Tuesday of each month with the exception of July and August. (Special arrangements will be made to hear appeals during these months.)

ARTICLE VIII. CONTRACTS, CHECKS, DEPOSITS AND FUNDS

SECTION 1 (CONTRACTS) The Board of Trustees 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 and on behalf of the Corporation, and such authority shall be confined to specific instances.

SECTION 2. (CHECKS, DRAFTS, ETC.) All checks, drafts or orders for payment of money, notes or other evidence of indebtedness issued in the name of the Corporation, shall be signed by the Treasurer and countersigned by the President or Vice President of the Corporation.

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 Trustees may select.

SECTION 4. (GIFTS) The Board of Trustees may accept, on behalf of the Corporation, any contribution, gift, bequest, or devise for the general purposes or for any special purpose of the Corporation.

ARTICLE IX. 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 Trustees and shall keep at the registered or principal office a record giving the names and addresses of the members entitled to vote. All books and records of the Corporation may be inspected by any member, or his agent or attorney for any proper purpose at any reasonable time.

ARTICLE X. FISCAL YEAR

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

ARTICLE XI. DUES

SECTION 1. (ANNUAL DUES) The Board of Trustees may determine from time to time the amount of annual dues payable to the Corporation by members by the adoption of a resolution for such purpose; provided, however, that no resolution of the Board of Trustees which sets the amount of the annual dues twenty percent (20%) higher than the then existing annual dues shall become effective unless and until it shall have been ratified by a vote of the majority of those Members in Good Standing present and voting at a meeting of the members called for such purpose.) The Board of Trustees may, in its discretion, set the amount of annual dues to be paid by those members whose property is located on Lake Venice in a different amount than the annual dues to be paid by those members whose property is not located on Lake Venice.

SECTION 2. (PAYMENT OF DUES) Dues shall be payable in advance on the first day of January in each fiscal year.

SECTION 3. (INTEREST ON LATE PAYMENTS) If any dues are not paid by the first (1st) of February of the year when due, the same shall bear interest from February 1 of that year until paid at the rate of six percent (6%) per annum. A late processing fee of twenty-five dollars (\$25) per year will be charged for all dues received after February 1 of the year when due.

ARTICLE XII. SPECIAL ASSESSMENTS

SECTION 1. (SPECIAL ASSESSMENTS) The Board of Trustees may determine from time to time the necessity of a special assessment for a specific amount, which shall be in addition to the annual dues, to be payable to the Corporation by members, and shall call a meeting of the Members in Good Standing for ratification thereof by a majority of the Members in Good Standing in attendance. The special assessment shall be for a specific purpose of promoting the health, safety, recreation and welfare of the Members. The Board of Trustees may, in its discretion, determine that the amount of a special assessment to be paid by Members whose property is located on Lake Venice can be a different amount than the amount of special assessment to be paid by Members whose property does not front on Lake Venice.

SECTION 2. (PAYMENT OF SPECIAL ASSESSMENTRS) The board of Trustees shall fix a certain date when the special assessment shall be due and payable, and the special assessment shall be considered delinquent if not paid within fifteen(15) days from such date.

ARTICLE XIII. SEAL

The Board of Trustees shall provide a corporate seal, which shall be in the form of a circle and shall have inscribed thereon the name of the Corporation and the words 'Corporate Seal of Lake Venice Property Owners Association, Inc.'."

ARTICLE XIV. WAIVER OF NOTICE

When ever any notice is required to be given under the provisions of the Texas Non-Profit corporation Act of Texas or under the provisions the articles of the Corporation 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 XV. AMENDMENTS TO BY-LAWS

Amended Nov. 4, 1997

These By-Laws may be altered, amended or repealed and new By-Laws may be adopted by two thirds of the trustees at any regular meeting or at any special meeting, if at least seven (7) days written notice is given of intention to alter, amend or repeal or to adopt new By-Laws at such meeting. If the board votes to change the By-Laws, they must be ratified by a majority of the property owners in good standing at the next annual homeowners meeting. Such amendment(s) will be sent to the homeowners in writing at least seven (7) days prior to the annual meeting.

ARTICLE XVI. DISTRIBUTION OF BY-LAWS

A copy of these By-Laws shall be made available to each member of the Corporation.