

BY-LAWS OF
PECAN PLANTATION COUNTRY CLUB, INC.
A TEXAS NON-PROFIT CORPORATION

ARTICLE ONE

OFFICES

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. "Corporation" and "Country Club" shall mean and refer to this non-profit Corporation.

B. "Association" and "Owners Association" shall mean and refer to Pecan Plantation Owners Association, Inc., a non-profit Corporation.

C. "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 Areas, Golf Course, Tennis Courts, Swimming Pool, Driving, Trap and Skeet Range.

ARTICLE THREE

RESPONSIBILITIES OF CORPORATION - GENERAL

Declaration of Covenants and Restrictions Binding Corporation. The various declarations of Covenants and Restrictions governing Pecan Plantation, as executed by Republic Land Company and filed of record in the Deed Records of Hood and Johnson Counties, Texas, are binding upon this Corporation and upon the members thereof. This Corporation and the members thereof shall be governed by all of the terms of said Declaration of Covenants and Restrictions as therein permitted and hereafter filed for record governing the Subdivision or any part thereof.

ARTICLE FOUR

USE, ENJOYMENT, MANAGEMENT AND OWNERSHIP OF RECREATIONAL AREA

Section 1. Use of Recreational Area and Facilities. The use and enjoyment of the recreational area and facilities located thereon, including the clubhouse and grounds, parking areas, golf course, tennis courts, swimming pool, driving, trap and skeet range, and all other recreational facilities located thereon, is limited to those persons or entities who are members of the Corporation, as hereinafter set forth, and their respective families, and to guest and tenants subject to Section 2 hereof. Use and enjoyment of the recreational area and facilities shall, pursuant to rules and regulations established by the Board of Directors, be limited to members who are current in the payment of assessments and other charges, as provided herein.

Section 2. Regulations for Use of Recreational Area. Such rules and regulations as may be necessary for the orderly use and management of the recreational area and 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 this Corporation or by a committee or committees appointed by the Board of Directors for such purposes; concerning appointment or designation of such committee.

Section 3. Management of the Recreational Area and Facilities. The Corporation, by and through its Board of Directors, has the sole responsibility and liability for the maintenance, improvement, management, administration and regulation of the recreational area and facilities, and funds for such purposes, including all taxes on said recreational area and facilities, shall be secured by the Corporation from the assessments as hereinafter provided; 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. However, no additional charge shall be made to members for green fees, use of tennis courts, or use of swimming pool.

ARTICLE FIVE

MEMBERSHIP

Requirements for membership. Every person or entity who is a member in good standing of the Association and who has not assigned his membership rights in the Country Club as provided below shall automatically be a member of the Country Club. Members in good standing of the Association may elect to assign their rights to membership in the Country Club and the person to whom such rights are assigned shall be an associate member of the Country Club subject to the rules and regulations as set forth from time to time by the Board of Directors. The Board of Directors shall in its discretion determine the duration, qualifications, fees and all other costs, rules and regulations it deems appropriate and necessary pertaining to the associate memberships of such assignees. Any member of the Association who has assigned his rights to membership in the Country Club shall cease to be a member of the Country Club as to that lot for the duration of such assignment, except he shall retain the right to participate in and vote at either the annual or special meetings.

It is further provided that the Board of Directors of the Association may provide, from time to time, make and enforce, in its discretion, rules and regulations limiting the number of memberships available to multiple owners of a lot and may limit membership to one (1) per lot. Upon attaining membership, such member, spouse and dependent family members (as defined and accepted by the Internal Revenue Service) shall be accorded the same privileges and be subject to the same rules and regulations as any individual lot owner.

ARTICLE SIX

ISSUANCE OF STOCK TO OWNERS ASSOCIATION

One hundred (100) shares of stock authorized by the Articles of Incorporation are to be issued to the Owners Association as consideration for and payment in full for the assets listed in Exhibit "A", which is attached hereto. The Association may make capital contributions to the Country Club, as determined by the Board of Directors of the Association, and in accordance with the provisions of the By-Laws of the Association.

ARTICLE SEVEN

RESTRICTIONS ON ISSUANCE OF STOCK

The authorized stock of this Country Club is restricted from issuance except to Pecan Plantation Owners Association, Inc.

ARTICLE EIGHT

VOTING RIGHTS OF STOCK

Each share of issued stock shall have one (1) vote in the election of the Country Club's Board of Directors. The shares of stock shall be voted by such person or persons as shall be designated by the Board of Directors of the Association at the annual meeting or any special meeting of the membership of the Country Club.

ARTICLE NINE

MEETINGS OF MEMBERS AND STOCKHOLDER

Section 1. Annual Meeting. An annual meeting of the members and stockholder shall be held on the first Saturday in the month of March, in each year, and such meeting shall be held jointly with the annual meeting of the Association. 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.

Section 2. Special Meetings. Special meeting of the members and stockholder may be called by the President or the Board of Directors.

ARTICLE TEN

BOARD OF DIRECTORS

Section 1. General Powers. The affairs of the Corporation shall be managed

by its Board of Directors.

Section 2. Number and Tenure. The members of the Board of Directors of the Country Club shall be the same as the members of the Board of Directors of the Owners Association. Tenure of the Board of Directors of the Country Club shall coincide with their tenure on the Board of Directors of the Owners Association.

Section 3. Qualifications. Each member of the Board of Directors of the Country Club must be a member in good standing of the Owners Association.

Section 4. 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 meetings of the Board without other notice than such resolution.

Section 5. Special Meetings. Special meetings 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 meetings of the Board may fix any place within the State of Texas, as the place for holding any special meeting of the Board called by them.

Section 6. 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 notices 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 to such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that 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 7. 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 8. 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 9. Any vacancy occurring in the Board of Directors shall be filled temporarily by the Board of Directors with such Director to serve until the next election of Directors. A Director elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office.

Section 10. Compensation. Directors as such shall not receive any stated salaries for their services, 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 Director from serving the Corporation in any other capacity and receiving compensation therefor.

Section 11. Limitation 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 12. Informal Action by Directors. Any action required by law to be taken at a meeting of Directors, or any action which may 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.

ARTICLE ELEVEN

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 President, Vice President (s), Secretary, and Treasurer shall be members of the Board of Directors. The Board of Directors may elect and appoint such other officers, including one or more Assistant Secretaries and 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.

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 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 interests 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 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 shall preside at all meetings of the members and 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 President and such other duties as may be prescribed by the Board of Directors from time to time.

Section 6. Vice President. In the absence of the President or in event of his inability or refusal to act, the Vice President (or in the event there be more than one Vice President, the Vice Presidents in the 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 provisions of this Article Eleven of these By-Laws; and in general perform all the duties as from time to time may be assigned to him by the President or the Board of Directors.

Section 8. Secretary. The Secretary shall keep the minutes of the meetings of the members and of the Board of Directors in one or more books provided for that purpose; see that all notices are duly given in accordance with the provisions of these By-Laws or as required by law; be custodian of the Corporate records and of the seal of the Corporation and see that the seal of the Corporation is affixed to all documents, the execution 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 member; and in general perform all duties incident to the office of the Secretary and such other duties as from time to time may be assigned to him by the President or 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 or the Secretary or by the President or the Board of Directors.

ARTICLE TWELVE

COMMITTEES

Section 1. Membership Committee. The Board of Directors shall appoint a Membership Committee. The Membership Committee shall receive all applications for membership, make such investigation as appears necessary to the Committee, act pursuant to the By-Laws and the rules of procedure which may be adopted by the Board of Directors and shall report in writing its recommendations as to the admission of applicants. It also shall have charge of all matters pertaining to resignation, cancellation, and suspensions, and shall make written recommendations pertaining to the same to the Board of Directors, who shall have full and final authority to act with respect thereto. The Chairman of the Membership Committee shall be a member of the Board of Directors.

Section 2. Other Committees. The Board of Directors, by resolution adopted by a majority of the Directors in office, may designate one (1) or more other committees. Except as otherwise provided in such resolution, members of such committee or committees shall be members of the Corporation, and the Board of Directors shall appoint the members thereof; provided, however, that any committee which is given the authority of the Board of Directors in the management of the Corporation (Executive Committee) and 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 sale, lease, exchange or mortgage of all or substantially all of the property and assets of the Corporation; authorizing the voluntary dissolution of the Corporation or revoking proceedings therefor; adopting a plan for the distribution of the assets of the Corporation; or amending, altering or repealing any resolution of 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 Director of any responsibility imposed upon it or him by law.

Section 3. 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 member shall cease to qualify as a member thereof.

Section 4. Chairman. One member of each committee shall be appointed chairman by the Board of Directors.

Section 5. 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 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 Directors, or the Declaration of Covenants and Restrictions, and subject to approval by the Board of Directors.

ARTICLE THIRTEEN

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 in 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 may be general or confined to specific instances.

Section 2. Checks, Drafts, etc. All checks, drafts or orders for the payment of money, notes or other evidence 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 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 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 Directors may select.

Section 4. Gifts. The Board of Directors 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 FOURTEEN

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 voting member, or his agent or attorney for any proper purpose, during normal office hours.

ARTICLE FIFTEEN

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 SIXTEEN

ASSESSMENTS AND CHARGES

The Board of Directors of the Owners Association shall have the authority to collect, as agent for the Country Club, a monthly assessment for membership in the Country Club, which said assessment shall be a portion of the assessment for membership in the Owners Association, such portion to be in an amount to be determined by the Board of Directors; likewise, the Board of Directors of the Owners Association shall have the authority to collect any and all other charges that may be due and owing to the Country Club. Such assessments and other

charges so collected by the Owners Association as agent for the Country Club shall be treated as income to the Country Club and shall not be interpreted as a capital contribution to the Country Club by the Owners Association. Such assessments or charges as are collected by the Owners Association as agent for the Country Club shall be for the purpose of the improvement, maintenance, management and administration of the Recreational Area and Facilities, including, but not limited to, the payment of taxes and insurance thereon and repair, replacement and additions thereto, and for the costs of labor, equipment, materials, management and supervision thereof, and for carrying out the purposes of the Country Club as stated in its Articles of Incorporation. In the collection of any assessment or other charges by the Owners Association as agent for the Country Club, the Owners Association shall be governed by the provisions of Article Thirteen of the By-Laws of Pecan Plantation Owners Association, Inc.

The Country Club hereby grants to the Owners Association the full power to collect, sue for, or in any other manner enforce collection of the assessment or other charges in its name or otherwise. 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 costs of collection thereof 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, personal representatives and assigns.

If the assessment or other charges are not paid within thirty (30) days after the delinquency date, the assessment or other charges shall bear interest from the date of delinquency at the rate of ten percent (10%) per annum, and the Owners Association, as agent for the Country Club, may bring an 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 and other charges, Court costs and reasonable attorney's fees incurred in prosecuting such action, and in the event a judgment is obtained, such judgment shall include interest on the assessment and other charges as above provided and a reasonable attorney's fee to be fixed by the Court together with the costs of the action.

ARTICLE SEVENTEEN

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 EIGHTEEN

AMENDMENTS TO BY-LAWS

These By-Laws may be altered, amended or repealed and new By-Laws may be adopted by a vote of two-thirds (2/3) of the members of the Corporation present in person or by proxy at any regular meeting or at any special meeting if at least thirty (30) and not more than fifty (50) days written notice is given of intent to alter, amend, or repeal or to adopt new By-Laws at such meeting, but such power may be delegated by the members to the Board of Directors.

ARTICLE NINETEEN

REGULATIONS AND RULES OF CONDUCT: ACCESS AND SUSPENSION

Section 1. Rules of Conduct. The Board of Directors shall make and publish such rules of conduct describing the standards of conduct acceptable on or about the recreational area and facilities as in the Board's sole discretion shall be deemed advisable.

Section 2. Violations. Any person who violates any provisions of the regulations shall be subject to a fine, denial of access to the recreational area and facilities and the rights attendant thereto, and suspension from membership, but with no reduction of any assessments due monthly or annually to the Corporation, all as determined by the Board of Directors after affording the alleged violator an opportunity for a hearing before it.


Secretary