

BY-LAWS  
OF  
STONERIDGE LAKES COMMUNITY ASSOCIATION, INC.  
(A Texas Non-Profit Corporation)

ARTICLE I  
NAME AND LOCATION

The name of the corporation is STONERIDGE LAKES COMMUNITY ASSOCIATION, INC., hereinafter sometimes referred to as the "ASSOCIATION" or the "Corporation". The principal office of the Corporation shall be located at 1704 Sandy Lake Drive, Friendswood, Texas 77546, or at such other address as may be designated by the Corporation's Board of Directors, but meetings of Members and Directors may be held at such places within the State of Texas, in reasonably close proximity to the Stoneridge Lakes subdivision, as may be designated by the Board of Directors.

ARTICLE II  
DEFINITIONS

Section 1. "ASSOCIATION" shall mean and refer to STONERIDGE LAKES COMMUNITY ASSOCIATION, INC., a Texas non-profit corporation, its successors and assigns.

Section 2. "Properties" shall mean and refer to those certain properties described in the official plat(s) and in the Declaration of Covenants, Conditions and Restrictions applying to Stoneridge Lakes, a subdivision in Brazoria County, Texas, as well as any additional properties which may hereafter be brought within the jurisdiction of the ASSOCIATION.

Section 3. "Common Area" shall mean all real property, if any, owned by the ASSOCIATION for the common use and enjoyment of the Owners.

Section 4. "Lot" shall mean and refer to that portion of any of the plots of land shown upon any recorded subdivision map of the Properties on which there is or will be built a single family dwelling, with the exception of the Common Area(s) and designated reserves.

Section 5. "Owner" shall mean and refer to the record Owner, whether one or more persons or entities, of the fee simple title to any Lot which is a part of the Properties subject to a maintenance charge assessment by the ASSOCIATION, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation and those having an interest in the mineral estate only.

Section 6. "Declarant" shall mean and refer to Stonewood Properties, L.P., its successors and assigns, if such successors and assigns are so designated in writing by Declarant as the successors and assigns of all of Declarant's rights hereunder

Section 7. "Covenants" shall mean and refer to the Declaration of Covenants, Conditions and Restrictions applying to Stoneridge Lakes, a subdivision in Brazoria County, Texas, per such Maps and/or Plats thereof to be recorded, and any additions, amendments and/or supplements thereto, as well as the Covenants for any additional Sections and/or other properties which may hereafter be brought within (annexed into) the jurisdiction of the ASSOCIATION.

Section 8 "Members" shall mean and refer to those persons entitled to membership as provided in the Covenants, the ASSOCIATION's Articles of Incorporation and/or these By-Laws. Every person or entity who is a recorded Owner of a fee or undivided fee interest in any Lot which is subject by covenants of record to assessment by the ASSOCIATION, including contract sellers, shall be a Member of the ASSOCIATION. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment by the ASSOCIATION. Each Owner shall, upon and by virtue of becoming an Owner, automatically become a Member of the ASSOCIATION and shall remain a Member thereof until his ownership ceases for any reason, at which time his membership in the ASSOCIATION shall be appurtenant to and shall automatically follow the legal ownership of each Lot and may not be separated from such ownership. Whenever the legal ownership of any Lot passes from one person to another, by whatever means, it shall not be necessary that any instrument provide for the transfer of membership in the ASSOCIATION. Membership in the ASSOCIATION is expressly limited to the Owners of Lots, such ownership being the sole qualification for membership.

Section 9 "Suspended Members" shall mean and refer to those persons who are Members of the ASSOCIATION whose membership has been suspended as set forth hereinafter. During any period in which a Member shall be in default in the payment of any annual or special assessment levied by the ASSOCIATION, or should a member for any reason, be a judgment debtor of the ASSOCIATION, the voting rights and right to use the recreational facilities and common areas of such Member may be suspended by the Board of Directors until such assessment or judgment has been paid in full. Such rights of a Member may also be suspended after notice and hearing, for a period not to exceed sixty (60) days, for violation of any rule or regulation established by the Board of Directors governing the use of the Common Area and recreational facilities, if any.

Section 10 "Board" or "Board of Directors" shall mean and refer to the ASSOCIATION's Board of Directors.

### ARTICLE III MEETINGS OF MEMBERS

Section 1. Annual Meetings. The Annual Meeting of the membership, for purposes of receiving all committee and financial reports and transacting such other business as may properly come before the Board, shall be held during the month of January at a time and place designated by the Board. The Board of Directors may change the date of the Annual Meeting, at its discretion as deemed necessary; provided, however, that such alternate date shall be on or before April 30 of each year. Additional regular meetings of the membership may be scheduled by the Board of Directors at its discretion, if such meetings are deemed necessary.

Section 2. Special Meetings. Special Meetings of the Members may be called at any time by the President, by at least two (2) members of the Board of Directors, or upon the signed written request of the Members who are entitled to vote at least twenty five percent (25%) of the membership. Notice of the Special Meeting shall conform to Section 3 set forth hereinafter and shall state the time, place and purpose of the meeting. The business transacted at such Special Meeting shall be restricted to the purpose for which it was called.

Section 3. Notice of Meetings. Except as otherwise provided in the Articles of Incorporation, the Covenants, or these By-Laws, written notice of each meeting of the Members shall be given by, or at the direction of, the Secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least ten (10) days (but no more than sixty [60] days) before such meeting to each Member entitled to vote thereat, addressed to the Member's address last appearing on the books of the ASSOCIATION, or supplied by such Member to the ASSOCIATION for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and in the case of a Special Meeting, the purpose of the meeting.

Section 4. Quorum. The presence, either in person or by proxy, at the meeting of the Members entitled to cast at least ten percent (10%) of the votes as provided herein shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Covenants, or these By-Laws. If, however, such quorum shall not be present or represented at any meeting, the Members entitled to vote thereat shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or represented.

Section 5. Vote. One (1) Vote Per Lot/Proxy Voting. Where more than one person owns an interest in any Lot, all such persons shall be Members. The vote of such Lot shall be exercised as they among themselves determine, but in no event shall more than one (1) vote or ballot be cast with respect to a Lot, excluding those properties owned by the Declarant, as set forth within the Articles of Incorporation. A Member may vote at any meeting of the membership either in person or by proxy executed in writing by the Member, or by a duly authorized attorney-in-fact. Proxies shall be filed with the Secretary of the ASSOCIATION before or at the time of the meeting and shall automatically cease upon conveyance by the Member of their Lot. Every proxy shall be revocable and shall specify the meeting or action to which it applies. General proxies shall not be permitted.

Section 6. Cumulative voting. Cumulative voting shall not be allowed.

#### **ARTICLE IV BOARD OF DIRECTORS**

Section 1. Board of Directors. The affairs of the ASSOCIATION shall be managed by a Board of three (3) Directors, all of whom must be Members in good standing of the ASSOCIATION and neither of whom shall reside with any other current Member of the Board of Directors. The aforesaid provision shall not apply to Declarant, its representatives, employees, their agents and/or family members. The number of Directors may be increased by the vote of a majority of the then Directors, but shall not be less than three (3) or more than five (5). Prior to the expiration of the Class B membership in the Association, all directors shall be appointed by the Declarant. At the first annual meeting after the expiration of the Class B Membership, the members shall elect two (2) directors for a term of one year, and one (1) director for a term of two years; and at annual meetings thereafter the members shall elect directors for two-year terms as needed to restore Board membership to three (3) directors. A "Member in good standing" is defined herein as any Member who has paid all assessments/maintenance charges through the current assessment year and who is not otherwise indebted to the Association for any sum of money.

Section 2. Removal. Declarant may remove any Director without cause prior to the expiration of the Class B Membership. Thereafter any Director may be removed from the Board, with or without cause, by a majority vote of the Members of the ASSOCIATION present at a Special Board meeting called for that purpose, at which meeting a quorum of the Members is present provided however that removal prior to the date that Declarant has sold all of its lots in the Properties shall require approval of the Declarant.

Section 3. Vacancies. In the event of death, resignation or removal of a Director, the successor shall be appointed by Declarant prior to expiration of the Class B Membership and thereafter by an affirmative vote of a majority of the remaining Directors, even though such majority may constitute less than a quorum of the Board of Directors.

Section 4. Compensation. No Director shall receive compensation for any services rendered to the ASSOCIATION; provided, however, that any Director may be reimbursed for any documented expenses incurred in the performance of his or her duties.

Section 5. Resignation. Any Director may resign at any time. Such resignation shall be made in writing and shall take effect at the time specified therein or, if no time is specified, at the time of its receipt by the Board. The acceptance of a resignation shall not be necessary to make it effective, unless expressly so provided in the resignation.

#### ARTICLE V MEETINGS OF DIRECTORS

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held at such time and place and with such frequency as the Board from time to time deems necessary.

Section 2. Special Meetings. Special meetings of the Board of Directors shall be held when called by the President of the ASSOCIATION, or by any two (2) Directors after notice to each Director.

Section 3. Quorum. A majority of the number of Directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of a quorum of the Directors present at a duly held meeting shall be regarded as the act of the Board. Board members may attend any Board meeting, via telephone, videophone or other electronic means.

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

Section 5. Attendance. After the expiration of the Class B membership in the Association, any Director who has failed to attend three (3) consecutive meetings may be removed from the Board of Directors, without notice, by the majority vote of the remaining Directors of the ASSOCIATION, provided however that removal prior to the date that Declarant has sold all of its lots in the Properties shall require approval of the Declarant

Section 6. Proxy. No Director may vote by proxy at any Board meeting.

## ARTICLE VI POWERS OF THE BOARD OF DIRECTORS

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

(a) to adopt and publish rules and regulations governing the use of the Common Areas and recreational facilities, if any, and the personal conduct of the Members, their Delegates and their Guests, thereon, and to establish penalties for the infraction thereof;

(b) to suspend the voting rights of a Member during any period in which such Member shall be in default in the payment of any assessment levied by the ASSOCIATION. Such rights may also be suspended after notice and hearing, for a period not to exceed sixty (60) days for infraction of published rules or regulations regarding use of a common area;

(c) to exercise for the ASSOCIATION all powers, duties and authority vested in or designated to this ASSOCIATION and not reserved to the membership by other provisions of these By-Laws, the Articles of Incorporation, the Covenants or the Laws of this State;

(d) to employ manager(s), independent contractor(s), vendor(s) and/or such other entities and employees as it deems necessary, and to prescribe their duties and the terms of employment;

(e) to adopt, publish and enforce Architectural Guidelines governing all properties located within Stoneridge Lakes, as well as other properties subsequently annexed into the jurisdiction of the Association; and,

(f) to exercise such other rights and powers granted under the Covenants, the Articles of Incorporation, these By-Laws and/or the Laws of this State.

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

(a) cause to be kept a complete record (i.e. minutes) of all its acts and corporate affairs and to present a financial statement to the Members at the Annual Meeting of the Members, or at any Special Meeting when such statement is requested in writing by one-fourth (1/4) of the Members who are entitled to vote;

(b) supervise all officers, agents, and employees of the ASSOCIATION and to see that their duties are properly performed;

(c) as more fully provided in the Covenants, to:

(1) fix the amount of the annual assessment against properties subject to the jurisdiction of the ASSOCIATION at least thirty (30) days in advance of each annual assessment period, and take such actions as it deems appropriate to collect such assessments and to enforce the liens given to secure payment thereof; and

(2) send at least thirty (30) days written notice of each assessment to every Owner subject thereto in advance of each annual assessment period;

(d) issue, or cause an appropriate officer to issue, upon demand by any person, a statement setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board of Directors for issuance of such statements. If such statement indicates that an assessment has been paid, such statement shall be conclusive evidence of such payment;

(e) procure and maintain such liability and hazard insurance as deemed appropriate on any property or facilities owned or maintained by the ASSOCIATION;

(f) cause any officers or employees having fiscal responsibilities to be bonded or insured, as deemed appropriate; and

(g) cause the Common Area(s), if any, to be maintained.

## ARTICLE VII OFFICERS AND THEIR DUTIES

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

Section 2. Election of Officers. Officers of the ASSOCIATION shall be elected annually by the Board of Directors. The election of officers shall take place at the first meeting of the Board of Directors held after the annual membership meeting each year.

Section 3. Term. The officers of this ASSOCIATION shall be elected annually by the Board and each shall hold office for one (1) year unless an officer shall sooner resign, be removed, or become otherwise disqualified to serve.

Section 4. Special Appointments. The Board may elect such other officers as the affairs of the ASSOCIATION may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by a majority vote of the Board. Any officer may resign at any time by giving written notice to the Board, the president or the secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled by appointment by a majority vote of the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer being replaced.

Section 7. Multiple Offices. No person shall simultaneously hold both the offices of president and secretary. The offices of secretary and treasurer or president and treasurer may be

held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 4, of this Article.

Section 8. Duties. The duties of the officers of the ASSOCIATION are as follows:

#### **President**

- a. The president shall preside over all meetings of the Board of Directors and Membership, deciding all questions of procedure and order.
- b. The president shall sign all approved written instruments of the ASSOCIATION, including, but not limited to contracts, leases, deeds, and mortgages.
- c. The president shall formulate goals and plans for the year and present them to the Board of Directors or the Membership, as appropriate, for approval.
- d. The president shall execute all orders, resolutions and motions of the Board of Directors and/or the Membership.
- e. The president shall serve as Ex-Officio member of all committees.

#### **Vice-President**

The vice-president shall act in the place and stead of the president in the event of the president's absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required by the Board of Directors.

#### **Secretary**

- a. The secretary shall record or cause to be recorded the votes and keep or cause to be kept the minutes of all meetings and proceedings of the Board of Directors and of the Members and submit all minutes at subsequent meetings for approval.
- b. The secretary shall serve or cause to be served notice of meetings of the Board of Directors and of the Membership.
- c. The secretary shall keep or cause to be kept appropriate current records showing the Members of the ASSOCIATION together with their addresses.
- d. The secretary shall perform such other duties as required by the Board of Directors.

#### **Treasurer**

- a. The treasurer shall be responsible for maintaining the records of financial accounts of the ASSOCIATION.
- b. The treasurer shall be responsible for depositing receipts into a Federally insured account and disbursing expenses of the ASSOCIATION as directed by the Board of Directors.
- c. The treasurer shall be responsible for maintaining a record of physical assets of the ASSOCIATION that are currently in use and shall notify the Secretary or the Board of Directors of any change in status.
- d. The treasurer shall be responsible for maintaining a depository for physical assets when not in use.
- e. The treasurer shall be responsible for preparation of legal returns required by taxing authorities.

f. The treasurer shall be responsible for preparing the budget for approval by the Board of Directors, including tentative drafts to be presented to the Board of Directors.

g. The treasurer shall be responsible for preparation of an annual budget and a statement of income and expenditures to be presented to the Membership at its regular Annual Meeting, and shall make same available to each Member of the ASSOCIATION.

## ARTICLE VIII ASSOCIATIONS/COMMITTEES

Section 1. Committee Appointments. At its discretion, the Board of Directors may appoint committees as provided in the Declaration and these By-Laws, as deemed appropriate for carrying out its purposes. These committees may include, but are not limited to the following:

- a) Architectural Review Committee - as provided in the Covenants.
- b) Recreation Committee - to advise the Board of Directors on all matters pertaining to the recreational program(s) and activities of the ASSOCIATION and to perform such functions as the Board in its discretion determines.
- c) Maintenance Committee - to advise the Board of Directors on all matters pertaining to the maintenance, repair or improvement of the Properties, and to perform such other functions as the Board in its discretion determines.
- d) Publicity Committee - to inform the Membership of all activities and functions of the ASSOCIATION and, after consulting with the Board of Directors, to make such public releases and announcements as are in the best interest of the ASSOCIATION.

Section 2. Function of Committees. It shall be a function of each committee to respond to inquiries from Members on any matter involving ASSOCIATION duties and activities within its field of responsibility. The committee shall handle such inquiries or refer them to the appropriate committee member, Director or officer of the ASSOCIATION.

Section 3. Reports. All committees appointed by the Board are required to keep written records of their proceedings and make regular reports as required by the Board.

Section 4. Tenure. Any committee shall serve until its purpose has been accomplished or until dissolved by the Board, whichever occurs first. Committee members may be appointed and removed at the discretion of the Board of Directors.

## ARTICLE IX INDEMNIFICATION OF DIRECTORS AND OFFICERS

Pursuant to Section 2.22A of the Texas Non-Profit Corporation Act, and subject to the provisions thereof, the Corporation may indemnify any Director or officer (or former ones) for expenses and costs, including attorney's fees, which are actually and necessarily incurred in connection with any claim asserted by reason of being or having been a Director or officer only if it is determined that the person's actions were conducted in good faith and were reasonably believed



to be in the Corporation's best interest relative to conduct in any official capacity and that, in all other cases, the conduct was at least not opposed to the Corporation's best interest. In regard to criminal proceedings, the Corporation must find that there was no reasonable cause to believe the conduct was unlawful. The intent of this By-Law provision is to allow the Corporation, by majority vote of its Board of Directors, to indemnify its Directors and officers to the maximum extent allowed by law without the necessity of a vote of the membership.

Further, the Board of Directors may purchase and maintain insurance against any liability whether or not the Corporation has the power to indemnify against that liability, to the extent that the majority of the Board feels that such insurance is reasonable and necessary.

#### **ARTICLE X BOOKS AND RECORDS**

Upon reasonable written notice stating the specific purpose of the demand to the Secretary of the ASSOCIATION, and subject to the demand being deemed proper pursuant to Section 2.23 of the Texas Non-Profit Corporation Act, and pertinent provisions of the Texas Property Code, the specific books, records and papers of the ASSOCIATION (as outlined in the written demand) shall, during reasonable business hours, be subject to inspection and copying (at a reasonable cost to the Member) by any Member or Member's agent, accountant, or attorney. In this regard, the Board of Directors shall provide for review and copying the Corporation's books, records and papers, within the scope of the request, reasonably calculated to satisfy the purpose of the request; provided, however, that the Board may exercise its discretion whether to release information of a confidential or privileged nature (pertaining to the details of another Member's assessment payment history or deed restriction compliance history, or as provided in the Texas Rules of Evidence, as the case may be) which information is not, in the opinion of the majority of the Board, necessary to satisfy the purpose of the request. The Covenants, the Articles of Incorporation and the By-Laws of the ASSOCIATION shall be available for inspection by any Member at a convenient location to be designated by the Board of Directors, where copies thereof may be purchased by any Member at a reasonable cost to the Member.

#### **ARTICLE XI CHECKS AND DISBURSEMENTS**

After the expiration of the Class B membership in the Association, each check issued upon the account of the ASSOCIATION must have at least two (2) authorized signatures, one of which must be a Director of the ASSOCIATION, provided however that the Board of Directors may, by resolution, authorize the Treasurer or a managing agent to issue checks for amounts up to \$300.00, or for specific re-occurring bills, with a single signature. No check shall ever be pre-signed in blank by any agent, Officer, or Director authorized to sign checks. The Board of Directors is authorized, by resolution, to designate the authorized signatures for withdrawal of funds. No funds belonging to the ASSOCIATION may ever be disbursed without the specific approval of a duly authorized Director.

#### **ARTICLE XII ASSESSMENTS / MAINTENANCE CHARGES**

As more fully described in the Covenants, each Member is obligated to pay to the

ASSOCIATION annual assessments (or annual maintenance charges) which are secured by a continuing lien upon the property against which the assessment is made. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of ten percent (10%) per annum, and the ASSOCIATION may bring an action at law against the Owner personally obligated to pay the same and/or foreclose the lien against the property, and interest, costs, and reasonable attorney's fees incurred by the ASSOCIATION for any such action shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area(s), if any, or services provided by the ASSOCIATION or by abandonment of his Lot.

### **ARTICLE XIII PROPERTY RIGHTS AND RIGHTS OF ENJOYMENT**

Each Member shall be entitled to the use and enjoyment of the Common Area(s) and recreational facilities, if any, owned by the ASSOCIATION. Any Member may delegate in writing his rights of enjoyment of the Common Area(s) and recreational facilities, if any, to the members of their family who reside on the property. Such Member shall notify the Secretary in writing of the name of any such delegate(s). The rights and privileges of such delegates are subject to the rules and regulations, By-Laws, Articles of Incorporation and Covenants of the ASSOCIATION to the same extent as the Member.

### **ARTICLE XIV AMENDMENTS**

Section 1. Amendment. These By-Laws may be amended by the affirmative vote of a majority of a quorum of the Directors present at a Special Board meeting called for that purpose, at which meeting a quorum of the Directors is present.

Section 2. Conflict. In the case of any conflict between the Articles of Incorporation and these By-Laws, the Articles shall control. In the case of any conflict between the Covenants and these By-Laws, the Covenants shall control.

### **ARTICLE XV GENDER AND GRAMMAR**

The singular wherever used herein shall be construed to mean the plural when applicable, and the necessary grammatical changes required to make the provisions hereof apply either to corporations or individuals, men or women, shall in all cases be assumed as though in each case fully expressed.

### **ARTICLE XVI FISCAL YEAR**

The fiscal year of the ASSOCIATION shall begin on the 1st day of January and end on the 31st day of December of every year.

IN WITNESS WHEREOF, we, being all of the Directors of STONERIDGE LAKES COMMUNITY ASSOCIATION, INC., have hereunto set our hands on this the 1 day of July, 2003.



Edwin Roark  
President and Director



E. W. Roark  
Vice-President and Director



Kristi Roark  
Secretary and Director

#### CERTIFICATION

I, the undersigned, do hereby certify that I am the duly elected and acting Secretary of STONERIDGE LAKES COMMUNITY ASSOCIATION, INC., a Texas Non-Profit Corporation, and that the foregoing By-Laws constitute the By-Laws of STONERIDGE LAKES COMMUNITY ASSOCIATION, INC., as fully adopted at the meeting of its Directors, held on the 1 day of July, 2003.

IN WITNESS WHEREOF, I have hereunto subscribed my name on this 1 day of July, 2003.



Kristi Roark  
SECRETARY