AMENDED AND RESTATED RULES AND REGULATIONS RELATING TO BOATS, DOCKS AND THE USE OF THE RECREATIONAL LAKE IN TOWNE LAKE

THE STATE OF TEXAS §

COUNTY OF HARRIS

RECITALS:

- 1. CW SCOA West, L.P., Declarant, adopted and published the "Rules and Regulations Relating to Boats, Docks and the Use of the Recreational Lake in Towne Lake" (the "Rules and Regulations"), which instrument was recorded in the Official Public Records of Real Property of Harris County, Texas on September 30, 2008 under Clerk's File No. 20080496299.
- 2. The Rules and Regulations were amended by Declarant by that certain Instrument entitled "First Amendment to Rules and Regulations Relating to Boats, Docks and The Use of the Recreational Lake in Towne Lake" (the "First Amendment to the Rules and Regulations") recorded in the Official Public Records of Real Property of Harris County, Texas on February 27, 2009 under Clerk's File No. 20090083184.
- 3. The Rules and Regulations were further amended by Declarant by that certain instrument entitled "Second Amendment to Rules and Regulations Relating to Boats, Docks and the Use of the Recreational Lake in Towne Lake" (the "Second Amendment to the Rules and Regulations") recorded in the Official Public Records of Real Property of Harris County, Texas on March 13, 2009 under Clerk's File No. 20090105458.
- 4. The Rules and Regulations were further amended by Declarant by that certain instrument entitled "Third Amendment to the Rules and Regulations Relating to Boats, Docks and the Use of Recreational Lake in Towne Lake" (The "Third Amendment to the Rules and Regulations") recorded in the Official Public Records of Real Property of Harris County, Texas on August 31, 2010 under Clerk's File No. 20100372700.
- 5. Declarant desires to amend and restate the Rules and Regulations, as previously amended, in their entirety.

WITNESSETH:

The use of the Recreational Lake is a privilege to be exercised with due regard for the law and safe boating practices, with respect for others who use the Recreational Lake, and persons who own property adjacent to the Recreational Lake. A Resident's right to use the Recreational Lake may be temporarily or permanently revoked by the Association as a result of the failure of the Resident, the Resident's family members, or guests to comply with these Rules and Regulations.

EACH PERSON WHO USES THE RECREATIONAL LAKE DOES SO AT HIS/HER OWN RISK. EACH RESIDENT, FOR HIMSELF/HERSELF AND ON BEHALF OF HIS/HER FAMILY MEMBERS AND GUESTS, BY VIRTUE OF THE ACCEPTANCE OF A DEED TO A LOT IN THE

SUBDIVISION, RELEASES DECLARANT, HCMUD 500 AND IT'S DIRECTORS, THE ASSOCIATION AND THEIR RESPECTIVE OFFICERS, DIRECTORS, EMPLOYEES AND AGENTS, FROM ANY LIABILITY RELATING TO THE USE OF THE RECREATIONAL LAKE AND AGREES TO INDEMNIFY AND HOLD DECLARANT, THE ASSOCIATION AND THEIR RESPECTIVE OFFICERS, DIRECTORS, EMPLOYEES AND AGENTS, HARMLESS FROM AND AGAINST ANY AND ALL CLAIMS, SUITS, DEMANDS, LOSSES, CAUSES OF ACTION, AND DAMAGES IN ANY WAY RELATING TO THE USE OF THE RECREATIONAL LAKE BY SUCH RESIDENT AND/OR SUCH RESIDENT'S FAMILY MEMBERS AND GUESTS.

Declarant amends and restates the Rules and Regulations as set forth below:

As used herein, "Resident" means a person who occupies a Residential Dwelling on a Lot in Towne Lake as his/her principal residence, whether or not that person owns the Lot and Residential Dwelling. Other capitalized terms used in these Rules and Regulations have the same meanings as that ascribed to them in the "First Amended and Restated Declaration of Covenants, Conditions and Restrictions for Towne Lake" recorded in the Official Public Records of Real Property of Harris County, Texas on August 29, 2008 under Clerk's File No. 20080452949, as amended.

A. <u>LAKE WATERSHED</u>

ALL PROPERTY WITHIN TOWNE LAKE DRAINS INTO THE RECREATIONAL LAKE THROUGH THE STORM SEWER SYSTEM.

- 1. Fertilization requirements are as follows:
 - Non phosphate lawn fertilizer
 - Fertilizer mix code should be N-P-K of 20-0-10 or 25-0-11 and slow release.
 - Fertilizing within 25 feet of the Recreational Lake water is prohibited.
 - back onto lawn.
- 2. When using pesticides and herbicides use spot treatments near the Recreational Lake rather than a broadcast spreader.
- 3. Soaps and cleaners being used outdoors shall be biodegradable, such as Dawn, etc., and care should be taken to prevent run off into the streets.
- 4. No chemicals (e.g., gasoline, diesel, paint, wood stains, paint thinners, pool chlorine and acids, motor oil, antifreeze) shall be used in any manner that may allow same to enter the Recreational Lake or any storm drain.

- 5. Turf near the Recreational Lake must be maintained at minimum of 3.5 inches to prevent chemicals from flowing into the Recreational Lake. Do not allow grass clippings to fall into the Recreational Lake.
- 6. The introduction of any fish or other aquatic species in the Recreational Lake.
- 7. Use great care when refueling or performing minor maintenance on your boat to prevent oil or chemical spills into the Recreational Lake.
- 8. Use environmentally friendly antifreeze when winterizing your boat engine, and ensure antifreeze does not enter the Recreational Lake.
- 9. Do not feed coots, egrets, ducks, and geese in your yard or in the Recreational Lake, as their waste can dramatically impact water quality of the lake.
- 10. Discarding pet waste in the Recreational Lake or any area adjacent to the Recreational Lake area is prohibited.
- 11. Remove weeds and decaying plant material from the lake when possible.

B. LAKE USE AND BOATING RULES

- 1. The Recreational Lake and the adjacent Common Areas are for the use of the Residents. Guests of Residents may use the Recreational Lake and adjacent Common Areas; however, the guests must be accompanied by the Resident at all times when in the Recreational Lake or Common Areas. All Residents using the Recreational Lake must be able at all times to show proof of residency.
- 2. Only an Owner is permitted to have a boat on the Recreational Lake. A Resident or other person, who does not own a Lot in Towne Lake is not permitted to have a boat on the Recreational Lake.
- 3. An Owner is not permitted to have more than one (1) motorized boat on the Recreational Lake.
- 4. An operator of a motorized boat must be at least sixteen (16) years of age, and be able at all times to show a current Texas driver's license. In addition, when a motorized boat is registered and inspected by the Association, each person who seeks authorization to operate the motorized boat is required to provide evidence of the completion of a Texas Parks & Wildlife Commission Boater Safety Course. A person who does not provide evidence of the completion of such course at the time the motorized boat is registered and inspected by the Association (or who does not thereafter provide such evidence to the Association) is not authorized to operate the motorized boat on the Recreational Lake. A current version of The Handbook of Texas Boating Laws and Responsibilities is required to be onboard and the boat must be operated within those guidelines at all times.

- 5. Despite the issuance of a Towne Lake boat decal, the Association shall have the authority to limit the number of motorized boats on the Recreational Lake at any given time (such as, by way of example, on holidays and other peak periods for boating activities).
- 6. Operating a boat on the Recreational Lake under the influence of drugs or alcohol is strictly prohibited. A person operating a boat on the Recreational Lake who is reasonably believed to be under the influence of drugs or alcohol may be required to immediately dock the boat or relinquish the operation of the boat to a qualified person who is not under the influence of drugs or alcohol.
- 7. Between sunrise and sunset, the maximum permitted speed for a boat on the Recreational Lake is thirty miles per hour (30 mph), EXCEPT a boat must operate at a No Wake speed within thirty (30) feet of the following:
 - a. a shoreline, excluding bridges that are not marked wit;
 - b. a person in the water;
 - c. an anchored boat;
 - d. a boat underway at No Wake speed;
 - e. a sailboats; and
 - f. a designated No Wake area.
- 8. From sunset to sunrise, a motorized boat on the Recreational Lake must be operated at a speed no greater than five miles per hour (5 mph).
- 9. If the Owner of a motorized boat has an ARC approved dock, the Owner's boat must be kept overnight within the slip of the Owner's dock. If the Owner of a motorized boat does not have an ARC approved dock, the boat must be kept overnight either in a slip in the applicable neighborhood marina or in a slip in the community marina. Neighborhood day docks are provided for the convenience of boat owners. Except on weekends and holidays, a neighborhood day dock may not be used for overnight docking of a boat and in no event shall an Owner of a motorized boat who has an ARC approved dock keep his/her boat overnight at a neighborhood day dock. An Owner of a motorized boat who does not have an ARC approved dock may keep the Owner's motorized boat overnight at a neighborhood day dock on weekends and holidays when space is available (on a first come, first served basis), so long as there is no interference with any neighborhood park or swim area.
- 10. A non-motorized boat owned by a Recreational Lake Lot Owner may be stored neatly on or within the slip of the Owner's ARC approved dock. A non-motorized boat (and any other items) may not be stored overnight in the area between the rear property line of the Owner's Recreational Lake Lot and the shoreline of the Recreational Lake.
- 11. A non-motorized boat and a person swimming should remain within a No Wake zone, and within fifty (50) feet of the shoreline.
- 12. Under no circumstances is a boat permitted in a swimming area that is designated by ropes and/or buoys.
- 13. Long-distance or recreational swimmers who plan to swim outside of a designated swim area, or outside a No Wake speed area, shall adhere to one or more of the following:

- a. use a non-motorized boat to accompany the swimmer and increase visibility to boaters:
- b. use a highly visible buoy towed behind the swimmer's body; and
- c. wear a brightly colored swim cap.
- 14. Fishing is allowed in the Recreational Lake for Residents and their guests; however guests must be accompanied by the Resident at all times. Since the Recreational Lake is a private lake, a Texas Fish & Wildlife fishing license is not required. Only catch and release fishing is permitted in the Recreational Lake; however, the Association may establish slot limits for bass and catfish as recommended by lake management consultants. Slot limits will be posted to the Association's website.
- 15. Additional rules that apply to fishing include:
 - a. only barbless hooks are permitted;
 - b. fishing is not allowed from the top of bridges;
 - c. trot lines (or lines that are left in the water overnight) are not allowed;
 - d. cast nets, trawl nets, or gill nets are not allowed;
 - e. minnow traps are allowed but shall be removed every day; and
 - f. fishermen must remove lines and give right-of-way to the boats as they pass under a bridge.
- 16. The water depth in the Recreational Lake will vary (see 30, below). At times, the water depth may be shallow. Residents and their guests should use caution at all times and remain cognizant of floating and submerged debris. The Recreational Lake is designed to normally fluctuate between 132 feet and134 feet (normal pool elevation) above sea level. During rain fall events, lake levels may rise to 140 feet above sea level. During and after heavy rain events, boaters should use caution when passing under bridges to ensure ample clearance. During reduced lake levels boaters should use caution to avoid running aground in shallow areas.
- 17. Radios, CD players, electronic equipment and any other devices in a boat that generate music or sound are required to be maintained at a reasonable volume, and not be offensive to other persons using the Recreational Lake or occupants of Recreational Lake Lots. From sunset to sunrise, no such device may generate music or sound. Towne Lake representatives designated by the Board of Directors shall have the authority to determine whether noise from such a device is at an unreasonable volume, or is otherwise offensive, and to require such music or volume levels to be lowered or turned off.
- 18. Only dead weight anchoring is allowed. Any type of anchor intended or designed to penetrate the bottom of the Recreational Lake is prohibited.
- 19. Boats shall not anchor such that they may potentially block the flow of boat traffic.
- 20. Large inflatable rafts and toys that are secured, by being either tied to the shore or anchored to the bottom, may be used with the following restrictions:
 - a. Large rafts and toys can be stored by Owners of Recreational Lake Lots immediately behind the Lot, and cannot extend more than 28ft from the shore nor can it block access to a boat dock or bridge.
 - b. The main large raft or toy is limited to a maximum of sixteen feet (16') in diameter; however attachments can be added to a raft.

- c. The anchors used to secure the large raft or toy must be dead-weight types and cannot pierce the clay liner of the Recreational Lake.
- 21. Rocks and other material may be placed in Common Areas, including the islands, by the Association to protect the shore from erosion. No person shall remove any item from the Common Areas or place material from the Common Area into the Recreational Lake.
- 22. When leaving the Recreational Lake and/or Common Area, trash and personal items must be removed.
- 23. A Resident who drives to the Common Areas must park his/her vehicle in a manner that does not disrupt the normal flow of street traffic.
- 24. The boat ramp is for the exclusive use of Residents and their accompanied guests.
- 25. Snakes, alligators, or other animals may be present in the Recreational Lake. Residents are requested to contact the Association if they observe an animal in the Recreational Lake or in a Common Area that may be dangerous or that is otherwise not desirable in the Recreational Lake or Common Area.
- 26. Birds and other wildlife are not to be harmed or harassed.

SEE SECTION C "BOAT TABLE" NEXT PAGE

C. BOAT REQUIREMENTS AND REGISTRATION

Increasing boater safety, managing lake bank erosion, and maintaining water clarity are the paramount objectives of the Association. In fulfilling those objectives the Association has established motorized boat size, weight, and power limitations to reduce wave height. In further efforts to reduce wave height, owners are encouraged to purchase boats that create minimal wake and to operate their boat with weight evenly distributed.

Boats may be used in the Recreational Lake, subject to the following table:

TABLE A - BOAT GUIDELINES

BOAT TYPE (1)	PROPULSION	MAX LENGTH	MAX POWER (2)	MAX HEIGHT	MAX WEIGHT	REGISTRATION	INSPECTION FEE (3)
MOTORIZED	INBOARD- DIRECT DRIVE ONLY (NO V-DRIVE)	22' PER TITLE	350 HP	8'0 ABOVE WATER LINE TO PASS UNDER BRIDGES AT NORMAL LAKE LEVEL	2900 #	YES	\$25.00
	INBOARD-OUTBOARD	22' PER TITLE	230 HP 6 CYLINDER				
	OUTBOARD NON PONTOON	22' PER TITLE	90 HP 4 STROKE				
	OUTBOARD-PONTOON	22' PER TITLE	125 HP 4 STROKE				
NON- MOTORIZED and SMALL MOTOR	PADDLE BOAT	16'	10 HP 4 STROKE OUTBOARD OR ELECTRIC MOTOR	8'0 ABOVE WATER LINE TO PASS UNDER BRIDGES AT NORMAL LAKE LEVEL	N∕A	YES	\$0.00
	KAYAK	16'					
	CANOE	16'					
	PIROGUE	16'					
	SAILBOAT	16'					
	ROW BOAT	16'					
	FLAT BOTTOM BOAT	12'					
	BOAT WITH JET OR ROTAX MOTOR						
	WAVERUNNERS						
	JETSKIS						

BANNED BOATS BANNED BOATS BANNED BOATS INFLATABLE BOATS ZODIACS AIR BOAT LIFEBOATS

NOTES:

- 1) WAKE CREATING DEVICES (E.G., BALLAST TANKS, WEDGES, OR DEAD WEIGHT) ARE PROHIBITED
- 2) THE HORSEPOWER FOR THE BOAT MUST NOT EXCEED THE MAXIMUM RATING THE MANUFACTURER HAS SET FOR THE BOAT 3) BOATS MUST NOT HAVE NOTICEABLE ITEMS REQUIRING MAINTENANCE THAT CAN BE SEEN FOR MORE THAN 25 FEET AWAY
 - BOATS MUST NOT HAVE NOTICEABLE TIEMS REQUIRING MAINTENANCE THAT CAN BE SEEN FOR MORE THAN 25 FEET AWAY
 - 1. Proof of Towne Lake residency is required.
 - 2. All boats must be registered and inspected annually with the Association prior to being allowed on the Recreational Lake. Boat operators are required to strictly comply with these Rules and Regulations. Once the boat owner has completed the registration and inspection, verified compliance with the boat requirements set forth in these Rules and Regulations, and paid the registration and inspection fee, the Association shall issue to the owner of the boat, two (2) Towne Lake boat decals effective for the calendar year in which the registration and inspection occurs. Current decals must at all times be prominently displayed on both the bow starboard and bow port side. If the boat requires a state decal, the Towne Lake decal shall be placed below the state decal. At the time

of registration, the boat owner shall be required to execute a release of liability, and sign an acknowledgement of the receipt of a copy of these Rules and Regulations, as well as a copy of The Handbook of Texas Boating Laws and Responsibilities. An Owner who sells his/her Lot in Towne Lake is required to immediately remove decals from the boat.

- 3. At the time of the initial inspection of a motorized boat and at the time of each subsequent annual inspection, the owner of the boat is required to provide proof of liability insurance policy in the minimum amount of \$300,000.00. Such liability insurance must name both the Declarant and Association as an Additional Insured. If the boat owner is unable to secure a policy listing both the Declarant and the Association as an Additional Insured, the policy must list the Declarant and the Association as an Additional Interest Insured, provided that prior to the boat being registered with the Association, the primary operator of the boat must pay to the Association a fee to cover the cost of the Association having the policy professionally reviewed to ensure language in the policy includes the liability of the Declarant and the Association for the acts and omissions of the boat owner. The primary boat operator must provide at least thirty (30) days notice to the Association of its intent to cancel or terminate the insurance policy.
 - a. Declarant –

CW SCOA WEST, L.P. 7904 N Sam Houston Parkway W 4th floor Houston, Texas 77064

b. Association -

Towne Lake Community Association, Inc. 9214 W. Bridgeport Pass Circle Cypress, TX 77433

4. THE REGISTRATION OF A BOAT BY THE ASSOCIATION AND/OR THE ISSUANCE OF A DECAL TO OPERATE A BOAT ON THE RECREATIONAL LAKE DOES NOT CONSTITUTE A WARRANTY OR REPRESENTATION BY DECLARANT, THE ASSOCIATION OR EITHER OF ITS RESPECTIVE OFFICERS, EMPLOYEES, AGENTS OR REPRESENTATIVES THAT EITHER THE BOAT IS SUITABLE AND FIT FOR OPERATION ON THE RECREATIONAL LAKE OR THAT THE OPERATOR OF THE BOAT IS ADEQUATELY TRAINED OR SKILLED TO PROPERLY OPERATE THE BOAT. RATHER, THE REGISTRATION OF A BOAT BY THE ASSOCIATION AND THE ISSUANCE OF A PERMIT TO OPERATE THE BOAT ON THE RECREATIONAL LAKE IS MERELY TO ATTEMPT TO CONFIRM THAT THE BOAT COMPLIES WITH THE REGULATIONS RELATING TO TYPE AND SIZE, THAT A MOTORIZED BOAT IS REGISTERED BY THE STATE, THAT THE BOAT IS BEING USED BY A RESIDENT, AND THAT THE OWNER OF A MOTORIZED BOAT MAINTAINS THE REQUIRED LIABILITY INSURANCE. EACH OWNER OF A BOAT OPERATED ON THE RECREATIONAL LAKE ASSUMES FOR HIMSELF/HERSELF AND FOR HIS/HER FAMILY MEMBERS AND GUESTS, ALL RISKS ASSOCIATED WITH OR IN ANY MANNER RELATED TO THE OPERATION OF THE OWNER'S BOAT ON THE RECREATIONAL LAKE.

Executed on this	_ day of _	, 2012, to be effective upon recording in the
Official Public Records of Re	eal Propert	v of Harris County, Texas.

	a Texas limited partnership, Declarant
	By: CW SCOA West, GP, LLC, its General Partner
	Ву:
	Peter Barnhart, Vice President
THE STATE OF TEXAS	§
COUNTY OF HARRIS	§ § §
Barnhart, Vice President of	dersigned Notary Public, on this day personally appeared Peter CW SCOA WEST, GP, LLC, General Partner of CW SCOA West, person whose name is subscribed to the foregoing instrument and

CW SCOA West, L.P.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this the _____day of _____, 2012.

acknowledged to me that he executed the same for the purposes and consideration therein

Notary Public in and for the State of Texas

221719

Return to: Rick S. Butler Butler | Hailey 8901 Gaylord, Suite 100 Houston, Texas 77024

expressed and in the capacity stated.