

**BYLAWS
OF
CYPRESS CREEK LAKES PROPERTY OWNERS ASSOCIATION, INC.**

ARTICLE I

CORPORATE NAME; OFFICES

1.1 The name of the Corporation is Cypress Creek Lakes Property Owners Association, Inc. (the "Corporation"). The Corporation is formed as and shall be a non-profit corporation, operating under the Texas Non-Profit Corporation Act (Article 1396-1.01 *et seq.*, Texas Revised Civil Statutes). References herein to the "Articles of Incorporation" of the Corporation mean and refer to the Articles of Incorporation of Cypress Creek Lakes Property Owners Association, Inc., filed in the Office of the Secretary of State of Texas on October 24, 2003. The Charter Number of the Corporation is 800262044.

1.2 The initial registered office, and the principal office, of the Corporation shall be located at 2727 North Loop West, Suite 200, Houston, Texas 77008. The initial registered agent of the Corporation at such address is Mark A. Kilkenny.

1.3 The Corporation may also have offices at such other places as the Board of Directors may from time to time determine or the business of the Corporation may require.

ARTICLE II

MEMBERS

2.1 Any entity (whether a corporation, venture, partnership, trust or other) or individual holding record fee title to any portion of the "Restricted Property" described in the Declaration of Covenants, Conditions and Restrictions For Cypress Creek Lakes (as amended from time to time, the "Declaration"), recorded or to be recorded in the Official Public Records of Real Property of Harris County, Texas, shall automatically become and be a Member of the Corporation, and shall be deemed thereby to have agreed to abide by these Bylaws. Membership in the Corporation is and shall be appurtenant to, and shall automatically follow, the legal ownership of such Member's record fee title interest in and to such Member's portion of the Restricted Property, and may not be separated from such record fee title ownership. Whenever the record fee title ownership of any portion of the Restricted Property passes from one person to another, it shall not be necessary that any instrument provide for transfer of Membership in the Corporation, and no certificate of Membership shall be issued.

2.2 The Corporation may cancel a Member's Membership or other rights of participation in corporate affairs if the Member fails to meet the conditions for Membership as set forth in Section 2.1 above, and may suspend a Member's Membership or other rights of participation in corporate affairs if the Member fails to pay annual and/or special Assessments against such Member's portion of the Restricted Property as assessed by the Board of Directors pursuant to the Declaration, without otherwise affecting the rights or remedies of the Corporation as a result of or with respect to such failure.

ARTICLE III

MEETINGS OF MEMBERS

3.1 Meetings of Members for any purpose may be held at such time and place within or without the State of Texas as shall be stated in the notice of the meeting or in a duly executed waiver of notice thereof.

3.2 Annual meetings of Members, commencing with calendar year 2005, shall be held on the 15th day of June if not a legal holiday, and if a legal holiday, then on the next secular day following, at 7:00 p.m., at which they shall transact such business as may properly be brought before the meeting.

3.3 Special meetings of the Members for any purpose or purposes may be called by the President and shall be called by the President or Secretary at the request in writing of Members owning in the aggregate ten percent (10%) of the votes of the Membership of the Corporation. A request for a special meeting shall state the purpose or purposes of the proposed meeting, and business transacted at any special meeting of Members shall be limited to the purposes stated in the notice.

3.4 With respect to meetings of Members, written notice stating the place, day and hour of the meeting and, in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than ten (10) nor more than fifty (50) days before the date of the meeting, either personally or by mail, by or at the direction of the President, the Secretary, or the Officer or persons calling the meeting, to each Member of record entitled to vote at such meeting.

3.5 The presence of those Members entitled to cast twenty percent (20%) of the votes of the Corporation shall constitute a quorum at all meetings of the Members for the transaction of business except as otherwise provided by statute, or by these Bylaws, the Articles of Incorporation or the Declaration. If, however, a quorum shall not be present at any meeting of the Members, the Members entitled to vote at such meeting shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, and the required quorum at any such subsequent meeting shall be one-half ($\frac{1}{2}$) the required quorum at the preceding meeting, provided that such reduced quorum requirement shall not be applicable to any such subsequent meeting held more than sixty (60) days following the preceding meeting. At such adjourned meeting, provided a quorum shall be present, any business may be transacted which might have

been transacted if the meeting had been held in accordance with the original notice thereof.

3.6 If a quorum is present at any meeting, the vote of the Members of the Corporation holding a majority of the votes present and entitled to vote at such meeting shall decide any question brought before such meeting, unless the question is one upon which a different vote is required by law, or by these Bylaws, the Articles of Incorporation, or the Declaration.

3.7 The Corporation shall have two classes of Membership, Class A Membership and Class B Membership, more particularly described in Article II Section 3 of the Declaration.

3.8 Any action required or which may be taken at a meeting of the Members may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all the Members entitled to vote with respect to the subject matter thereof.

ARTICLE IV

DIRECTORS

4.1 (a) The number of Directors which shall constitute the whole Board of Directors shall be not less than three (3). The Directors constituting the initial, three (3) member Board of Directors are named in the Articles of Incorporation (holding Position Nos. 1, 2 and 3, respectively, as therein specified). Each such initial Director shall serve until the election of Directors at the annual meeting of Members for calendar year 2005, or until his successor shall have been elected and qualified.

(b) At the annual meeting of Members for calendar year 2005, the Director for Position No. 1 shall be elected for a one (1) year term, the Director for Position No. 2 shall be elected for a two (2) year term, and the Director for Position No. 3 shall be elected for a three (3) year term, each such Director to serve until his successor shall have been elected and qualified. Thereafter, each Director (for each of the Positions) shall be elected to a three (3) year term. Thus, one (1) Director Position (for so long as the Board of Directors consists of three (3) Directors) shall be up for election at each annual meeting of the Members commencing 2005.

(c) At each election for Directors, each Member of the Corporation entitled to vote at such election shall have the right to vote, in person or by proxy, for as many persons as there are Directors to be elected and for whose election he has a right to vote.

4.2 Any vacancy occurring in the Board of Directors may be filled by the then remaining Director(s), though less than a quorum of Directors, or if there are not then any remaining Directors, then by election at the next annual meeting of Members, or at a special meeting of Members called for that purpose.

4.3 The number of Directors may be increased or decreased from time to time by amendment to these Bylaws, but (i) no decrease shall have the effect of shortening the term of any incumbent Director, and (ii) in no event shall the Board of Directors have less than three (3) Directors nor more than seven (7) Directors. Any Directorship to be filled by reason of an increase in the number of Directors shall be filled by election at an annual or special meeting of Members. Any such additional Directors shall hold such Position numbers and shall serve such terms as may be specified in the amendment to these Bylaws creating such additional Director positions.

4.4 Meetings of the Board of Directors, regular or special, may be held either within or without the State of Texas.

4.5 The first meeting of each newly elected Board of Directors shall be held at such time and place as shall be determined by the vote of the newly elected Board of Directors, but not later than thirty (30) days following the annual meeting of Members at which such Directors were elected, and no notice of such meeting shall be necessary to the newly elected Directors in order legally to constitute the meeting, provided a quorum shall be present. In the event that the Board of Directors fail to fix the time and place of such first meeting, it shall be held without notice immediately following the annual meeting of Members, and at the same place, unless by the unanimous consent of the Directors then elected and serving such time or place shall be changed.

4.6 Regular meetings of the Board of Directors may be held upon such notice, or without notice, and at such time and at such place as shall from time to time be determined by the Board of Directors.

4.7 Special meetings of the Board of Directors may be called by the President of the Corporation, and shall be called by the Secretary on the written request of two (2) Directors. Notice of each special meeting of the Board of Directors shall be given to each Director at least three (3) days before the date of the meeting.

4.8 Attendance of a Director at any meeting shall constitute a waiver of notice of such meeting, except where a Director attends for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened. Except as may be otherwise provided by law or by the Declaration, the Articles of Incorporation or these Bylaws, neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board of Directors need be specified in the notice or waiver of notice of such meeting.

4.9 At all meetings of the Board of Directors a majority of the Directors shall constitute a quorum for the transaction of business and the act of a majority of the Directors present at any properly called meeting at which there is a quorum shall be the act of the Board of Directors, unless otherwise specifically provided by law, the Declaration, the Articles of Incorporation or these Bylaws. If a quorum shall not be present at any meeting of Directors, the Directors present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present.

4.10 - The Board of Directors, by resolution passed by a majority of the whole Board, may from time to time designate Members of the Board to constitute committees, which shall in each case consist of such number of Directors, not less than three (3), and shall have and may exercise such powers, as the Board may determine and specify in the respective resolutions appointing them. A majority of all the Members of any such committee may determine its action and fix the time and place of its meetings, unless the Board of Directors shall otherwise provide. The Board of Directors shall have power at any time to change the number, subject as aforesaid, and Members of any such committee, to fill vacancies and to discharge any such committee.

4.11 Any action required or permitted to be taken at a meeting of the Board of Directors or any committee thereof may be taken without a meeting if a consent in writing, setting forth the action so taken, is signed by all the Members of the Board of Directors or such committee, as the case may be.

4.12 At any meeting of the Board of Directors, a Director may attend by telephone, radio, television, or similar means of communication which permits him to participate in the meeting, and a Director so attending will be deemed present at the meeting for all purposes, including the determination of whether a quorum is present.

4.13 Directors will not receive any stated salary, as such, for their services, but by resolution of the Board of Directors a fixed sum, for reimbursement of expenses of attendance, may be allowed for attendance at each regular or special meeting of the Board; however, this provision will not preclude any Director from serving the Corporation in any other capacity and receiving compensation therefor.

ARTICLE V

NOTICES

5.1 Any notice to Directors and Members shall be in writing and shall be delivered personally or mailed to the Directors or Members at their respective addresses appearing on the books of the Corporation. Notice to Members or Directors by mail shall be deemed to be given at the time when the same shall be deposited in the United States mail, postage prepaid.

5.2 Whenever any notice is required to be given under the provisions of the statutes, the Declaration, the Articles of Incorporation or these Bylaws, 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 VI

OFFICERS

6.1 The Officers of the Corporation shall be elected annually by the Board of Directors and shall consist of a President, a Vice President, a Secretary and a Treasurer.

Two or more offices may be held by the same person, except that the offices of President and Secretary may not be held by the same person.

6.2 The Board of Directors shall elect a President from among the Directors and shall elect one or more Vice Presidents, a Secretary and a Treasurer, none of whom need be a Member of the Board except the President. The Board of Directors shall have the power to enter into contracts for the employment of such Officers for a period not to exceed one (1) year. Officers will not receive any salary or other compensation for their services, but by employment contract or by resolution of the Board of Directors may be entitled to reimbursement for reasonable expenses incurred by such Officers in the performance of their duties or services, on such terms as the Board deems advisable.

6.3 The Board of Directors may appoint such other Officers and assistant officers and agents as the Board shall deem necessary, who shall hold their offices for such terms (not to exceed one (1) year) and shall have such authority and exercise such powers and perform such duties as shall be determined from time to time by the Board by resolution not inconsistent with applicable law, the Declaration, the Articles of Incorporation and these Bylaws.

6.4 The Officers of the Corporation shall hold office for one (1) year or until their successors are elected or appointed and qualify, or until their death or until their resignation or removal from office. Any Officer elected or appointed by the Board of Directors may be removed at any time by the Board, but such removal shall be without prejudice to the contract rights, if any, of the person so removed. Election or appointment of an Officer or agent shall not of itself create contract rights. Any vacancy occurring in any Office of the Corporation by death, resignation, removal or otherwise shall be filled by the Board of Directors.

6.5 The President shall be the Chief Executive Officer of the Corporation and shall see that all orders and resolutions of the Board of Directors are carried into effect. The President shall preside at all meetings of the Members and at all meetings of the Board of Directors.

6.6 The Vice Presidents, in the order of their seniority, unless otherwise determined by the Board of Directors, shall, in the absence or disability of the President, perform the duties and have the authority and exercise the powers of the President. They shall perform such other duties and have such other authority and powers as the Board of Directors may from time to time prescribe or as the President may from time to time delegate.

6.7 The Secretary shall attend all meetings of the Board of Directors and all meetings of Members and record all of the proceedings of the meetings of the Board of Directors and of the Members in a minute book to be kept for that purpose and shall perform like duties for the standing committees when required. The Secretary shall give, or cause to be given, notice of all meetings of the Members and special meetings of the Board of Directors, and shall perform such other duties as may be prescribed by the Board of Directors or President, under whose supervision he shall be. The Secretary shall

keep in safe custody the seal of the Corporation and, when authorized by the Board of Directors, shall affix the same to any instrument requiring it and, when so affixed, it shall be attested by the Secretary's signature or by the signature of an Assistant Secretary or of the Treasurer.

6.8 The Assistant Secretaries in the order of their seniority, unless otherwise determined by the Board of Directors, shall, in the absence or disability of the Secretary, perform the duties and exercise the powers of the Secretary. They shall perform such other duties and have such other powers as the Board of Directors may from time to time prescribe or as the President may from time to time delegate.

6.9 The Treasurer shall have custody of the Corporation's funds and shall keep full and accurate accounts and records of receipts, disbursements and other transactions in books belonging to the Corporation, and shall deposit all moneys and other valuable effects in the name and to the credit of the Corporation in such depositories as may be designated by the Board of Directors.

6.10 The Treasurer shall disburse the funds of the Corporation as may be ordered by the Board of Directors, taking proper vouchers for such disbursements, and shall render to the President and the Board of Directors, at its regular meetings, or when the President or Board of Directors so requires, an account of all his transactions as Treasurer and of the financial condition of the Corporation.

6.11 If required by the Board of Directors, the Treasurer shall give the Corporation a bond of such type, character and amount as the Board of Directors may require.

6.12 The Assistant Treasurers in the order of their seniority, unless otherwise determined by the Board of Directors, shall, in the absence or disability of the Treasurer, perform the duties and exercise the powers of the Treasurer. They shall perform such other duties and have such other powers as the Board of Directors may from time to time prescribe or the President may from time to time delegate.

ARTICLE VII

POWER TO INDEMNIFY AND TO PURCHASE INDEMNITY INSURANCE; DUTY TO INDEMNIFY

7.1 In this article:

(a) "Director" means any person who is or was a Director of the Corporation and any person who, while a Director of the Corporation, is or was serving at the request of the Corporation as a Director, Officer, partner, venturer, proprietor, trustee, employee, agent, or similar functionary of another foreign or domestic corporation, partnership, joint venture, sole proprietorship, trust, employee benefit plan, or other enterprise.

(b) "Expenses" includes court costs and reasonable attorneys' fees.

(c) “Official capacity” means:

(1) when used with respect to a Director, the office of Director of the Corporation; and

(2) when used with respect to a person other than a Director, the elective or appointive office in the Corporation held by the Officer or the employment or agency relationship undertaken by the employee or agent on behalf of the Corporation; but

(3) in both Paragraphs (1) and (2) above does not include service for any other foreign or domestic corporation or any partnership, joint venture, sole proprietorship, trust, employee benefit plan, or other enterprise.

(d) “Proceeding” means any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, arbitative, or investigative, any appeal in such an action, suit, or proceeding, and any inquiry or investigation that could lead to such an action, suit, or proceeding.

7.2 The Corporation may indemnify a person who was, is, or is threatened to be made a named defendant or respondent in a proceeding because the person is or was a Director only if it is determined in accordance with Section 7.6 of this Article VII that the person:

(a) conducted himself in good faith;

(b) reasonably believed:

(1) in the case of conduct in his official capacity as a Director of the Corporation, that his conduct was in the Corporation’s best interests; and

(2) in all other cases, that his conduct was at least not opposed to the Corporation’s best interests; and

(c) In the case of any criminal proceeding, had no reasonable cause to believe his conduct was unlawful.

7.3 Except to the extent permitted by Section 7.5 of this Article VII, a Director may not be indemnified under Section 7.2 of this Article VII in respect of a proceeding:

(a) in which the person is found liable on the basis that personal benefit was improperly received by him, whether or not the benefit resulted from an action taken in the person’s official capacity; or

(b) in which the person is found liable to the Corporation.

7.4 The termination of a proceeding by judgment, order, settlement, or conviction or on a plea of nolo contendere or its equivalent is not of itself determinative that the person did not meet the requirements set forth in Section 7.2 of this Article VII. A person shall be deemed to have been found liable in respect of any claim, issue or matter only after the person shall have been so adjudged by a court of competent jurisdiction after exhaustion of all appeals therefrom.

7.5 A person may be indemnified under Section 7.2 of this Article VII against judgments, penalties (including excise and similar taxes), fines, settlements, and reasonable expenses actually incurred by the person in connection with the proceeding; but if the person is found liable to the Corporation or is found liable on the basis that personal benefit was improperly received by the person, the indemnification (a) is limited to reasonable expenses actually incurred by the person in connection with the proceeding, and (b) shall not be made in respect of any proceeding in which the person shall have been found liable for willful or intentional misconduct in the performance of any of his duties to the Corporation.

7.6 A determination of indemnification under Section 7.2 of this Article VII must be made:

(a) by a majority vote of a quorum consisting of Directors who at the time of the vote are not named defendants or respondents in the proceeding;

(b) if such a quorum cannot be obtained, by a majority vote of a committee of the Board of Directors, designated to act in the matter by a majority vote of all Directors, consisting solely of two or more Directors who at the time of the vote are not named defendants or respondents in the proceeding;

(c) by special legal counsel selected by the Board of Directors or a committee of the Board of Directors by vote as set forth in Subsection (a) or (b) of this Section 7.6, or, if such a quorum cannot be obtained and such a committee cannot be established, by a majority vote of all Directors; or

(d) by the Members of the Corporation in a vote that excludes the vote of Directors who are named defendants or respondents in the proceeding.

7.7 Authorization of indemnification and determination as to reasonableness of expenses must be made in the same manner as the determination that indemnification is permissible, except that if the determination that indemnification is permissible is made by special legal counsel, authorization of indemnification and determination as to reasonableness of expenses must be made in the manner specified by Subsection (c) of Section 7.6 of this Article VII for the selection of special legal counsel. A provision contained in the Declaration, the Articles of Incorporation, these Bylaws, a resolution of Members or Directors, or an agreement that makes mandatory the indemnification permitted under Section 7.2 of this Article VII shall be deemed to constitute authorization of indemnification in the manner required by this Section even though such provision

may not have been adopted or authorized in the same manner as the determination that indemnification is permissible.

7.8 The Corporation shall indemnify a Director against reasonable expenses incurred by him in connection with a proceeding in which he is a named defendant or respondent because he is or was a Director if he has been wholly successful, on the merits or otherwise, in the defense of the proceeding.

7.9 If, in a suit for the indemnification required by Section 7.8 of this Article VII, a court of competent jurisdiction determines that the Director is entitled to indemnification under said Section 7.8, the court shall order indemnification and shall award to the Director the expenses incurred in securing the indemnification.

7.10 If, upon application of a Director, a court of competent jurisdiction determines, after giving any notice the court considers necessary, that the Director is fairly and reasonably entitled to indemnification in view of all the relevant circumstances, whether or not he has met the requirements set forth in Section 7.2 of this Article VII or has been found liable in the circumstances described by Section 7.3 of this Article VII, the court may order the indemnification that the court determines is proper and equitable; but if the person is found liable to the Corporation or is found liable on the basis that personal benefit was improperly received by the person, the indemnification shall be limited to reasonable expenses actually incurred by the person in connection with the proceeding.

7.11 Reasonable expenses incurred by a Director who was, is, or is threatened to be made a named defendant or respondent in a proceeding may be paid or reimbursed by the Corporation in advance of the final disposition of the proceeding and without the determination specified in Section 7.6 of this Article VII or the authorization or determination specified in Section 7.7 of this Article VII, after the Corporation receives a written affirmation by the Director of his good faith belief that he has met the standard of conduct necessary for indemnification under this Article VII and a written undertaking by or on behalf of the Director to repay the amount paid or reimbursed if it is ultimately determined that he has not met that standard or if it is ultimately determined that indemnification of the Director against expenses incurred by him in connection with that proceeding is prohibited by Section 7.5 of this Article VII. A provision contained in the Articles of Incorporation, the Bylaws, a resolution of Members or Directors, or an agreement that makes mandatory the payment or reimbursement permitted under this Section shall be deemed to constitute authorization of that payment or reimbursement.

7.12 The written undertaking required by Section 7.11 of this Article VII must be an unlimited general obligation of the Director but need not be secured. It may be accepted without reference to financial ability to make repayment.

7.13 A provision for the Corporation to indemnify or to advance expenses to a Director who was, is, or is threatened to be made a named defendant or respondent in a proceeding, whether contained in the Articles of Incorporation, the Bylaws, a resolution of Members or Directors, an agreement, or otherwise, except in accordance with Section

7.18 of this Article VII, is valid only to the extent it is consistent with this Article as limited by the Declaration, the Articles of Incorporation or these Bylaws, if such a limitation exists.

7.14 Notwithstanding any other provision of this Article VII, the Corporation may pay or reimburse expenses incurred by a Director in connection with his appearance as a witness or other participation in a proceeding at a time when he is not a named defendant or respondent in the proceeding.

7.15 An Officer of the Corporation shall be indemnified as, and to the same extent, provided by Sections 7.8, 7.9 and 7.10 of this Article VII for a Director and is entitled to seek indemnification under those Sections to the same extent as a Director. The Corporation may indemnify and advance expenses to an Officer, employee, or agent of the Corporation to the same extent that it may indemnify and advance expenses to Directors under this Article VII.

7.16 The Corporation may indemnify and advance expenses to a person who is not or was not an Officer, employee, or agent of the Corporation but who is or was serving at the request of the Corporation as a director, officer, partner, venturer, proprietor, trustee, employee, agent, or similar functionary of another foreign or domestic corporation, partnership, joint venture, sole proprietorship, trust, employee benefit plan, or other enterprise to the same extent that it may indemnify and advance expenses to Directors under this Article VII.

7.17 The Corporation may indemnify and advance expenses to an Officer, employee, agent, or person identified in Section 7.16 of this Article VII and who is not a Director to such further extent, consistent with law, as may be provided by the Declaration, the Articles of Incorporation, these Bylaws, or general or specific action of the Board of Directors, or by contract or as permitted or required by common law.

7.18 The Corporation may purchase and maintain insurance on behalf of any person who is or was a Director, Officer, employee, or agent of the Corporation or who is or was serving at the request of the Corporation as a director, officer, partner, venturer, proprietor, trustee, employee, agent, or similar functionary of another foreign or domestic corporation, partnership, joint venture, sole proprietorship, trust, employee benefit plan, or other enterprise against any liability asserted against him and incurred by him in such a capacity or arising out of his status as such a person, whether or not the Corporation would have the power to indemnify him against that liability under this Article VII.

ARTICLE VIII

MEMBERSHIP BOOKS

8.1 As stated in Section 2.1 of these Bylaws, Membership in the Corporation is appurtenant to (and cannot be separated from) record fee title ownership of a portion of the Restricted Property of the Corporation. The Membership interests in the Corporation shall not be represented by Membership certificates issued by the Corporation.

8.2 For the purpose of determining Members entitled to notice of or to vote at any meeting of Members, or any adjournment thereof, or in order to make a determination of Members for any other proper purpose, the Board of Directors may provide that the Membership books shall be closed for a stated period but not to exceed, in any case, thirty (30) days. If the Membership books shall be closed for the purpose of determining Members entitled to notice of or to vote at a meeting of Members, such books shall be closed for at least ten (10) days immediately preceding such meeting. In lieu of closing the Membership books, the Board of Directors may fix in advance a date as the record date for any such determination of Members, such date in any case to be not more than thirty (30) days and, in case of a meeting of Members, not less than ten (10) days prior to the date on which the particular action requiring such determination of Members is to be taken. If the Membership books are not closed and no record date is fixed for the determination of Members entitled to notice of or to vote at a meeting of Members, the date on which notice of the meeting is mailed shall be the record date for such determination of Members. When a determination of Members entitled to vote at any meeting of Members has been made as provided in this section, such determination shall be applied to any adjournment thereof except where the determination has been made through the closing of the Membership books and the stated period of closing has expired.

8.3 The Corporation shall be entitled to recognize the exclusive right of a person registered on its books as the Member to vote as such Member, and shall not be bound to recognize any equitable or other claim to or interest in such Membership on the part of any other person, whether or not it shall have express or other notice thereof, except as otherwise provided by the laws of Texas.

8.4 The Officer having charge of the Membership books shall make, at least ten (10) days before each meeting of Members, a complete list of the Members entitled to vote at such meeting, arranged in alphabetical order, and the number of votes of the Corporation owned by such Members, with the address of each, which list, for a period of ten (10) days prior to such meeting, shall be kept on file at the registered office of the Corporation and shall be subject to inspection by any Member at any time during usual business hours. Such list shall also be produced and kept open at the time and place of the meeting and shall be subject to the inspection of any Member during the whole time of the meeting. The original Membership transfer book, or a duplicate thereof, shall be prima facie evidence as to who are the Members entitled to examine such list or Membership book or to vote at any meeting of the Members.

ARTICLE IX

SOURCES AND USES OF FUNDS; RESERVES

9.1 The purposes of this Corporation are set forth in the Declaration and the Articles of Incorporation. The sources of revenue for the Corporation are the General Assessments and Special Assessments provided for in the Declaration.

9.2 In order to operate on a non-profit basis and at the same time to insure the solvency and financial stability of the Corporation, adequate margins shall be maintained or withheld by the Corporation on or with respect to all transactions. The Board of Directors in its discretion may create and authorize the establishment of reasonable reserves for necessary purposes as operating and/or capital reserves. All reserves so established shall be reflected on the books of the Corporation.

9.3 The Board of Directors annually shall make a study of all reserve accounts and shall determine whether any of such reserves shall be maintained at then current levels, increased or reduced. If such study indicates that such operating and/or capital reserves should be increased, the Board shall direct an increase in the revenues of the Corporation from the sources of revenue of the Corporation.

If the annual study of the Board of Directors indicates that the reserves may be decreased, or that the revenues of the Corporation should be decreased to avoid further increase in the reserves, the Board shall direct a decrease in the revenues of the Corporation.

The Board shall make a record of all actions taken under this Section 9.3 in the minutes of such Board meetings, and shall issue proper and necessary instructions pursuant thereto.

9.4 No Member of the Corporation shall be required to make loans or advances to the Corporation, or pay for net losses, except for the Assessments as set forth herein and in the Declaration.

9.5 No Member shall be liable for the debts of the Corporation or the debts of any other Member of the Corporation.

9.6 No dividend shall be paid by the Corporation and no part of the revenues of the Corporation shall be distributed to its Members, Directors or Officers. Upon liquidation of the Corporation, after paying or discharging all of its obligations, or making adequate provision for payment and discharge thereof, the Corporation shall distribute the remainder of its assets in accordance with applicable law.

ARTICLE X

GENERAL PROVISIONS

10.1 All contracts entered into by the Corporation, and all checks or demands for money and notes of the Corporation, shall be signed by such Officer or Officers or such other person or persons as the Board of Directors may from time to time designate.

10.2 The fiscal year of the Corporation shall be the calendar year unless otherwise fixed by resolution of the Board of Directors.

10.3 The Corporation's seal shall be in such form as may be prescribed by the Board of Directors. The seal may be used by causing it or a facsimile thereof to be impressed or affixed or in any manner reproduced.

10.4 The Corporation shall keep correct and complete books and records of account and shall keep minutes of the proceedings of its Members and Board of Directors, and shall keep at its registered office or principal place of business, or at the office of its transfer agent or registrar, a record of its Members, giving the names and addresses of all Members and the number and class of the shares held by each.

ARTICLE XI

AMENDMENTS; CONFLICTS

11.1 These Bylaws may be altered, amended, or repealed, and new Bylaws may be adopted, by a vote of Members holding two-thirds (2/3) of the votes of the Membership of the Corporation at any regular or special meeting upon notice given at least ten (10) days prior to the meeting and stating the purpose thereof.

11.2 In the event of any conflicts between the terms and provisions of these Bylaws and the terms and provisions of the Articles of Incorporation of the Corporation or the Declaration, the terms and provisions of the Articles of Incorporation or the Declaration, as applicable, shall supersede and control. In the event of any conflicts between the terms and provisions of the Articles of Incorporation and the terms and provisions of the Declaration, the terms and provisions of the Declaration shall supersede and control.

ARTICLE XII

CERTIFICATE OF ADOPTION OF BYLAWS

12.1 The undersigned hereby certifies that these Bylaws are the true and correct Bylaws of the Corporation duly adopted on the 12TH day of NOVEMBER, 2003.

Dated and executed this 12TH day of NOVEMBER, 2003.

Mark A. Kilkenny
(signature)

MARK A. KILKENNY
Secretary of the Corporation (printed name)