

BY-LAWS OF

MARYWOOD HOMEOWNER'S ASSOCIATION, INC.

Article 1: Offices

1.01. Registered Office & Agent. The registered office of the corporation shall be 1306 S. Fry Rd., Katy, Texas 77450. The name of the registered agent at such address is Edwin Lamm, III.

1.02. Other Offices. The corporation may also have offices at such other places within the State of Texas as the Board of Directors may from time to time determine or as the business of the corporation may require.

Article 2: Members

2.01. Classes of Members. The Corporation shall have two (2) classes of members:

Class A shall consist of all Owners of lots in the Marywood Subdivision, Harris County, Texas (hereinafter referred to as Lot or Lots), with the exception of the Declarants, as defined in the Declaration of Covenants, Conditions and Restrictions for Marywood, Section One, recorded at Clerk's File No. R606659 in the office of the County Clerk of Harris County, Texas. Members of Class A shall be entitled to one (1) vote per lot owned in Marywood, Section One (1). When more than one person holds an interest in any Lot, all such persons shall be Members, however, the vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast with respect to any one (1) Lot.

Class B shall consist of the Declarants, defined in the Declaration of Covenants, Conditions and Restrictions for Marywood, Section One, recorded at Clerk's File No. R606659 in the office of the County Clerk of Harris County, Texas. Members of Class B shall be entitled to vote on matters submitted to a vote of the members and shall be entitled to five (5) votes per Lot owned. Class B membership shall cease and be converted to Class A membership on the happening of either of the following two (2) events, whichever occurs earlier:

- a) When the total votes outstanding in the Class A membership equal the total votes outstanding in the class B membership;
- or
- b) October 3, 2005.

2.02. Admission of Members. Members of the Corporation shall consist of owners of residential lots located in such subdivisions and owners of land to be developed into residential lots as may be designated by the Board of Directors.

CR-08-08-216



2.09. Place of Meeting. The Board of Directors may designate any place within the State of Texas, as the place of meeting for any annual meeting or for any special meeting called by the Board of Directors. If the Board of Directors does not designate the place of meeting, the meeting shall be held at 1306 South Fry Road, Katy, Texas.

2.10. Notice of Meetings. Written or printed notice of any meeting of members, including the annual meeting, shall be delivered to each member entitled to vote at the meeting not less than ten (10) nor more than fifty (50) days before the date of the meeting. If the Corporation has more than 1,000 members at the time the meeting is scheduled or called, notice may be given by publication in any newspaper of general circulation in Harris County, Texas. The notice shall state the place, day and time of the meeting, who called the meeting and the general purpose or purposes for which the meeting is called. Notice shall be given by or at the direction of the president or secretary of the Corporation or the officers or persons calling the meeting. In any event, membership Classes A and B shall be notified by written or printed notice.

2.11. QUORUM. The members (or proxies) entitled to cast fifty-one percent (51%) of the votes of each class of membership in the subdivision in question shall constitute a quorum at that meeting. The members present at a duly called or held meeting at which a quorum is present may continue to transact business even if enough members leave the meeting so that less than a quorum remains. However, no action may be approved without the vote of at least a majority of the number of members required to constitute a quorum. If a quorum is present at no time during a meeting, a majority of the members present may adjourn and reconvene the meeting one time without further notice.

2.12. Actions of Membership. The membership shall try to act by consensus. However, the vote of a majority of voting members in good standing, present and entitled to vote at a meeting at which a quorum is present, shall be sufficient to constitute the act of the membership unless the vote of a greater number is required by law or the by-laws. A member in good standing is one who has paid all required fees and dues and is not suspended as of the date of the meeting. Voting shall be by ballot or voice, except that any election of directors shall be by ballot if demanded by any voting member at the meeting before the voting begins.

2.13. Proxies. A member entitled to vote may vote by proxy executed in writing by the member. No proxy shall be valid after three (3) months from the date of its execution, unless otherwise provided in the proxy.

2.14. Voting by Mail. The Board of Directors may authorize members to vote by mail on the election of directors and

officers or on any other matter that may be voted on by the members.

Article 3: Directors

3.01. Management of the Corporation. The affairs of the Corporation shall be managed by the Board of Directors.

3.02. Number, Qualifications and Tenure of Directors.

A. The number of Directors shall be a number determined by the Board of Directors that is not less than three (3) and not greater than five (5).

B. Directors shall be residents of Texas. Directors need not be members of the Corporation.

C. The initial directors have been elected to serve the following terms, to-wit:

- (1) Vincent D. Kickerillo- 3 year term
- (2) Mary K. Kickerillo- 2 year term;
- (3) Lawrence E. Lippincott- 1 year term.

Thereafter, all directors shall be elected to three-year terms.

3.03. Nomination of Directors. At any meeting at which the election of a director occurs, a voting member in good standing or director may nominate a person with the second of any other voting member in good standing or director.

3.04. Election of Directors. A person who meets any qualification requirements to be a director and who has been duly nominated may be elected as a director. Directors shall be elected by the vote of the membership of the Corporation within his or her subdivision or Board of Directors. Each director shall hold office until a successor is elected and qualified. A director may be elected to succeed himself or herself as director.

3.05. Removal. Any director may be removed for cause by a vote of 2/3 of the directors at a meeting called for the purpose of considering such removal.

3.06. Vacancies. Any vacancy occurring in the Board of Directors, and any director position to be filled due to an increase in the number of directors, shall be filled by appointment by the Board of Directors. A vacancy is filled by the affirmative vote of a majority of the remaining directors, even if it is less than a quorum of the Board of Directors or if it is a sole remaining director. A director elected to fill a vacancy shall be elected for the unexpired term of the predecessor in office.

3.07. Annual Meeting. The annual meeting of the Board of Directors may be held on ten (10) days notice to directors. The annual meeting of the Board of Directors shall be held within thirty (30) days after the annual meeting of members.

3.07. Regular Meetings. The Board of Directors may provide for regular meetings by resolution stating the time and place of such meetings. The meetings may be held either within or without the State of Texas and shall be held at the Corporation's registered office in Texas if the resolution does not specify the location of the meetings. No notice of regular meetings of the Board is required other than a resolution of the Board of Directors stating the time and place of the meetings.

3.08. Special Meetings. Special meetings of the Board of Directors may be called by or at the request of the President or a majority of the directors. A person or persons authorized to call special meetings of the Board of Directors may fix any place within Texas as the place for holding a special meeting. The person or persons calling a special meeting shall notify the secretary of the information required to be included in the notice of the meeting. The secretary shall have notice to the directors as required in the By-Laws.

3.09. Notice. Written or printed notice of any special meeting of the Board of Directors shall be delivered to each director not less than seven (7) nor more than thirty (30) days before the date of the meeting. The notice shall state the place, day and time of the meeting, who called the meeting and the purpose or purposes for which the meeting is called.

3.10. Quorum/Tie Votes. A majority of the number of directors then in office shall constitute a quorum for the transaction of business at any meeting of the Board of Directors. The directors present at a duly called or held meeting at which a quorum is present may continue to transact business even if enough directors leave the meeting so that less than quorum remains. However, no action may be approved without the vote of at least a majority of the number of directors required to constitute a quorum. If a quorum is present at no time during a meeting, a majority of the directors present may adjourn and reconvene the meeting one time without further notice. In the event of any tie vote on an issue before the directors, the tie may be broken by the president casting an additional vote.

3.11. Duties of Directors. Directors shall exercise ordinary business judgment in managing the affairs of the Corporation. In acting in their official capacity as directors of this Corporation, Directors shall act in good faith and take actions they reasonably believe to be in the best interests of the Corporation and that are not unlawful. In all other instances, the Board of Directors shall not take any action that they should reasonably believe would be opposed to the Corporation's best

interests or would be unlawful. A director shall not be liable if, in the exercise of ordinary care, the director acts in good faith relying on written financial and legal statements provided by an accountant or attorney retained by the corporation.

3.12. Compensation. Directors shall not receive salaries for their services. A director may serve the Corporation in any other capacity and receive compensation for those services. Any compensation that the Corporation pays to a director shall be commensurate with the services performed and reasonable in amount.

Article 4: Notice

4.01. Method. Whenever by statute, the articles of incorporation or these by-laws notice is required to be given to directors or members and no provision is made as to how the notice shall be given, it shall not be construed to mean personal notice but any such notice may be given:

(a) in writing, by mail, postage prepaid, addressed to the director or member at the address appearing on the books of the corporation, or

(b) in any other manner permitted by these bylaws.

Any notice required or permitted to be given by mail shall be deemed given at the time when the same is thus deposited in the United States mails.

4.02. Waiver. Whenever by statute, the articles of incorporation or these by-laws notice is required to be given to members or directors, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated in such notice, shall be equivalent to the giving of such notice. Attendance of a director at a 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.

Article 5: Officers and Agents

5.01. Number, Qualification, Election, Term.

(a) Number. The corporation may have:

(1) a President, a Vice President, a Secretary and Treasurer; and

(2) such other officers (including additional vice presidents) and assistant officers and agents as the Board of Directors may think

necessary.

(b) Qualifications. Any officer must either be a director of the corporation or a member of the corporation.

(c) Election. Officers named in section 5.01(a) (1) shall be elected by the Board of Directors on the expiration of an officer's term or whenever a vacancy exists. Officers and agents named in Section 5.01(a)(2) may be elected by the Board at any meeting.

(d) Term. Each officer's and agent's term shall be one (1) year from date of election. He shall serve until the end of his term or if earlier, his death, resignation or removal.

(e) Same Person. Any two or more offices may be held by the same person.

5.02. Removal. Any officer or agent 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 will be served thereby. Such removal shall be without prejudice to the contract rights, if any, of the person so removed. Election or appointment of an officer shall not of itself create rights.

5.03. Vacancies. Any vacancy occurring in any office of the corporation (by death, resignation, removal or otherwise) may be filled by the Board of Directors.

5.04. Authority. Officers and agents shall have such authority and perform such duties in the management of the corporation as are provided in these by-laws or as may be determined by resolution of the Board of Directors not inconsistent with these by-laws.

5.05. Compensation. No officer shall receive any compensation for performing services to the corporation.

5.06. Powers and Duties of Officers. The officers of the corporation shall have the powers and duties generally ascribed to their respective offices and such additional authority or duty as may from time to time be established by the Board of Directors.

Article 6: Miscellaneous

6.01. Books and Records. 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.

6.02. Fiscal year. The fiscal year of the corporation shall be fixed by resolution of the Board of Directors.

6.03. Indemnification of Directors and Officers. The corporation shall, to the fullest extent to which is empowered to do so by the Texas Business Corporation Act or any other applicable laws as may from time to time be in effect, indemnify any person who was, is or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that he is or was a director or officer of the corporation or 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, trust or other enterprise against all expenses (including attorney's fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding. The corporation's obligations under this section include but are not limited to the convening of any meeting and the consideration of any matter thereby, required by statute in order to determine the eligibility of an officer or director for indemnification. Expenses incurred in defending a civil or criminal action, suit or proceeding shall be paid by the corporation in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of the director, officer, employee or agent who may be entitled to such indemnification, to repay such amount if it is ultimately determined that he is not entitled to be indemnified by the corporation and upon receipt by the corporation of a written affirmation by the director or officer of his good faith belief that he has met the standard of conduct necessary for indemnification under the terms of the Texas Business Corporation Act then in effect. The corporation's obligation to indemnify and prepay expenses under this section shall arise, and all rights granted to directors, officers, employees or agents hereunder shall vest, at the time of the occurrence of the transaction or event to which such action, suit or proceeding relates or at the time that the action or conduct to which such action, suit or proceeding relates was first taken or engaged in (or omitted to be taken or engaged in), regardless of when such action, suit or proceeding is first threatened, commenced or completed. Notwithstanding any other provision of these by-laws, the articles of incorporation of the corporation, no action taken by the corporation either by amendment of the by-laws or the articles of incorporation of the corporation or otherwise shall diminish or adversely affect any rights to indemnification or prepayment of expenses granted under this section which shall have become vested as aforesaid prior to the date that such amendment or other corporate action is taken. Further, if any provision of this section shall be held to be invalid or unenforceable, the validity or enforceability of the remaining provisions shall not in any way be affected or impaired.

