

**FIRST AMENDMENT TO THE BYLAWS OF  
OLYMPIA ESTATES COMMUNITY ASSOCIATION, INC.**

WHEREAS, Section 12.1 of the Bylaws of the Olympia Estates Community Association, Inc. (the "Original Bylaws") states that the Board of Directors has the power to adopt, alter, amend, or repeal the bylaws of the Corporation; and

WHEREAS, Section 6.5 of the Original Bylaws permit the Directors to take any action by unanimous written approval; and

WHEREAS, all of the Directors of the Olympia Estates Community Association, Inc. (the "Association") desire to amend the Original Bylaws as set forth below.

The Original Bylaws of the Association are hereby amended effective immediately as follows:

1. Section 4.1 of the Original Bylaws currently state as follows:

**Article IV - Meetings of Members**

- 4.1. *Annual Meetings.* The Annual Meeting of the Members shall be held at a location in Fort Bend County, Texas as designated by the Board of Directors in the Notice of Meeting, on the second Tuesday in May of each year, at a time to be determined by the Board of Directors.

Section 4.1 of the Original Bylaws is hereby AMENDED to state as follows:

- 4.1. *Annual Meetings.* The Annual Meeting of the Members shall be held at a location in Fort Bend County, Texas during each calendar year as designed by the Board of Directors in the Notice of Meeting, on a date and time to be determined by the Board of directors, starting in 2010 and thereafter.

2. Section 6.2 of the Original Bylaws currently state as follows:

- 6.2. *Regular Meetings.* A regular meeting of the Board of Directors shall be held at least twice each year at such day, hour and place as may from time to time be established by resolution of the Board of Directors. Meetings of the Board of Directors shall be open to Members of the Association, subject to the right of the Board to adjourn a meeting of the Board and reconvene in closed executive session to consider actions involving personnel, pending litigation,

enforcement actions against Members of the Association, or matters that are to remain confidential by request of the affected parties and by agreement of the Board, all such closed executive sessions could be subject to Texas law. Meetings of the Board of Directors may be conducted by telephone, or by real time electronic communications.

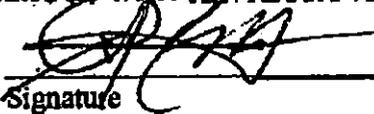
Section 6.2 of the Original Bylaws is hereby AMENDED to state as follows:

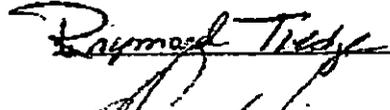
6.2. **Regular Meetings.** A regular meeting of the Board of Directors shall be held at least twice each year at such day, hour and place as may from time to time be established by resolution of the Board of Directors. Meetings of the Board of Directors may be conducted by telephone, or by real time electronic communications.

The above First Amendment to the Bylaws of the Olympia Estates Community Association, Inc. has been approved by the unanimous written approval of all of the Directors of the Board of Directors of the Association as evidenced by the signatures below.

EFFECTIVE as of the 30 day of Sept, 2009

UNANIMOUS WRITTEN APPROVAL

1.   
Signature

2.   
Signature

Dale Herrmann  
Printed Name

3.   
Signature

ROBERT NORTROP  
Printed Name

RETURN TO:  
MITCHELL KATINE  
Katine & Nechman LLP  
1111 North Loop West, Suite 180  
Houston, Texas 77008  
(713) 808-1001

# BYLAWS OF THE OLYMPIA ESTATES COMMUNITY ASSOCIATION, INC.

## ARTICLE I - NAME AND LOCATION

The name of the corporation is Olympia Estates Community Association, Inc., and shall be referred to herein as the "Association". The principal office of the Association shall be located at c/o RealManage, 9801 Westheimer Road, Suite 302, Houston, Texas 77042, but meetings of members and directors may be held at such places within the State of Texas, as may be designated by the Board of Directors. The principal office of the Association may be relocated upon the vote of a majority of the Directors of the Association.

## ARTICLE II - DEFINITIONS

2.1. *Definitions.* In these bylaws:

"Association" means the Olympia Estates Community Association, Inc., a nonprofit corporation organized and existing under the laws of the State of Texas.

"Builder" shall mean and refer to any person or entity whose primary business is the construction of single family residences, who acquires title to a Lot and constructs a Residential Unit on a Lot for profit, for the purpose of selling same to a third party purchaser.

"Declarant" shall mean and refer to Olympia Estates I Associates Limited, a Texas Limited Partnership.

"Deed Restrictions" shall initially mean the Declaration of Covenants, Conditions and Restrictions for Olympia Estates, Sections One and Two, which is recorded in the Office of the County Clerk of Fort Bend County, Texas under Clerk's File No. 2003035128. The term shall also mean (i) the Declaration of Covenants, Conditions and Restrictions for Olympia Estates, Sections Three and Four, which is recorded in the Office of the County Clerk of Fort Bend County, Texas under Clerk's File No. 2005001943; (ii) the Declaration of Covenants, Conditions and Restrictions for Olympia Estates, Section 5, which is recorded in the Office of the County Clerk of Fort Bend County, Texas under Clerk's File No. 2005019856; and (iii) the Declaration of Covenants, Conditions and Restrictions for the Recreational Facility of the Olympia Estates Subdivisions, which is recorded in the Office of the County Clerk of Fort Bend County, Texas under Clerk's File No. 2005052594. The term shall also include any additional amendments to the Deed Restrictions described above.

"Lot" or "Lots" shall mean and refer to a tract or parcel of land which is within the Property and which is shown on the recorded plat of the Property described below or any replat thereof, excluding Restricted Reserves A or B as shown on Plat One or to Restricted Reserves A, B, C, D, E, F, G or H as shown on Plat Two.

"Member" shall mean and refer to those persons who are owners of a Lot or Lots within the

Property and entitled to membership within the Association as provided in the Deed Restrictions, and as further described in the Articles of Incorporation of the Association.

"Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation or the owning of an easement right, a mineral interest, or a royalty interest.

"Property" shall mean and refer to the real property contained in the maps or plats described as (i) Olympia Estates Section One, which is more particularly described on a subdivision map or plat recorded on Slide Nos. 2330A and 2330B, of the Plat Records of Fort Bend County, Texas; (ii) Olympia Estates Section Two, which is more particularly described on a subdivision map or plat recorded on Slide Nos. 2331A and 2331B, of the Plat Records of Fort Bend County, Texas; (iii) Olympia Estates, Phase One (1), Section Three, which is more particularly described on a subdivision map or plat recorded on Slide no. 20040238 and under County Clerk's File no. 2004153952 of the Official Public Records of Fort Bend County, Texas; (iv) Olympia Estates, Phase One (1), Section Four, which is more particularly described on a subdivision map or plat recorded on Slide No. 20040240 of the Plat Records of Fort Bend County, Texas, and under County Clerk's File no. 2004154233 of the Official Public Records of Fort Bend County, Texas; (v) Olympia Estates Section Five, which is more particularly described on a subdivision map or plat recorded on Slide Nos. 2486B and 2487A, of the Plat Records of Fort Bend County, Texas, and is recorded under County Clerk's File no. 2003092445 of the Official Public Records of Fort Bend County, Texas; and (vi) HOA Facility – Olympia Estates, which is more particularly described on a subdivision map or plat recorded on Slide No. 20050081 of the Map Records of Fort Bend County, Texas, and is recorded under County Clerk's File no. 2005048618 of the Official Public Records of Fort Bend County, Texas.

"Residential Unit" shall mean and refer to any single family home, apartment home, town home or condominium unit intended for residential purposes, contained within the Properties and permitted or authorized under the Deed Restrictions.

"Subdivision" shall mean and refer to the land shown on the Plats and any additional land which may hereafter be brought within the scheme and jurisdiction of this Declaration pursuant to the provisions set forth herein.

### ARTICLE III - MEMBERSHIP

3.1. **Eligibility.** The Members of the Association are determined by the Articles of Incorporation of the Association. The rights of Members are subject to (a) the payment of the Annual Assessments imposed by the Deed Restrictions, and (b) compliance with the covenants, terms and provisions of the Deed Restrictions and these Bylaws.

### ARTICLE IV - MEETINGS OF MEMBERS

4.1. **Annual Meetings.** The Annual Meeting of the Members shall be held at a location in Fort Bend County, Texas as designated by the Board of Directors in the Notice of Meeting, on

the second Tuesday in May of each year, at a time to be determined by the Board of Directors.

4.2. **Special Meetings.** Special meetings of the Members for any purpose may be called at any time upon the written request of the President, of any two or more Directors or of five percent or more of the Members of the Association. Upon receipt of such written request, the Secretary shall give notice of a Special Meeting pursuant to Section 4.3 hereof.

4.3. **Notice of Meetings.** Written notice of Annual and Special Meetings shall be given to the Members of the Association by the Secretary. Written notice may be given to a Member either personally by hand delivery, or by mailing a copy of the notice, postage prepaid, to the address of the Member last appearing on the books of the Association, or by facsimile transmission upon successful transmission of the notice to the Member. Each Member shall register his address and any change in address with the Secretary within ten days after the address of such Member has changed. Notice of any Annual or Special Meeting shall be mailed not less than ten (10) nor more than sixty (60) days in advance of the meeting and in case of a Special Meeting, shall set forth the general purposes of the meeting.

4.4. **Quorum.** The presence at the meeting of Members entitled to cast, or of proxies entitled to cast, one-tenth (1/10) of the votes of each class of membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these Bylaws. 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 be represented.

4.5. **Proxy Voting.** At all meetings of Members, each Member may vote in person or by proxy. All proxies shall be in writing, shall be dated and shall be filed with the Secretary at the commencement of the meeting. Every proxy shall be revocable. A proxy shall be void if (i) given by a person who is not a qualified Member on the date of the meeting, (ii) if the proxy has been revoked by the Member or (iii) if the proxy was signed more than 11 months before the date of the meeting.

4.6. **Voting.** The Association shall have two classes of voting membership:

a. Class A: Class A members shall be all Owners with the exception of the Class B Members and shall be entitled to one vote for each Residential Unit or in the absence of a Residential Unit, one vote for each Lot for which they are the Owner. When more than one person holds such interest in any Residential Unit or Lot, the vote for such Residential Unit or Lot shall be exercised as they among themselves determine and they shall advise the Secretary of the Board of Directors prior to any meeting. In the absence of such notification, the vote for such Residential Unit or Lot shall be suspended in the event more than one person seeks to exercise it. Any owner of a Residential Unit which is leased may by written assignment assign the voting right appurtenant to such Residential Unit to the lessee thereof, and said lessee shall be entitled to exercise said voting right upon furnishing the Secretary of the Board of Directors with a copy of such written assignment.

b. **Class B:** Class B Members shall be the Declarant and any successors or assigns of a Declarant and all Builders who are Owners of a Lot or Lots (but excluding a Builder who resides in a Residential Unit on a Lot or Lots). Each Declarant and Builder shall be entitled to three (3) votes for each Lot for which such Declarant or Builder is the Owner.

The Class B membership shall continue to exist with respect to a Lot in the Properties until the conveyance of seventy five percent (75%) of all the Lots to a person or entity other than Declarant or a Builder. When seventy five percent (75%) of all the Lots have been conveyed by Class B Members to a person or entity other than Declarant or a Builder, all Class B Membership ceases and shall convert to Class A Membership. Upon and after the initial conveyance of a Lot to a person or entity other than Declarant or a Builder, the Owner shall be a Class "A" Member of the Association.

Any remaining Class "B" membership shall cease and be converted to Class A membership on December 31, 2012.

#### **ARTICLE V - BOARD OF DIRECTORS**

5.1. **Powers.** The Association shall be governed by a Board of Directors in accordance with the Articles of Incorporation. Without limiting the generality of the preceding sentence, or any power vested in it by law, the Board of Directors shall have the power:

a. to elect all officers of the Association, prescribe their duties and require of them security or fidelity bonds as the Board may deem prudent;

b. to establish, levy, assess and collect the Annual and Special assessments and all other charges referred to and authorized in the Deed Restrictions;

c. to exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the Members of the Association by other provisions of these Bylaws, the Articles of Incorporation or the Deed Restrictions;

d. to suspend the voting and other membership rights of any Member of the Association during any period when the Member has failed to pay any annual assessments and collection costs then due and payable; but, upon payment of all past due assessments and any collection costs, the rights and privileges of such member shall be automatically restored. Such voting and other membership rights may also be suspended after notice and a hearing before the Board of Directors, for a period not to exceed sixty (60) days, as a result of the continuing violation by such member of these Bylaws, the Deed Restrictions, or any rules and regulations of the Association which have been adopted by the Board of Directors and distributed to the Members of the Association;

e. to establish reasonable rules and regulations governing the Member's use and enjoyment of the Common Area, to charge an Owner for property damage or levy a fine for a violation of the Declaration, the rules and regulations or the Bylaws of the Association (subject to applicable provisions of the Texas Property Code) and to suspend the enjoyment rights and

voting rights of any Member for any period not to exceed sixty (60) days for any infraction of such rules and regulations, or until such infraction has been cured; and

f. in the event any member of the Board of Directors of this Association shall be absent from three consecutive regular meetings of the Board of Directors, the Board may by resolution made at the meeting in which the third absence occurs, call for a vote of the Members of the Association to remove such Director, at a Special Meeting of the Members called for that purpose, or at the next Annual Meeting of the Members.

**5.2. Duties.** It shall be the duty of the Board of Directors:

a. to cause to be kept a full, true and accurate record of its acts and corporate affairs and to present a statement thereof to the Members at the Annual Meeting of the Members or at any Special Meeting of the Members called in accordance with Section 4.2 of these Bylaws;

b. to supervise all officers and agents of this Association, and to see that their duties are properly performed;

c. in accordance with the Deed Restrictions, (i) fix the amount of the annual assessment against each Lot by November 30 of the year preceding the calendar year in which the annual assessment shall be due; (ii) prepare a roster of the Lots and annual assessment applicable to each of the Lots, which roster shall be kept in the office of the Association and shall be open to inspection by any Member; (iii) to send written notice of each annual assessment to every Owner on or before December 15 of each year; and (iv) institute collection procedures against any Owner who fails to pay the annual assessment within thirty (30) days after the due date, and foreclose the lien of the Association which secures the payment of the annual assessment in accordance with the provisions of the Deed Restrictions and Texas law;

d. to issue or to cause an appropriate officer to issue, upon demand by any person, a certificate stating whether any annual assessment or other charges owed to the Association have been paid, which shall be conclusive evidence that any charge stated therein has or has not been paid. A reasonable charge may be made by the Board of Directors for the issuance of such certificate;

e. procure and maintain adequate liability and hazard insurance on any real or personal property owned by the Association; and

f. cause all directors, officers or employees of the Association having fiscal responsibility to be bonded, and obtain errors and omissions insurance coverage for the directors and officers of the Association.

#### **ARTICLE VI - DIRECTORS' MEETINGS**

**6.1. Annual Meetings.** The Annual Meeting of the Board of Directors shall be held immediately following adjournment of the Annual Meeting of the Members in each year.

6.2. **Regular Meetings.** A regular meeting of the Board of Directors shall be held at least twice each year at such day, hour and place as may from time to time be established by resolution of the Board of Directors. Meetings of the Board of Directors shall be open to Members of the Association, subject to the right of the Board to adjourn a meeting of the Board and reconvene in closed executive session to consider actions involving personnel, pending litigation, enforcement actions against Members of the Association, or matters that are to remain confidential by request of the affected parties and by agreement of the Board, all such closed executive sessions could be subject to Texas law. Meetings of the Board of Directors may be conducted by telephone, or by real time electronic communications.

6.3. **Notices; Waiver.** The Secretary of the Association shall send written notice of each regular or Special Meeting of the Board to each member of the Board at least five days prior to such meeting. Notices shall be sufficient if (i) mailed to each Director, postage prepaid, at the Director's address as it appears on the records of the Association, (ii) hand delivered to such Director, or (iii) sent by facsimile transmission, which facsimile notice shall be deemed to be delivered on successful transmission of the notice. No notice need be given to any Director who in writing waives such notice. Any Director who does not receive notice of a meeting in writing, but who attends the meeting, may not complain of the lack of notice, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened.

6.4. **Special Meetings.** Special meetings of the Board of Directors shall be called by the Secretary upon the written request of any officer of the Association or by any two Directors.

6.5. **Action Taken Without a Meeting.** The Directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all of the Directors, or as otherwise authorized in Article VIII of the Articles of Incorporation of the Association, or under the Texas Non-Profit Corporation Act. Any action so approved shall have the same effect as though taken at a meeting of the Directors.

6.6. **Quorum.** At all meetings of the Board, a majority of the Board of Directors shall constitute a quorum, and, except as otherwise provided by law or by the Bylaws, the act of a majority of the Directors present shall be the act of the Board.

#### ARTICLE VII - SELECTION, TERM OF OFFICE AND REMOVAL OF DIRECTORS

7.1. **Number.** The affairs of this Association shall be managed by a Board of Directors. The initial Board of Directors shall consist of three (3) Directors. As long as there is Class B membership, the Members of the Board need not be Members of the Association.

7.2. **Term of Office.** The term of office for the three (3) initial directors named in the Articles of Incorporation of the Association shall be one year, or until their successors are elected. At the first annual meeting of the Members of the Association, whenever that may occur, three (3) directors shall be elected as follows: the term commencing on their election at the first annual meeting shall be one (1) director for a term of one (1) year, one (1) director for a term of two (2) years and one (1) director for a term of three (3) years. The person running for director at the

first annual meeting of Members who receives the highest number of votes shall serve in the director's position for a term of three (3) years; the person running for director at the first annual meeting of Members who receives the second highest number of votes shall serve in the director's position for a term of two (2) years; and the person running for director at the first annual meeting of Members who receives the third highest number of votes shall serve in the director's position for a term of one (1) year. Thereafter, the term of each of these positions, as each comes up for re-election, shall be three (3) years, in order that the term of office for directors shall be three (3) years.

**7.3. Removal, Resignation or Death.** Any Director may be removed from the Board, with or without cause, at a Special Meeting of the Members of the Association called for that purpose. At such election for removal, the Members or their proxies may cast, with respect to each Board member to be removed, as many votes as they are entitled to cast under the provisions of the Articles of Incorporation. Cumulative voting is not permitted. If a majority of all Members of the Association (not just a quorum) cast votes at such Special Meeting for the purpose of removing a Director (i.e., if a majority of all Members are in favor of removing a director), then such person shall no longer be a Director immediately upon the tabulation of the ballots cast. In the event of the death, resignation or removal of a Director, a successor shall be appointed by the balance of the Board to serve out the remaining term of the Director no longer serving.

**7.4. Compensation.** No Director shall receive compensation for any service he or she may render to the Association. However, a Director may be reimbursed for actual out-of-pocket expenses incurred in the performance of his or her duties.

#### ARTICLE VIII - ELECTION OF DIRECTORS

**8.1. Ballots.** The election of Directors shall be by written ballot. The ballots shall (a) describe the vacancies to be filled; (b) set forth the names of those nominated for the vacancies; and (c) contain a space for write-in votes by the Members for each person nominated from the floor on the day or evening of the Meeting. At each Annual Meeting, the Members or their proxies may cast, in respect of each vacancy, one vote (three votes in the case of a Class B Member, as defined in the Deed Restrictions) per Lot owned by them. The nominees receiving the largest number of votes shall be elected, subject to the Term of Office provisions found in Section 7.2 above.

**8.2. Notice of Election.** The Secretary of the Association, upon the giving of notice of the election to be held at the Annual Meeting of the Members of the Association pursuant to Section 4.3 above, shall advise each Member in the notice that elections of Directors will occur at the meeting being noticed. The Secretary shall enclose with such notice a proxy form which can be used by a Member of the Association if such Member cannot attend the meeting for the election of Directors.

**8.3. Nominations and Nominees.** Any Member of the Association may nominate themselves or another Member of the Association to run for the Board. A Member of the Association may advise the Secretary of the Association in advance of the meeting of the name or names of persons that the Member nominates. Nominations may also be made from the floor

on the evening of the meeting prior to the election. If the Secretary receives nominations in writing prior to the meeting, then all such persons who have been nominated shall be placed on a ballot to be prepared by the Secretary prior to the meeting, and persons nominated from the floor may be added to the ballot at the meeting.

8.4. **Election.** The election of Directors shall be conducted on the evening of the scheduled Annual Meeting of the Members of the Association, through the use of the ballots described in Section 8.1 above. Directors shall be elected by a simple majority vote of those votes represented at such meeting. Those persons who have been named as proxy for other Members of the Association shall cast votes on behalf of the Member who appointed them, pursuant to the proxy. Cumulative voting is not allowed.

8.5. **Processing.** The Secretary of the Association shall adopt a procedure which shall (a) establish the number of votes that the Member is entitled to cast either personally or by proxy; and (b) if the vote is by proxy, that the proxy has been signed and dated by the Member giving the proxy, and filed with the Secretary prior to the Meeting at which the election is to be held. After the voting has been completed and all ballots collected, the count of the vote shall be taken. The Secretary shall tabulate all ballots and proxies and determine the persons with the highest number of votes, who will serve as Director. The Secretary shall retain all ballots and proxies after the close of the election until after the next regular election of Directors of the Association, at which time the ballots and proxies from the previous election may be destroyed.

#### ARTICLE IX - OFFICERS

9.1. **Officers.** The officers of the Association shall be a President, one or more Vice Presidents, a Secretary and a Treasurer. All officers of the Association shall be members of the Board of Directors.

9.2. **Election by Board of Directors.** All officers shall be elected at the Annual Meeting of the Board, to be held at the conclusion of the Annual Meeting of the Members. Each officer shall hold office until the next Annual Meeting of the Board, or until his or her successor shall have been duly elected and qualified or until his earlier death, resignation, or removal in accordance with the Bylaws. The officers shall be chosen by a majority vote of the Directors.

9.3. **Removal of an Officer.** Upon ten (10) days written notice by the Secretary to all members of the Board, which notice shall contain a statement that one or more Officers shall be subject to a removal vote, a majority of the Directors may vote to remove one or more Officers, with or without cause. In the event of such removal, the vacancy shall be filled by the affirmative vote of a majority of the Directors at the same meeting at which the Officer(s) was removed. Any such appointed Officer shall hold office for the unexpired term of his or her predecessor in office.

9.4. **President; Duties.** The President shall be the chief executive officer of the Association and as such shall have general supervision of the affairs and property of the Association and over its several officers, subject to the direction of the Board of Directors. The President shall, if present, preside over all meetings of the Board of Directors, and shall generally do and perform

all acts incident to the office of President. He may sign in the name and on behalf of the Association all notes, leases, mortgages, deeds and all other written instruments authorized by the Board, except where the Board shall delegate the execution thereof to some other officer or agent of the Association.

9.5. **Vice president; Duties.** The Vice President shall perform all of the duties of the President in the event of his absence or disability, and when so acting shall have all of the powers and be subject to all restrictions placed upon the President.

9.6. **Secretary; Duties.** The Secretary shall act as Secretary of the Board of Directors and shall record the votes and keep the minutes of all proceedings in a book to be kept for the purpose. He shall sign all certificates of membership. He shall keep the records of the Association. He shall record the names and addresses of all Members of the Association, shall see that all notices are duly given as required by the Bylaws or applicable law.

9.7. **Treasurer; Duties.** The Treasurer shall receive and deposit in bank accounts approved by the Board all moneys of the Association and shall disburse such funds as directed by a resolution of the Board of Directors; provided, however, that a resolution of the Board of Directors shall not be necessary for the disbursements made in the ordinary course of business conducted within the limits of a budget adopted by the Board. The Treasurer shall sign all checks and notes of the Association.

9.8. **Books and Accounting.** The Treasurer shall keep proper books of account and cause an annual audit of the Association's books to be made by a certified public accountant at the completion of each fiscal year. He shall prepare an annual budget and an annual balance sheet statement and the budget and balance sheet statement shall be presented to the membership at its Annual Meeting.

#### ARTICLE X - COMMITTEES

10.1. **Committees.** At any regular or Special Meeting of the Members of the Association, the Members of the Association, voting in person or by proxy, may establish a special committee for a limited purpose, with a term not to exceed one (1) year, unless the term of such special committee is renewed at the conclusion of the initial term.

#### ARTICLE XI - BOOKS AND RECORDS

11.1. **Inspection.** The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any Member, as long as the request for inspection and the inspection is in accordance with the provisions of the Texas Non-Profit Corporation Act.

#### ARTICLE XII - AMENDMENTS

12.1. **Amendment Procedure.** The members of the corporation hereby delegate to the Board of Directors the power to adopt, alter, amend or repeal the Bylaws of the corporation.

12.2. **Controlling Documents.** In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control; in the case of any conflict between the Articles of Incorporation and the Deed Restrictions, the Articles shall control; and in the case of any conflict between the Deed Restrictions and these Bylaws, the Deed Restrictions shall control.

#### ARTICLE XIII - INDEMNITY

13.1. **Liability of Officers and Directors.** The Association shall indemnify every officer and director against any loss or damage, including a reasonable amount for attorney's fees, and court costs incurred by such officer or director in connection with any action or suit involving a claim against such director or officer arising out of such person having been an officer or director, unless said officer or director is found by a court of competent jurisdiction to have acted in bad faith in the performance or attempted performance of his or her duties. The Association shall maintain adequate officers' and directors' liability insurance to fund this obligation.

Adopted by the Initial Directors of the Corporation named in the Articles of Incorporation of the Corporation, effective as of the date of incorporation, being April 23, 2003.