

RECEIVED FROM MARK SANDERS
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RESTATED, REVISED, AND AMENDED

BYLAWS OF

THORNWOOD FUND, INC.

A TEXAS NON-PROFIT CORPORATION

PRELIMINARY RECITAL

Thornwood Fund, Inc., was duly incorporated under the laws of the State of Texas on September 23, 1966. Bylaws for the corporation were duly adopted by the corporation's membership in 1969 and the corporation has since that time acted pursuant to said bylaws. With the passage of time and changed circumstances, the existing bylaws have now become outdated and require revision and amendment in order to meet the needs of the corporation and to properly govern its operation and procedures. These restated, revised, and amended bylaws are, in accordance with Article VII of the original bylaws adopted in 1969, hereby adopted by the undersigned being a majority of the members of Thornwood Fund, Inc., and shall from henceforth be the bylaws of the corporation. For the sake of convenience, those provisions of the original bylaws which are not revised or amended, are restated below so that one document may be referred to for the purposes of interpretation and conformity. Reference is here made to "Restrictions" affecting Thornwood Section One recorded in the Real Property Records of Harris County, Texas under Clerk's File Number C457061, Volume 6672 Page 237, "Declaration of Restrictions and Covenants Governing Property and Lots in Thornwood, Section One, An Addition in Harris County, Texas" recorded in the Real Property Records of Harris County, Texas, under Clerk's File Number J710720, "Amendment and Modification of Restrictions and Covenants Governing Property and Lots in Thornwood, Section II, An Addition in Harris County, Texas" recorded in the Real Property Records of Harris County, Texas under Clerk's File Number J710723, "Amendment and Modification of Restrictions and Covenants Governing Property and Lots in Thornwood, Section III, An Addition in Harris County, Texas" recorded in the Real Property Records of Harris County, Texas under Clerk's File Number J710722, and "Amendment and Modification of Restrictions and Covenants Governing Property and Lots in Thornwood, Section IV, An Addition in Harris County, Texas" recorded in the Real Property Records of Harris County, Texas under Clerk's File Number J710721, which, in part, pertain to the use and enjoyment of residential lots in Thornwood Section One, II, III, and IV Subdivisions in Harris County, Texas, and which further pertain in part to the rights, duties, obligations, and the general administration of the subdivisions' affairs by Thornwood Fund, Inc. These documents for reference purposes are in these bylaws referred to collectively as the "Deed Restrictions".

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ARTICLE I
OFFICES

Principal Office

1.01 The principal office of the corporation in the State of Texas shall be located in the City of Houston, County of Harris.

Registered Office and Registered Agent

1.02 The corporation shall have and continuously maintain in the State of Texas a registered office and a registered agent whose office is identical with such registered office, as required by the Texas Non-Profit Corporation Act. The registered office may be, but need not be, identical with the principal office of the corporation in the State of Texas, and the address of the registered office may be changed from time to time by the Board of Trustees.

ARTICLE II
MEMBERS

Members

2.01 Each owner of a lot in Thornwood One, II, III, and IV shall by virtue of such ownership be a member of the corporation. "Owner" shall mean and refer to the record Owner, whether one or more persons or entities, of the fee simple title to any lot or portion of a lot on which there is or will be built a detached single family dwelling, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Voting Rights

2.02 Each member shall be entitled to one vote on each matter submitted to a vote of the members. Each member, being the owner of a lot in Thornwood One, II, III, and IV, as that term is defined in the deed restrictions, shall be entitled to one (1) vote on each matter submitted to a vote of the members. Each member shall be entitled to one (1) vote whether or not such member is one or more natural persons or is one or more corporations, partnerships, or other form of business entities.

Termination of Membership and Suspension of Privileges

2.03 The membership of any member shall terminate when that member ceases to be an owner of a lot in Thornwood One, II, III, or IV, irregardless of how such cessation of ownership shall occur. The Board of Trustees, acting at a regular or special meeting of the Board may suspend the voting and other privileges of any member who is in default in the payment of maintenance fees or other amounts required to be paid by the deed restrictions, after an appropriate hearing.

Transfer of Membership

2.04 Membership in this corporation is not transferable or assignable.

ARTICLE III
MEETINGS OF MEMBERS

Annual Meeting

109 3.01 An annual meeting of the members shall be held in the month
110 of September of each calendar year on a date, at a place, and at a
111 time determined by the Board of Trustees for the purpose of electing
112 Trustees and for the transaction of other business as may come before
113 the meeting. If the election of Trustees shall not be held on the day
114 designated herein for any annual meeting, or at any adjournment
115 thereof, the Board of Trustees shall cause the election to be held at
116 a special meeting of the members as soon thereafter as possible.
117

118 Special Meeting

119 3.02 Special meetings of the members may be called by the President,
120 the Board of Trustees, or not less than one-tenth of the members having
121 voting rights.
122

123 Place of Meeting

124 3.03 The Board of Trustees may designate any place for such meeting
125 which is reasonably convenient to the membership, provided that all such
126 meetings shall be held in Harris County, Texas. If no designation is made
127 or if a special meeting be otherwise called, the place of the meeting shall
128 be the principal office of the corporation in the State of Texas; but if
129 all of the members shall meet at any time and place, either within or
130 without the State, and consent to the holding of a meeting, such meeting
131 shall be valid without call or notice, and at such meeting, any corporate
132 action may be taken.
133

134 Notice of Meeting

135 3.04 Written or printed notice stating the place, date, and hour of
136 any meeting of members shall be delivered, either personally or by mail, to
137 each member entitled to vote at such meeting, not less than ten (10) nor
138 more than fifty (50) days before the date of such meeting, by or at the
139 direction of the President, or the Secretary, or the officers or persons
140 calling the meeting. In case of a special meeting or when required by
141 statute or these Bylaws, the purpose or purposes for which the meeting is
142 called shall be stated in the notice. If mailed, the notice of a meeting
143 shall be deemed to be delivered when deposited in the United States Mail,
144 addressed to the member at his address as it appears on the records of the
145 corporation, with postage thereon prepaid.
146

147 Informal Action by Members

148 3.05 Any action required by law to be taken at a meeting of the
149 members or any action which may be taken at a meeting of the members may be
150 taken without a meeting, if a consent in writing setting forth the action
151 so taken shall be signed by all of the members entitled to vote with
152 respect to the subject matter thereof.
153

154 Quorum

155 3.06 The members holding ten percent (10%) of the votes which may be
156 cast at any meeting shall constitute a quorum at such meeting. If a quorum
157 is not present at any meeting of members, a majority of the members present
158 may adjourn the meeting from time to time without further notice.
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163 Proxies

164 3.07 At any meeting of the members, a member entitled to vote may
165 vote by proxy executed in writing by the member or by his duly authorized
166 attorney-in-fact. No proxy shall be valid after eleven (11) months from
167 the date of its execution, unless otherwise provided in the proxy.
168

169 Voting by Mail

170 3.08 Where Trustees or officers are to be elected by members, such
171 election may be conducted by mail in such manner as the Board of Trustees
172 shall determine.
173

174 ARTICLE IV
175 BOARD OF TRUSTEES
176 General Powers

177 4.01 The affairs of the corporation shall be managed by its Board of
178 Trustees. Each Trustee must be a member of the corporation.
179

180 Number, Tenure, and Qualifications

181 4.02 The number of Trustees shall be five (5). Each Trustee shall
182 hold office until the next annual meeting of members and until his
183 successor shall have been elected and qualified. Any Trustee may, upon the
184 expiration of his term of office, offer himself or accept a nomination for
185 election to a subsequent term or terms of office. Nothing herein contained
186 shall be deemed to limit the number of terms, successive or otherwise, to
187 which any person may be elected and hold office as a Trustee.
188

189 REPRESENTATION OF EACH SECTION OF
190 THORNWOOD SUBDIVISION

191 4.03 The Board of Trustees shall be comprised of at least two (2)
192 Trustees who are the owners of lots in Thornwood Sections One and IV, and
193 two (2) Trustees who are the owners of lots in Thornwood Sections II and
194 III. In the event any Trustee shall be the owner of a lot in more than one
195 section in the subdivision, such Trustee may be elected only to represent
196 one section of the subdivision. The additional Trustee shall be elected at
197 large without regard to which section of Thornwood Subdivision in which he
198 resides or is the owner of a lot. Section or subdivision section as used
199 herein shall have the meaning of those terms as used in the "Deed
200 Restrictions".
201

202 Regular Meetings

203 4.04 A regular annual meeting of the Board of Trustees shall be held
204 without other notice than this Bylaw immediately after and at the same
205 place as the annual meeting of members. The Board of Trustees may provide
206 by resolution the time and place within Harris County, Texas, for the
207 holding of additional regular meetings of the Board without other notice
208 than such resolution.
209

210 Special Meetings

211 4.05 Special meetings of the Board of Trustees may be called by or at
212 the request of the President or, in his absence, a Vice President or by any
213 two (2) Trustees. The person or persons authorized to call special
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217 meetings of the Board may fix any place within Harris County, Texas as
218 the place for holding any special meetings of the Board called by
219 them.
220

221 Notice

222 4.06 Notice of any special meeting of the Board of Trustees shall be
223 given at least two days previously thereto by written notice delivered
224 personally or sent by mail or telegram to each Trustee at his address as
225 shown by the records of the corporation. If mailed, such notice shall be
226 deemed to be delivered when deposited in the United States Mail so
227 addressed with postage thereon prepaid. If notice be given by telegram,
228 such notice shall be deemed to be delivered when the telegram is delivered
229 to the telegraph company. Any Trustee may waive notice of any meeting.
230 The attendance of a Trustee at any meeting shall constitute a waiver of
231 notice of such meeting, except where a Trustee attends a meeting for the
232 express purpose of objecting to the transaction of any business because the
233 meeting is not lawfully called or convened. Neither the business to be
234 transacted at, nor the purpose of any regular or special meeting of the
235 Board need be specified in the notice or waiver of notice of such meeting,
236 unless specifically required by law or by these Bylaws.
237

238 Quorum

239 4.07 A majority of the Board of Trustees shall constitute a quorum
240 for the transaction of business at any meeting of the Board; but if less
241 than a majority of the Trustees are present at said meeting, a majority of
242 the Trustees present may adjourn the meeting from time to time without
243 further notice.
244

245 Manner of Acting

246 4.08 The act of a majority of the Trustees present at a meeting at
247 which a quorum is present shall be the act of the Board of Trustees, unless
248 the act of a greater number is required by law or by these Bylaws.
249

250 Vacancies

251 4.09 Any vacancy occurring in the Board of Trustees shall be filled
252 by the Board of Trustees. A Trustee elected to fill a vacancy shall be
253 elected for the unexpired term of his predecessor in office. Any such
254 vacancy which shall occur shall be filled in accordance with the residency
255 requirements as to Thornwood Sections as specified in Section 4.03 of these
256 Bylaws.
257

258 Informal Action by Trustees

259 4.10 Any action required by law to be taken at a meeting of Trustees,
260 or any action which may be taken at a meeting of Trustees, may be taken
261 without a meeting if a consent in writing setting forth the action so taken
262 shall be signed by all of the Trustees,
263

264 4.11 Any provision to the contrary contained in these Bylaws whether
265 expressly or by implication notwithstanding, the Board of Trustees shall
266 not be empowered to amend, alter, or repeal the Bylaws except as provided
267 in Section 12.01 of these Bylaws. Further, the Board of Trustees shall not
268 be empowered to adopt a plan of merger or adopt a plan of consolidation
269 with any other corporation; authorize the sale, lease, exchange, or
270

271 mortgage of any of the property and assets of the corporation;
272 authorize the voluntary dissolution of the corporation or revoke the
273 proceedings therefor; adopt a plan for the distribution of the assets
274 of the corporation, unless prior to such act, the Board of Trustees
275 shall provide the members with at least thirty (30) days written
276 notice of an intention to act with regard to such matters. If, after
277 the giving of such thirty (30) days written notice, the members call
278 or cause to be called a special meeting to consider such intended act,
279 the members present at such meeting, provided such members shall
280 constitute a quorum, may by the negative vote of a majority of such
281 members in attendance, prohibit such act by the Board of Trustees, or
282 if such act has occurred, rescind, repeal, or veto such act which
283 shall then be of no force and affect. If within thirty (30) days
284 after receipt of the written notice referred to herein, the members fail to
285 call or cause to be called the special meeting to consider such intended
286 acts, then any act taken by the Board of Trustees in this regard shall be
287 fully valid, effective, and binding upon the corporation.
288

289 ARTICLE V
290 OFFICERS
291 Officers

292 5.01 The officers of the corporation shall be a President, one or
293 more Vice Presidents (the number thereof to be determined by the Board of
294 Trustees), a Secretary and Treasurer. The Board of Trustees may elect or
295 appoint other officers as it shall deem desirable, such officers to have
296 the authority and perform the duties prescribed from time to time, by the
297 Board of Trustees. Any two or more offices may be held by the same person,
298 except the offices of the President and Secretary.
299

300 Election and Term of Office

301 5.02 The officers of the corporation shall be elected annually by the
302 Board of Trustees from among the members of the Board of Trustees at the
303 regular annual meeting of the Board of Trustees. If the election of
304 officers shall not be held at such meeting, such election shall be held as
305 soon thereafter as conveniently may be. New offices may be created and
306 filled at any meeting of the Board of Trustees. Each officer shall hold
307 office until his successor shall have been duly elected and shall have
308 qualified.
309

310 Removal

311 5.03 Any officer elected or appointed by the Board of Trustees may be
312 removed by the Board of Trustees whenever in its judgment the best
313 interests of the corporation would be served thereby, but such removal
314 shall be without prejudice to the contract rights, if any, of the officer
315 so removed.
316

317 Vacancies

318 5.04 A vacancy in any office because of death, resignation,
319 disqualification or otherwise, may be filled by the Board of Trustees for
320 the unexpired portion of the term.
321

322 President
323
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325 5.05 The President shall be the principal executive officer of
326 the corporation and shall in general supervise and control all of the
327 business and affairs of the corporation. He shall preside at all
328 meetings of the members and of the Board of Trustees. He may sign,
329 with the Secretary or any other proper officer of the corporation
330 authorized by the Board of Trustees, any deeds, mortgages, bonds,
331 contracts, or other instruments which the Board of Trustees has
332 authorized to be executed, except in cases where the signing and
333 execution thereof shall be expressly delegated by the Board of
334 Trustees, or by these Bylaws, or by statute to some other officer or
335 agent of the corporation; and in general he shall perform all duties
336 incident to the office of President and such other duties as may be
337 prescribed the the Board of Trustees from time to time.
338

339 Vice President

340 5.06 In the absence of the President, or in the event of his
341 inability or refusal to act, the Vice President (or in the event there be
342 more than one Vice President, the Vice Presidents in order of their
343 election) shall perform the duties of the President, and when so acting
344 shall have all the powers of and be subject to all the restrictions upon
345 the President. Any Vice President shall perform such other duties as from
346 time to time may be assigned to him by the President or Board of Trustees.
347

348 Treasurer

349 5.07 The Treasurer if required by the Board of Trustees, shall give a
350 bond for the faithful discharge of his duties in such sum and with such
351 surety or sureties as the Board of Trustees shall determine. He shall have
352 charge and custody of and be responsible for all funds and securities of
353 the corporation; receive and give receipts for moneys due and payable to
354 the corporation from any source whatsoever, and deposit all such moneys in
355 the name of the corporation in such banks, trust companies, or other
356 depositories as shall be selected in accordance with the provisions of
357 Article VII of these Bylaws; and in general perform all of the duties
358 incident to the office of Treasurer and such other duties as from time to
359 time may be assigned to him by the President or by the Board of Trustees.
360

361 Secretary

362 5.08 The Secretary shall keep the minutes of the meetings of the
363 members and of the Board of Trustees in one or more books provided for that
364 purpose; give all notices in accordance with the provisions of these Bylaws
365 or as required by law; be custodian of the corporate records and of the
366 seal of the corporation, and affix the seal of the corporation to all
367 documents, the execution of which on behalf of the corporation under its
368 seal is duly authorized in accordance with the provisions of these Bylaws;
369 keep a register of the post office address of each member which shall be
370 furnished to the Secretary by each member; and in general, perform all
371 duties incident to the office of Secretary and such other duties as from
372 time to time may be assigned to him by the President or by the Board of
373 Trustees.
374

375 ARTICLE VI 376 COMMITTEES

379 Committees of Trustees

380 6.01 The Board of Trustees, by resolution adopted by a majority of
381 the Trustees in office, may designate and appoint one or more committees,
382 each of which shall consist of two or more Trustees, which committees, to
383 the extent provided in said resolution, shall have and exercise the
384 authority of the Board of Trustees in the management of the corporation.
385 However, no such committee shall have the authority of the Board of
386 Trustees in reference to electing, appointing, or removing any member of
387 any such committee or any Trustee or officer of the corporation; amending
388 the articles of incorporation; or amending, altering, or repealing any
389 resolution of the Board of Trustees which by its terms provides that it
390 shall not be amended, altered, or repealed by such committee. The
391 designation and appointment of any such committee and the delegation
392 thereto of authority shall not operate to relieve the Board of Trustees or
393 any individual Trustee of any responsibility imposed on it or him by law.

394
395 Other Committees

396 6.02 Other committees not having and exercising the authority of the
397 Board of Trustees in the management of the corporation may be designated by
398 a resolution adopted by a majority of the Trustees present at a meeting at
399 which a quorum is present. Except as otherwise provided in such
00 resolution, members of each such committee shall be members of the
01 corporation, and the President of the corporation shall appoint the members
02 thereof. Any members thereof may be removed by the person or persons
03 authorized to appoint such member whenever in their judgment the best
04 interests of the corporation shall be served by such removal.

05
06 Term of Office

07 6.03 Each member of a committee shall continue as such until the next
08 annual meeting of the members of the corporation and until his successor is
09 appointed, unless the committee shall be sooner terminated, or unless such
10 member be removed from such committee, or unless such member shall cease to
11 qualify as a member thereof.

12
13 Chairman

14 6.04 One member of each committee shall be appointed chairman by the
15 person or persons authorized to appoint the members thereof.

16
17 Vacancies

18 6.05 Vacancies in the membership of any committee may be filled by
19 appointments made in the same manner as provided in the case of the
20 original appointments.

21
22 Quorum

23 6.06 Unless otherwise provided in the resolution of the Board of
24 Trustees designating a committee, a majority of the whole committee shall
25 constitute a quorum and the act of a majority of the members present at a
26 meeting at which a quorum is present shall be the act of the committee.

27
28 Rules

6.07 Each committee may adopt rules for its own government not inconsistent with these Bylaws or with rules adopted by the Board of Trustees.

ARTICLE VII
CONTRACTS, CHECKS, DEPOSITS, AND FUNDS

Contracts

7.01 The Board of Trustees may authorize any officer or officers, agent or agents of the corporation, in addition to the officers so authorized by these Bylaws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the corporation. Such authority may be general or confined to specific instances.

Checks and Drafts

7.02 All checks, drafts, or orders for the payment of money, notes, or other evidences of indebtedness issued in the name of the corporation shall be signed by such officer or officers, agent or agents of the corporation and in such manner as shall from time to time be determined by resolution of the Board of Trustees. In the absence of such determination by the Board of Trustees, such instruments shall be signed by the Treasurer or an Assistant Treasurer and countersigned by the President or a Vice President of the corporation.

Deposits

7.03 All funds of the corporation shall be deposited from time to time to the credit of the corporation in such banks, trust companies, or other depositories as the Board of Trustees may select.

Gifts

7.04 The Board of Trustees may accept on behalf of the corporation any contribution, gift, bequest, or devise for the general purposes or for any special purpose of the corporation.

ARTICLE VIII
BOOKS AND RECORDS

8.01 The corporation shall by its Treasurer keep correct and complete books and records of accounts, and shall by its Secretary also keep minutes of the proceedings of its members, Board of Trustees, and committees having any of the authority of the Board of Trustees, and shall maintain in the possession of the Secretary of the corporation a record giving the names and addresses of the members entitled to vote. All books and records of the corporation may be inspected by any member or his agent or attorney for any proper purpose at any reasonable time. All books and records shall be kept and maintained in the possession and custody of such officer, agent, or employee of the corporation as shall be designated by resolution of the Board of Trustees from time to time.

ARTICLE IX
FISCAL YEAR

9.01 The fiscal year of the corporation shall begin on the first day of January and end on the last day of December of each year.

