

AMENDMENT
TO
KINGWOOD LAKES COMMUNITY ASSOCIATION, INC.
BY-LAWS

The By-Laws of Kingwood Lakes Community Association, Inc. are hereby amended pursuant to the requirements set forth therein at a special meeting of the Board of Trustees held on the 9th day of June, 1980 and the following provisions shall be substituted for those provisions of the existing By-Laws bearing similar section numbers or added as new provisions thereto:

ARTICLE II
MEMBERSHIP AND MEETINGS OF MEMBERS

2.1 Every owner of a single-family estate lot, patio house lot, townhouse lot, condominium living unit or apartment residential unit which is subject to an annual community service charge pursuant to that certain instrument entitled "Community Service Charge, Kingwood Lakes Village, Harris County, Texas" shall be a member of KINGWOOD LAKES COMMUNITY ASSOCIATION, INC. Membership shall be appurtenant to and may not be separated from ownership of any such building site which is subject to assessment. Ownership of property shall be sole qualification of membership.

2.2 Every member as defined herein shall be entitled to one vote for each single family estate lot, patio house lot, townhouse lot or condominium living unit owned (provided, however, that where such lots or units shall not be defined on a recorded plat, each individual living unit shall be construed as one such lot or unit), and one-half vote for each apartment residential unit owned. When more than one person or entity owns such a lot or unit, the vote shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to each single-family estate lot, patio house lot, townhouse lot or condominium living unit or with respect to every two apartment residential units owned.

Membership and Meetings of Members

2.1 Every owner of a single-family estate lot, patio house lot, townhouse lot, condominium living unit or apartment residential unit which is subject to an annual community service charge pursuant to that certain instrument entitled "Community Service Charge, Kingwood Lakes Village, Harris County, Texas" shall be a member of KINGWOOD LAKES COMMUNITY ASSOCIATION, INC. Membership shall be appurtenant to and may not be separated from ownership of any such building site which is subject to assessment. Ownership of property shall be sole qualification of membership.

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2.3 The annual meeting of the members shall be held on the fourth Tuesday in October of each year at a time and location selected by the Board of Trustees.

2.4 Special meetings of the members may be called at any time by the President joined by any Trustee or upon written request of members who are entitled to cast one-fourth (1/4) of all of the votes eligible to be cast.

2.5 Written notice specifying the time and location of the annual meeting and the date, time, location and purpose of a special meeting shall be sent to each property owner at such owner's address as carried on the books of the corporation or supplied by such owner for the purpose of notice not less than fifteen (15) nor more than thirty (30) days prior to the date of the meeting to which it applies.

2.6 The presence at a meeting of members entitled to cast, or of proxies entitled to cast, one-tenth (1/10) of the votes eligible to be cast shall constitute as quorum for any action except as otherwise provided in the Articles of Incorporation of these By-Laws. If, however, such quorum shall not be present or represented at any meeting, the members entitled to vote 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.

2.7 At all meetings of members, each member may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary. Every proxy shall be revocable and shall automatically cease when the member no longer owns property in Kingwood Lakes Village.

ARTICLE III

AMENDED
8/22/80

TRUSTEES AND MEETINGS OF TRUSTEES

3.1 The direction and management of the affairs of this corporation and control and disposition of its property and funds shall be vested in the Board of Trustees. The number of Trustees is fixed at seven (7).

3.2 Members of the corporation shall elect the Trustees by section of Kingwood Lakes Village and shall be entitled to vote only for candidates representing the section in which they own one or more lots or units. One Trustee shall be elected to represent each of Sections One through Five (for these purposes Section Four shall include those living units located immediately south of Section Four known as the Kingwood Country Club Villas) and two to represent Section Six. Elections will be held at the annual meeting of the members each year. Trustees representing the even numbered sections shall be elected in even numbered years and Trustees representing the odd numbered sections shall be elected in odd numbered years. All candidates for Trustee shall be members of the corporation and shall reside in the section of Kingwood Lakes Village which they represent except as to Section Six from which candidates shall be representatives of the owner or owners of the apartment residential units.

3.3 Tenure of office for each Trustee shall be two (2) years. The term of office for the Board of Trustees shall commence immediately following the annual meeting of the members in the year in which they are elected.

3.4 Until replaced by a Trustee elected by vote of the membership or otherwise removed from office as provided in these By-Laws, each Trustee shall continue to serve until death, resignation or incapacity. Successor Trustees to fill vacancies shall be elected by a majority of remaining Trustees voting at a special meeting of the Board of Trustees called for that purpose, and the Trustees elected to fill vacancies shall serve for the unexpired term for which they are elected as provided under Section 3.2 above. In the event there is no Trustee remaining, they shall be selected by the Attorney General of the State of Texas.

3.5 Any Trustee may be removed from the Board of Trustees, with or without cause, by a vote of a majority of the Board of Trustees.

3.6 No Trustee shall receive compensation for any service he may render to the corporation. However, any Trustee may be reimbursed for his actual expenses incurred in the performance of his duties.

3.7 The Trustees shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the unanimous written approval of the Board of Trustees. Any action so approved shall have the same effect as though taken at a meeting of the Board of Trustees.

3.8 Nomination for election to the Board of Trustees shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting of members. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Trustees, and two or more members of the corporation. The Nominating Committee shall be appointed by the Board of Trustees prior to each annual meeting of the members, to serve from the close of such annual meeting until the close of the next annual meeting and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Trustees as it shall in its discretion determine, but not less than the number of vacancies that are to be filled.

3.9 Election to the Board of Trustees may be by secret written ballot or by a voice vote as determined by the President of the corporation or such other officer as may preside over the meeting. At such election the members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Articles of Incorporation and these By-Laws. The person(s) receiving the largest number of votes from each Section (two from Section Six) shall be elected.

3.10 Regular meetings of the Trustees shall be held without notice at such time and location as may be agreed upon by the Trustees.

3.11 Special meetings of the Trustees may be called at any time by the President or by two of the Trustees acting jointly, or by one Trustee if there be only one serving at the time. At least ten (10) days written notice of any special meeting shall be given to all Trustees, unless same is waived as provided below.

3.12 A Trustee by writing may waive call and notice of any meeting of Trustees. Except for matters requiring specification in call or notice and as to which a Trustee votes against, attendance at any meeting shall constitute a Waiver of Call and Notice of such meeting by such Trustee.

3.13 The duly elected and qualified Trustees in attendance at any meeting properly called, shall constitute a quorum for transaction of business and the vote of a majority of the Trustees thus present (provided that at least two (2) Trustees shall vote in favor thereof in each case

unless there be only one Trustee serving the corporation at the time) shall be sufficient for the transaction of ordinary business of the corporation and all other business, except as otherwise provided by the Articles of Incorporation and these By-Laws.

3.14 The Trustees may act or carry on the business of the corporation without a formal meeting upon consent in writing of all Trustees.

ARTICLE IV

Officers

4.1 The officers of the corporation shall consist of a president, a vice president, a secretary and a treasurer and such other officers as the Board of Trustees may, from time to time, determine. The president and vice president shall be Trustees, unless there be only one Trustee serving at the time, and other officers may be, but need not be, Trustees. The Trustees at such annual meeting of the Board shall elect all officers of the corporation for the ensuing year to hold office at the pleasure of the Board.

4.2 Any individual, otherwise qualified, may hold any two offices in the corporation, except the offices of president and secretary.

4.3 No officer shall receive any compensation for any service he may render to the corporation. However, any officer may be reimbursed for his actual expenses incurred in the performance of his duties.

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4.4 The officers of the corporation shall hold office 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 Trustees may be removed at any time by the affirmative vote of a majority of the Board of Trustees, 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 Trustees.

The President

4.5 The president shall be the chief executive officer of the corporation, shall have general and active management of the business of the corporation and shall see that all orders and resolutions of the Board of Trustees are carried into effect. He shall preside at all meetings of the Board of Trustees.

The Vice Presidents

4.6 The vice presidents in order of their seniority, unless otherwise determined by the Board of Trustees, 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 Trustees may from time to time prescribe or as the president may from time to time delegate.

The Secretary and Assistant Secretaries

4.7 The secretary shall attend or cause an assistant secretary to attend all meetings of the Board of Trustees and record all of the proceedings of the meetings of the Board of Trustees in a minute book to be kept for that purpose and shall perform like duties for the standing committees when required. He shall perform such other duties as may be prescribed by the Board of Trustees or president, under whose supervision he shall be. He shall keep in safe custody the seal of the corporation and, when properly authorized, the secretary, assistant secretary or treasurer shall affix the same to any instrument requiring it and, when so affixed, it shall be attested by the signature of the officer affixing same.

4.8 The assistant secretaries in the order of their seniority, unless otherwise determined by the Board of Trustees, shall, in the absence, disability or by authority 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 Trustees may from time to time prescribe or as the president may from time to time delegate.

The Treasurer and Assistant Treasurers

4.9 The treasurer shall have custody of the corporate funds and securities 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 monies 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 Trustees, and he may be authorized by said Board of Trustees to designate such depositories and to withdraw or transfer deposits or authorize others to do so in accordance with resolutions of such Board.

4.10 The treasurer shall disburse the funds of the corporation in accordance with orders or resolutions of the Board of Trustees, taking proper vouchers for such disbursements, and shall render to the president and the Board of Trustees, at its regular meetings, or when the president or Board of Trustees so requires, an account of all his transactions as treasurer and of the financial condition of the corporation.

4.11 If required by the Board of Trustees, the treasurer shall give the corporation a bond of such type, character, and amount as the Board of Trustees may require.

4.12 The assistant treasurer in the order of their seniority, unless otherwise determined by the Board of Trustees, 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 Trustees may from time to time prescribe or the president may from time to time delegate.

ARTICLE V

Committees

The Board of Trustees may create standing and special committees, with powers and duties and term of appointment as the Board of Trustees may determine.

ARTICLE VI

Amendments

AMENDED
8/22/80

These By-Laws, with the exception of Article III, may be amended at any regular or special meeting by the Board of Trustees, provided notice of the proposed amendments is given in writing to all the Trustees at least ten (10) days in advance, if such notice is not waived. Article III may be amended only at a special meeting of the members called for that purpose upon at least thirty (30) days written notice and then only upon the affirmative vote of two-thirds (2/3) of those casting ballots. The procedure for notice and conduct of any such election shall be that utilized in electing Trustees.

ARTICLE VII

General Provisions

Annual Statement

7.1 The Board of Trustees shall review at each annual meeting a full and clear statement of the business and condition of the corporation.

Checks

7.2 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 Trustees may from time to time designate or may be designated pursuant to resolution of the Board.

Fiscal Year

7.3 The fiscal year of the corporation shall be fixed by resolution of the Board of Trustees.

Seal

7.4 The corporate seal shall be in such form as may be prescribed by the Board of Trustees. The seal may be used by causing it, or a facsimile thereof, to be impressed on, affixed to, or in any manner reproduced upon, instruments of any nature required to be executed by officers of the corporation.

Books and Records

7.5 The corporation shall keep correct and complete books and records of account and shall keep minutes of the proceedings of its Board of Trustees at its registered office or principal place of business.

ARTICLE VIII

Amended
8/22/80

Appeals

8.1 A member may appeal any decision of any committee appointed pursuant to Article V hereof to the Board of Trustees provided that all subordinate avenues of resolution have been pursued and provided further that all parties involved comply with the decision of such committee until such time, if any, as the Board of Trustees amends or reverses the committee's decision.

8.2 Appeals petitions shall be legibly written and shall be submitted in form satisfactory to the Board of Trustees.

8.3 Any member filing an appeal as hereinabove set forth shall be entitled to a hearing before the Board of Trustees upon at least seven (7) days prior written notice to all interested parties.

8.4 Following the hearing, the Board of Trustees may, by majority vote of a quorum as herein provided, uphold the decision of the committee in its entirety, may amend such decision, or may overturn such decision.

8.5 A member shall exhaust all available remedies as herein provided before such member may resort to a court of law for relief with respect to any committee decision, provided that such limitation shall not apply to the Board of Trustees or any member where the complaint alleges non-payment of assessments.

ARTICLE IX

Amended
8/22/80

Indemnification

9.1 The Association shall indemnify any Trustee, former Trustee, officer, or former officer of the Association for expenses and costs (including Attorneys' fees) actually and necessarily incurred in connection with any claim asserted, by action in court or otherwise, by reason of such person being or having been such Trustee or officer, except in relation to matters as to which such person shall have been guilty of negligence or misconduct in respect to any matter in which indemnity is sought.

KINGWOOD LAKES COMMUNITY ASSOCIATION, INC.

BY-LAWS

ARTICLE I

Name, Purpose and Offices

1.1 The name of this corporation is KINGWOOD LAKES COMMUNITY ASSOCIATION, INC.

1.2 This corporation is organized exclusively for civic, educational and recreational purposes, to-wit:

- (1) To render constructive civic service for the promotion of the social welfare and health of the community and of the Citizens (hereinafter defined) of that certain land known as Kingwood Lakes Village in Harris County, Texas, which is subjected to a community services charge to pay for such service, to inculcate civic consciousness by means of active participation in constructive projects which will improve the community, state and nation. The purpose of the corporation shall not be the promotion or stimulation of any business organized for profit;
- (2) To promote and/or provide limited municipal-type and educational and recreational services and facilities for the Citizens of Kingwood Lakes Village; and
- (3) Subject to the provisions of Part Four of the Texas Miscellaneous Corporation Laws Act, to acquire, maintain and conduct buildings and property for non-profit public services and educational and recreational facilities.

Neither any donation, contribution or payment made to this corporation nor any fund or property arising therefrom, in whatever form it may take, shall be diverted from the purpose here set out.

For the purposes hereof, Citizens shall mean the residents, tenants, and property owners in Kingwood Lakes Village (and their guests and invitees).

1.3 The principal office shall be in the City of Houston, State of Texas, or such other place as may be determined by the Board of Trustees.

1.4 The corporation may also have offices at such other places both within and without the State of Texas as the Board of Trustees may from time to time determine or the business of the corporation may require.

2.3 The annual meeting of the members shall be held on the fourth Tuesday in October of each year at a time and location selected by the Board of Trustees.

2.4 Special meetings of the members may be called at any time by the President joined by any Trustee or upon written request of members who are entitled to cast one-fourth (1/4) of all of the votes eligible to be cast.

2.5 Written notice specifying the time and location of the annual meeting and the date, time, location and purpose of a special meeting shall be sent to each property owner at such owners's address as carried on the books of the corporation or supplied by such owner for the purpose of notice not less than fifteen (15) nor more than thirty (30) days prior to the date of the meeting to which it applies.

2.6 The presence at a meeting of members entitled to cast, or of proxies entitled to cast, one-tenth (1/10) of the votes eligible to be cast shall constitute as quorum for any action except as otherwise provided in the Articles of Incorporation of these By-Laws. If, however, such quorum shall not be present or represented at any meeting, the members entitled to vote 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.

2.7 At all meetings of members, each member may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary. Every proxy shall be revocable and shall automatically cease when the member no longer owns property in Kingwood Lakes Village.

ARTICLE III TRUSTEES AND MEETINGS OF TRUSTEES

3.1 The direction and management of the affairs of this corporation and control and disposition of its property and funds shall be vested in the Board of Trustees. The number of Trustees is fixed at seven (7).

3.2 Members of the corporation shall elect the Trustees by section of Kingwood Lakes Village and shall be entitled to vote only for candidates representing the section in which they own one or more lots or units. One Trustee shall be elected to represent each of Sections One through Five

(for these purposes Section Four shall include those living units located immediately south of Section Four known as the Kingwood Country Club Villas) and two to represent Section Six. Elections will be held at the annual meeting of the members each year. Trustees representing the even numbered sections shall be elected in even numbered years and Trustees representing the odd numbered sections shall be elected in odd numbered years. All candidates for Trustee shall be members of the corporation and shall reside in the section of Kingwood Lakes Villge which they represent except as to Section Six from which candidates shall be representatives of the owner or owners of the apartment residential units.

3.3 Tenure of office for each Trustee shall be two (2) years. The term of office for the Board of Trustees shall commence immediately following the annual meeting of the members in the year in which they are elected.

3.4 Until replaced by a Trustee elected by vote of the membership or otherwise removed from office as provided in these By-Laws, each Trustee shall continue to serve until death, resignation or incapacity. Successor Trustees to fill vacancies shall be elected by a majority of remaining Trustees voting at a special meeting of the Board of Trustees called for that purpose, and the Trustees elected to fill vacancies shall serve for the unexpired term for which they are elected as provided under Section 3.2 above. In the event there is no Trustee remaining, they shall be selected by the Attorney General of the State of Texas.

3.5 Any Trustee may be removed from the Board of Trustees, with or without cause, by a vote of a majority of the Board of Trustees.

3.6 No Trustee shall receive compensation for any service he may render to the corporation. However, any Trustee may be reimbursed for his actual expenses incurred in the performance of his duties.

3.7 The Trustees shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the unanimous written approval of the Board of Trustees. Any action so approved shall have the same effect as though taken at a meeting of the Board of Trustees.

3.8 Nomination for election to the Board of Trustees shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting of members. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Trustees, and two or more members of the corporation. The Nominating Committee shall be appointed by the Board of Trustees prior to each annual meeting of the members, to serve from the close of such annual meeting until the close of the next annual meeting and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Trustees as it shall in its discretion determine, but not less than the number of vacancies that are to be filled.

3.9 Election to the Board of Trustees may be by secret written ballot or by a voice vote as determined by the President of the corporation or such other officer as may preside over the meeting. At such election the members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Articles of Incorporation and these By-Laws. The person(s) receiving the largest number of votes from each Section (two from Section Six) shall be elected.

3.10 Regular meetings of the Trustees shall be held without notice at such time and location as may be agreed upon by the Trustees.

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3.12 A Trustee by writing may waive call and notice of any meeting of Trustees. Except for matters requiring specification in call or notice and as to which a Trustee votes against, attendance at any meeting shall constitute a Waiver of Call and Notice of such meeting by such Trustee.

3.13 The duly elected and qualified Trustees in attendance at any meeting properly called, shall constitute a quorum for transaction of business and the vote of a majority of the Trustees thus present (provided that at least two (2) Trustees shall vote in favor thereof in each case

unless there be only one Trustee serving the corporation at the time) shall be sufficient for the transaction of ordinary business of the corporation and all other business, except as otherwise provided by the Articles of Incorporation and these By-laws.

3.14 The Trustees may act or carry on the business of the corporation without a formal meeting upon consent in writing of all Trustees.

ARTICLE IV OFFICERS

4.3 No officer shall receive any compensation for any service he may render to the corporation. However, any officer may be reimbursed for his actual expenses incurred in the performance of his duties.

ARTICLE VI AMENDMENTS

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ARTICLE VII. GENERAL PROVISIONS

7.6 The corporation shall indemnify any Trustee, former Trustee, officer or former officer of the corporation for expenses and costs (including attorneys' fees) actually and necessarily incurred in connection with any claim asserted, by action in court or otherwise, by reason of such person being or having been such Trustee or officer, except in relation to matters as to which such person shall have been guilty of negligence or misconduct in respect to any matter in which indemnity is sought.

ARTICLE VIII
APPEALS

8.1 A member may appeal any decision of any committee appointed pursuant to Article V hereof to the Board of Trustees provided that all subordinate avenues of resolution have been pursued and provided further that all parties involved comply with the decision of such committee until such time, if any, as the Board of Trustees amends or reverses the committee's decision.

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2.1 Every owner of a single-family estate lot, patio house lot, townhouse lot, condominium living unit or apartment residential unit which is subject to an annual community service charge pursuant to that certain instrument entitled "Community Service Charge, Kingwood Lakes Village, Harris County, Texas" shall be a member of KINGWOOD LAKES COMMUNITY ASSOCIATION, INC. Membership shall be appurtenant to and may not be separated from ownership of any such building site which is subject to assessment. Ownership of property shall be sole qualification of membership.

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3.6 No Trustee shall receive compensation for any service he may render to the corporation. However, any Trustee may be reimbursed for his actual expenses incurred in the performance of his duties.

3.7 The Trustees shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the unanimous written approval of the Board of Trustees. Any action so approved shall have the same effect as though taken at a meeting of the Board of Trustees.

3.8 Nomination for election to the Board of Trustees shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting of members. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Trustees, and two or more members of the corporation. The Nominating Committee shall be appointed by the Board of Trustees prior to each annual meeting of the members, to serve from the close of such annual meeting until the close of the next annual meeting and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Trustees as it shall in its discretion determine, but not less than the number of vacancies that are to be filled.

3.9 Election to the Board of Trustees may be by secret written ballot or by a voice vote as determined by the President of the corporation or such other officer as may preside over the meeting. At such election the members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Articles of Incorporation and these By-Laws. The person(s) receiving the largest number of votes from each Section (two from Section Six) shall be elected.

3.10 Regular meetings of the Trustees shall be held without notice at such time and location as may be agreed upon by the Trustees.

3.11 Special meetings of the Trustees may be called at any time by the President or by two of the Trustees acting jointly, or by one Trustee if there be only one serving at the time. At least ten (10) days written notice of any special meeting shall be given to all Trustees, unless same is waived as provided below.

3.12 A Trustee by writing may waive call and notice of any meeting of Trustees. Except for matters requiring specification in call or notice and as to which a Trustee votes against, attendance at any meeting shall constitute a Waiver of Call and Notice of such meeting by such Trustee.

3.13 The duly elected and qualified Trustees in attendance at any meeting properly called, shall constitute a quorum for transaction of business and the vote of a majority of the Trustees thus present (provided that at least two (2) Trustees shall vote in favor thereof in each case

unless there be only one Trustee serving the corporation at the time) shall be sufficient for the transaction of ordinary business of the corporation and all other business, except as otherwise provided by the Articles of Incorporation and these By-Laws.

3.14 The Trustees may act or carry on the business of the corporation without a formal meeting upon consent in writing of all Trustees.

ARTICLE IV

Officers

4.1 The officers of the corporation shall consist of a president, a vice president, a secretary and a treasurer and such other officers as the Board of Trustees may, from time to time, determine. The president and vice president shall be Trustees, unless there be only one Trustee serving at the time, and other officers may be, but need not be, Trustees. The Trustees at such annual meeting of the Board shall elect all officers of the corporation for the ensuing year to hold office at the pleasure of the Board.

4.2 Any individual, otherwise qualified, may hold any two offices in the corporation, except the offices of president and secretary.

4.3 No officer shall receive any compensation for any service he may render to the corporation. However, any officer may be reimbursed for his actual expenses incurred in the performance of his duties.

AMENDED
8/22/80

4.4 The officers of the corporation shall hold office 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 Trustees may be removed at any time by the affirmative vote of a majority of the Board of Trustees, 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 Trustees.

The President

4.5 The president shall be the chief executive officer of the corporation, shall have general and active management of the business of the corporation and shall see that all orders and resolutions of the Board of Trustees are carried into effect. He shall preside at all meetings of the Board of Trustees.

The Vice Presidents

4.6 The vice presidents in order of their seniority, unless otherwise determined by the Board of Trustees, 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 Trustees may from time to time prescribe or as the president may from time to time delegate.

The Secretary and Assistant Secretaries

4.7 The secretary shall attend or cause an assistant secretary to attend all meetings of the Board of Trustees and record all of the proceedings of the meetings of the Board of Trustees in a minute book to be kept for that purpose and shall perform like duties for the standing committees when required. He shall perform such other duties as may be prescribed by the Board of Trustees or president, under whose supervision he shall be. He shall keep in safe custody the seal of the corporation and, when properly authorized, the secretary, assistant secretary or treasurer shall affix the same to any instrument requiring it and, when so affixed, it shall be attested by the signature of the officer affixing same.

4.8 The assistant secretaries in the order of their seniority, unless otherwise determined by the Board of Trustees, shall, in the absence, disability or by authority 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 Trustees may from time to time prescribe or as the president may from time to time delegate.

The Treasurer and Assistant Treasurers

4.9 The treasurer shall have custody of the corporate funds and securities 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 monies 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 Trustees, and he may be authorized by said Board of Trustees to designate such depositories and to withdraw or transfer deposits or authorize others to do so in accordance with resolutions of such Board.

4.10 The treasurer shall disburse the funds of the corporation in accordance with orders or resolutions of the Board of Trustees, taking proper vouchers for such disbursements, and shall render to the president and the Board of Trustees, at its regular meetings, or when the president or Board of Trustees so requires, an account of all his transactions as treasurer and of the financial condition of the corporation.

4.11 If required by the Board of Trustees, the treasurer shall give the corporation a bond of such type, character, and amount as the Board of Trustees may require.

4.12 The assistant treasurer in the order of their seniority, unless otherwise determined by the Board of Trustees, 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 Trustees may from time to time prescribe or the president may from time to time delegate.

ARTICLE V

Committees

The Board of Trustees may create standing and special committees, with powers and duties and term of appointment as the Board of Trustees may determine.

ARTICLE VI

Amendments

AMENDED
8/22/80

These By-Laws, with the exception of Article III, may be amended at any regular or special meeting by the Board of Trustees, provided notice of the proposed amendments is given in writing to all the Trustees at least ten (10) days in advance, if such notice is not waived. Article III may be amended only at a special meeting of the members called for that purpose upon at least thirty (30) days written notice and then only upon the affirmative vote of two-thirds (2/3) of those casting ballots. The procedure for notice and conduct of any such election shall be that utilized in electing Trustees.

ARTICLE VII

General Provisions

Annual Statement

7.1 The Board of Trustees shall review at each annual meeting a full and clear statement of the business and condition of the corporation.

Checks

7.2 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 Trustees may from time to time designate or may be designated pursuant to resolution of the Board.

Fiscal Year

7.3 The fiscal year of the corporation shall be fixed by resolution of the Board of Trustees.

Seal

7.4 The corporate seal shall be in such form as may be prescribed by the Board of Trustees. The seal may be used by causing it, or a facsimile thereof, to be impressed on, affixed to, or in any manner reproduced upon, instruments of any nature required to be executed by officers of the corporation.

Books and Records

7.5 The corporation shall keep correct and complete books and records of account and shall keep minutes of the proceedings of its Board of Trustees at its registered office or principal place of business.

ARTICLE VIII

Appeals

Amended
8/22/80

8.1 A member may appeal any decision of any committee appointed pursuant to Article V hereof to the Board of Trustees provided that all subordinate avenues of resolution have been pursued and provided further that all parties involved comply with the decision of such committee until such time, if any, as the Board of Trustees amends or reverses the committee's decision.

8.2 Appeals petitions shall be legibly written and shall be submitted in form satisfactory to the Board of Trustees.

8.3 Any member filing an appeal as hereinabove set forth shall be entitled to a hearing before the Board of Trustees upon at least seven (7) days prior written notice to all interested parties.

8.4 Following the hearing, the Board of Trustees may, by majority vote of a quorum as herein provided, uphold the decision of the committee in its entirety, may amend such decision, or may overturn such decision.

8.5 A member shall exhaust all available remedies as herein provided before such member may resort to a court of law for relief with respect to any committee decision, provided that such limitation shall not apply to the Board of Trustees or any member where the complaint alleges non-payment of assessments.

ARTICLE IX

Indemnification

Amended
8/22/80

9.1 The Association shall indemnify any Trustee, former Trustee, officer, or former officer of the Association for expenses and costs (including Attorneys' fees) actually and necessarily incurred in connection with any claim asserted, by action in court or otherwise, by reason of such person being or having been such Trustee or officer, except in relation to matters as to which such person shall have been guilty of negligence or misconduct in respect to any matter in which indemnity is sought.