

By-Laws

of

Parkglen Civic Improvement Association

Article 1

Offices

The name of the Corporation shall be Parkglen Civic Improvement Association, sometimes referred to in these By-Laws as 11212 Vanderford, Houston, Texas 77099. The Corporation may have such other offices, as approved by the members, in a members meeting with a quorum present and majority vote, in the City of Houston, County of Harris and County of Fort Bend, State of Texas. Permanent records of the Corporation shall be maintained at the address of the principle office.

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 principle office in the State of Texas, and the address of the registered office may be changed from time to time by the Board of Directors.

Section 1. “Association” shall mean and refer to PARKGLEN CIVIC IMPROVEMENT ASSOCIATION.

Section 2. “Properties” shall mean and refer to that certain real

property described in the Restrictions, and such additions thereto as may hereinafter be brought within the jurisdiction of the Association.

Section 3. “Common Area” shall mean and refer to all real property, if any, owned by the Association for the common use and enjoyment of the owners.

Section 4. “Lot” shall mean and refer to any plot of land shown upon any recorded subdivision map of the Properties with the exception of the Common Area and commercial reserves excluded from the scope of the restrictions.

Section 5. “Owner” shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title of any Lot which is part of the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of any obligation.

Section 6. “Restrictions” shall mean and refer to the Restrictions applicable to PARKGLEN, recorded in the Official Public Records of Real Property of Harris County, and in the Deed records of Fort Bend County, Texas and any amendments thereafter or such other restrictions created by additional properties dedicated to the subdivision by the Developer.

Section 7. “Member” shall mean and refer to those persons entitled to membership as provided by the Restrictions.

Section 8. “Board of Directors” shall mean and refer to the duly elected or appointed members who serve and act as the Directors of the Corporation.

Article III

Functions of the Corporation

Section 1. Purposes: The purposes for which PARKGLEN CIVIC IMPROVEMENT ASSOCIATION is formed are civic and social for the benefit and betterment of the residents and property owners of PARKGLEN, a residential development in Harris County and Fort Bend County, Texas. To carry out such purposes properly, the Corporation may at the discretion of its Board of Directors perform the following functions, subject to any restrictions set for in these By-Laws.

A. To care for vacant, unimproved and unkept lots to said properties, remove and destroy grass, weeds, and rodents there from and perform any labor necessary or desirable in the judgment of this corporation to keep the property neat and in good order;

B. To affix, levy, collect and enforce payment by any lawful means, all charges or assessment pursuant to the terms of the Restrictions, and, as agent, pay all expenses in connection incident to the conduct of the business of the Association including all licenses, taxes or governmental charges levied or imposed against the property of this Association and to make disbursements, expenditures and payments on behalf of the Owners as required by the Restrictions and the By-Laws of the Association; and to hold as agent for the Owners reserves for periodic repairs or capital improvements to be made as directed by the Owners acting through the Board of Directors of the Association;

C. To, if necessary, provide for garbage and rubbish collection and disposal;

D. To encourage and sponsor activities for the youth and adults of the subdivision;

E. To acquire by gifts, purchase or otherwise, to own, hold, improve, build upon, operate, maintain, convey, sell, lease transfer, dedicate for public use or otherwise dispose of real or personal property in connection with the affairs of this Association subject to the limitations, if any, set forth in the Restrictions;

F. To borrow money, to mortgage, pledge, or hypothecate any or all of its real or personal property as security for money borrowed or

debts incurred subject to the limitation, if any, set forth in the Restrictions;

G. To provide general sanitation and cleanliness of the Common Areas and Landscape Areas;

H. To provide upkeep and maintenance of Common Areas and Lots as provided by the Restrictions;

I. To enter into and perform any contract and to exercise all powers which may be necessary or convenient to the operation, management, maintenance and administration of the affairs of PARKGLEN CIVIC IMPROVEMENT ASSOCIATION in accordance with the Restrictions; and

J. To have and to exercise any and all powers, rights and privileges a corporation organizes under the Non-Profit

Article IV

Members

Section 1. Annual Meeting: The annual meeting of the members shall be held on the fourth Tuesday of October in each year, at 7:30 P.M., at the office of the Corporation if not a legal holiday, and if a legal holiday, then on the following Tuesday, for the purpose of electing Directors and for the transaction of any and all such other business as the By-Laws and the Restrictions allow, which may be brought before or submitted to the meeting.

Section 2. Members Meeting: The Regular meeting of the members shall be held at the office of the Corporation on the fourth Tuesday of each January, April, July, and October at 7:30 P.M., and may be held on the fourth Tuesday of each month if deemed necessary by the

Board of Directors. Notification of optional monthly meetings shall be by publication in advance of said meeting.

Section 3. Special Meetings: Special meetings of the members may be called from time to time at the office of the Corporation. A special meeting can only be called by an affirmative majority vote of the Board of Directors or by the members in an affirmative vote by members present, in person or by proxy, of a quorum at members meeting. Written notice of the special meeting, with specific agenda, time and date, must be published at least ten (10) days prior to the meeting.

Section 4. Quorum: The presence at the meeting of the members entitled to cast, or of proxies entitled to cast, sixty five (65) votes shall constitute a quorum for any action, except as otherwise provided in the Articles of Incorporation, Restrictions or these By-Laws. If, however, a quorum is not 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 an announcement at the meeting until a quorum shall be present or represented.

Section 5. Order of Business: At meetings of the Members, business shall be transacted according to Roberts Rules of Order. The President of the Corporation and in the event of his absence, a Vice-President of the Corporation, shall call meetings of the members to order and shall act as Chairman of such meetings. In the absence of the President and a Vice-President of the Corporation, the members present may appoint a chairman. The Secretary of the Corporation, or in his absence, and Assistant Secretary, shall act as Secretary of all meetings of the members, but in the absence of the Secretary and an Assistance Secretary, the presiding officer may appoint any person to act as Secretary of the meeting.

Section 6. Voting: Each member shall be entitled to one vote for each lot owned in PARKGLEN, whether developed or not, at each meeting of the members. Each member may vote in person or by proxy, appointed by instrument in writing and subscribed by the member or by duly authorized attorney of such member. At all meetings of members all questions, except those the manner of deciding which is otherwise expressly governed by statute, the

charter of the Corporation or by the By-Laws, shall be decided by the vote of the majority of the members of the Corporation present in person or by proxy entitled to vote, a quorum being present. All voting shall be via voice, except that, upon determination off the presiding officer of any meeting or upon the demand of the majority of the quorum present in person or by proxy, voting on any further question or questions at any meeting shall be by ballot. Each ballot shall be signed by the member voting or by his proxy.

The Association shall keep at all times a current and complete alphabetical list of the names of all of its voting Members who are entitled to notice of meetings. The list must show the address and number of votes each voting Member is entitled to cast at a meeting. Such list must be maintained at the office of the Association and shall be made available and subject to inspection by any Member at any time during usual business hours; a voting Member is entitled on written demand to inspect and, to the extent that the purpose of the inspection is a proper purpose, is entitled to a copy of the list at the Member's expense. Such list shall also be present and kept open at the time and place of all meetings of the Members; shall be available for inspection by any member during the time of the meeting and at any adjournment, and shall be prima facie evidence as to the identity of Members.

Section 7. Qualifications: The members of the Corporation shall be the lot owners in said subdivision known as PARKGLEN in Harris County and Fort Bend County, Texas. Any Member not current in the payment of maintenance assessments shall not be a Member in good standing and therefore, not entitled to vote.

Section 8. Proxies: At all meetings, each Member may vote in person or by proxy. All proxies shall be in writing, signed by the Member and recorded with the Secretary of the Association before the time of the meeting.

Article V

Board of Directors

Section 1. Number and Term of Office: The Board of Directors shall consist of seven (7) persons who are Members or in the event that an Assessable Lot(s) is owned by a corporation or other business entity, and officer or director of the corporation of such entity. The number of directors may be increased or decreased from time to time by amendment to these By-Laws in accordance with Article IX. In no event, however, shall the number of directors be fewer than five (5) members.

Directors shall be elected at the annual meeting of the members by an affirmative vote of the members present in person or by proxy entitled to vote at which meeting a quorum is present. Directors shall be elected for a term of two (2) years, except as noted in this paragraph. The Directors term of office will comply with the calendar year (1 January through 31 December). At the annual meeting to be held in December of 2000, the four (4) candidates receiving the highest number of votes shall be elected to serve for a period of two (2) years beginning 1 January 2001 and shall serve through 31 December 2002; three (3) candidates receiving the next highest number of votes shall be elected to serve for a period of one (1) year beginning 1 January 2001 and shall serve through 31 December 2001. Commencing with the annual meeting to be held in October 2001, and each annual meeting thereafter, there shall be elected the number of directors whose terms will expire on 31 December of the election year, each to be elected for a term of two (2) years. The Directors shall hold office until their successors have been elected and hold their first meeting, except as otherwise provided. This provides a staggered term for the Board of Directors, which allows continuity from one Board to another Board and also from one year to another year. The new Board will be elected in October of each year and is permitted to meet for organizational purposes only, as many times as necessary to be prepared to assume their full duties as Directors on 1 January. The newly elected Board is to negotiate new contracts for the operation of the Association during their term of office. These contracts should be in place and

ready for their signatures on 1 January. The newly elected Board cannot spend monies, however they may request from the active Board the monies needed for the preparation to take effect on 1 January.

Section 2. Vacancies: Vacancies in the Board of Directors caused by death, resignation or disqualification, shall be filled by a vote of a majority of the remaining Directors, even though they may constitute less than a quorum of the Directors. Each Director so elected shall be Director until a successor is elected at the annual meeting upon the expiration of that Director's term.

Section 3. Removal: A Director who shall be absent from three (3) consecutive regularly scheduled board meetings without an excused absence, may be terminated by the vote of a majority of the remaining members of the Board and the remaining members of the Board may fill the position with a Member who is to serve the remaining term of that Director's position.

At any regular or special meeting of the members at which a quorum is present, any Director may be removed from the Board, with or without cause, by a voted of the majority of the members present in person or by proxy. Written notice shall be given to all members at least ten (10) days prior to either the regular or special meeting of the members at which the proposed action is to occur.

Section 4. Ethics: No Director shall receive compensation for any service that he/she may render to or on behalf of the Association; provided, however, than any Director may be reimbursed for his/her actual expenses incurred in the performance of his/her duties upon the submission to the Board the proper documentation. Directors, directors' spouses and the Brother, Sister, Grandparents, Aunts, Uncles, Sons and Daughters) or other members of the household may not serve the Association either contractually or otherwise in any capacity whereby they would receive compensation for their services. Compensation shall include trade and barter arrangements.

Section 5. Meeting of Directors: the Directors may hold their meetings and keep the books of the Corporation, except as otherwise provided by statues in such place or places in the State of Texas, that

the Board of Directors may from time to time determine.

Section 6. First Meeting: Each newly elected Board of Directors may hold its first meeting for the purpose of organization and the transaction of business in preparation for the assumption of duties on 1 January, if a quorum is present, immediately after the annual meeting of the members, or adjourned annual meeting of the members, and no notice of such meeting shall be necessary. They may meet as many times as necessary for organizational purposes only after the annual meeting and until 1 January; however, they may not expend any monies unless approved by the Board of Directors whose term does not expire until 31 December of that year.

Section 7. Election of Officers: At the first meeting of the Board of Directors each year at which a quorum is present, the Board of Directors shall proceed to the election of the officers of the Corporation. No notice or waiver of notice of each such first meeting shall be required or necessary if it be held immediately after either the annual meeting or the adjourned annual meeting of the members, and any and all business of any nature or character may be transacted at such first meeting for organizational purposes only. The same is true for any other organizational meetings prior to assuming duties of Board of Directors on 1 January.

Section 8. Regular Meeting(s): Regular meetings of the Board of Directors shall be held at such time and place as shall be designated by resolution of the Board of Directors. This regular meeting can only be changed by a majority vote of the entire board. Notice of such regular meeting shall not be required.

Section 9. Special Meeting(s): Special meetings of the Board of Directors shall be held whenever called by the President, Secretary, or a majority of the directors then in office. Notice of each special meeting shall be given by an officer of the Corporation by telephone or personal delivery to each director at his residence or usual place of business at least two days prior to the meeting. Unless otherwise indicated in the notice thereof, any and all business may be transacted at a special meeting.

Section 10. Quorum: The majority of the directors then in office shall

constitute a quorum for the transaction of business, but if at any meeting of the Board of Directors there be less than a quorum present, the majority of those present may adjourn the meeting from time to time without notice, other than by announcement at the meeting, until a quorum be present or in attendance thereat. The act of a majority of the Directors present at a meeting of the Board of Directors, shall be the act of the Board of Directors except as otherwise provided by law, the charter of the Corporation, or by these B-Laws.

Section 11. Order of Business: At meeting of the Board of Directors, business shall be transacted according to Roberts Rules of Order. At all meetings of the Board of Directors, the President shall preside, and in the absence of the President, a Chairman shall be chosen from the members present. The Secretary of the Corporation shall act as Secretary of the meetings of the BD, but in the absence of the Secretary, the presiding officer may appoint any person to act as Secretary of the meeting.

Section 12. Financial Controls: The Board of Directors will seek either, written or verbal, a minimum of three bids for all single expenditures exceeding \$500.00 including those contractual or reoccurring that are not of an emergency nature. Also any capital improvement in or in whole which exceeds \$4000.00 must have approval of a majority of a quorum of members present, in person or by proxy, at a regularly scheduled meeting or any special members meetings as long as thirty (30) days written notice is given through publication or by mail. All checks must have a valid independent receipt or contract.

Section 13. Delinquent Maintenance Assessments – Collection Cost: As more full provided in the Restriction, each member is obligated to pay to the Association annual assessments, which are secured by a continuing lien upon the property against which the assessment is made. Any assessments, which are not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days from the due date, the Board of Directors shall have the authority to assess a late processing fee against any property with an unpaid assessment of portion thereof in an amount to be determined by the Board of Directors each year.

Article VI

Officers

Section 1. Titles and Terms of Office: The officers of the Corporation shall be a President (who shall be a director), one or more Vice-Presidents, a Secretary, a Treasurer and such other officers, including, but not limited to, one or more Assistant Secretaries and one or more assistant Treasurers, as the Board of Directors may from time to time elect to appoint. All officers shall be subject to removal, with or without cause, at any time, by vote of a majority of the Board of Directors. A vacancy in the office of any officer shall be filled by vote of a majority of the directors then in office.

Section 2. Duties and Powers of the President: The President, subject to the control of the Board of Directors, shall be in general charge of the affairs of the Corporation in the ordinary course of its business; he shall preside at all meetings of the members and the Board of Directors; he may make, sign, and execute all deeds, conveyances, assignments, bonds, contracts, and other obligations and any and all other instruments and papers of any kind or character in the name of the Corporation; and, he shall do and perform such other duties as may from time to time be assigned to him by the Board of Directors.

Section 3. Vice-President: The Vice-President shall have powers and duties pertaining to his office together with such other powers and duties as may be assigned to him by the other Board of Directors and the Vice-President shall have and exercise the powers of the President during that officer's absence or inability to act. Any action taken by the Vice-President in the performance of the duties of the President shall be conclusive evidence of the absence or inability to of the President at the time such action was taken.

Section 4. Treasurer: The Treasurer shall have custody of all the funds and securities of the Corporation which comes into his control, when necessary or proper. He or she may endorse on behalf of the

Corporation, for collection, checks, notes and other obligations and shall deposit the same to the credit of the Corporation in such bank or banks or depositories as shall be designated in the manner described by Article 7 Section 3 in the BY-LAWS. He or she may sign all receipts and vouchers for payments made to the Corporation, jointly with such officers as is designated by the Board of Directors; he or she will submit financial statements at the members meetings which will include: balance sheet, income statement, monthly budget, and a detailed listing of all checks issued for the preceding months. He or she shall have charge of, maintain and keep such books and papers as the Board of Directors may direct, all of which shall at all reasonable times be open to the inspection by any member upon written request at the office of the Corporation during a mutually agreeable time, within two (2) weeks of the request. HE or she shall in general perform all the duties incident to the office of the Treasurer subject to the control of the Board of Directors.

Nothing shall be construed to restrict the Association from hiring a bookkeeper or other agents, as they deem necessary to perform these functions under the guidance of the Treasurer or other officers, as the Board desires.

Section 5. Assistant Treasurers: Each Assistant Treasurer, if appointed, shall have the usual powers and duties pertaining to this office, together with such other powers and duties as may be assigned to him the Board of Directors and the Assistant Treasurer shall exercise the powers of the Treasurer during officer's absence or inability to tact.

Section 6. Secretary: The Secretary shall keep the minutes of the Board of Directors and the minutes of all meetings of the members in books provided for that purpose. These shall be kept on permanent file. He or she shall read motions passed at the Board of Directors meetings, at the members meetings.

Section 7. Assistant Secretaries: Each Assistant Secretary, if appointed, shall have the usual powers and duties pertaining to the office, together with such other powers and duties as may be assigned to such officer by the Board of Directors, and the Assistant Secretaries shall exercise the powers of the Secretary during that

officer's absence or inability to act.

Article VII

Contracts, Checks, drafts, Bank Accounts, Etc.

Section 1. The Board of Directors, except as otherwise provided in these By-Laws, may authorize any officer of officers, agent or agents to enter into any contract or execute and deliver any other instrument in the name of and on behalf of the Association, such authority being general or confined to specific instances.

Section 2. No loan shall be contracted on behalf of the Corporation, and no negotiable papers shall be issued in its name unless authorized by the vote of the Board of Directors, and approved by member in a member meeting, a quorum being present.

Section 3. All checks, drafts and other orders for the payment of money out of the funds of the Corporation must be signed by two (2) members of the Board of Directors. All notes and other evidences of indebtedness of the Corporation shall be signed on behalf of the Corporation and in such manner as shall from time to time be determined by resolution of the Board of Directors.

Section 4. All funds of the Corporation not otherwise employed shall be deposited from time to time to the credit of the Corporation in such banks or other depositories as the Board of Directors may select and for the purpose of such deposit, the President, a Vice-President, the Treasurer, the Secretary or any other officer or agent or employee of the Corporation to show such power may be delegated by the Board of Directors, may endorse, assign, and deliver checks, drafts and other orders for the payment of money which are payable to the order of the Corporation.

Article VIII

Miscellaneous Provisions

Section 1. Fiscal Year: The fiscal year of the Corporation shall end at midnight on December 31, of each calendar year.

Section 2. Seal: The seal of the Corporation shall be circular in form and shall have inscribed thereon the name of the Corporation.

Section 3. Notice and Waiver of Notice: Whenever any notice is required to be given under the provisions of these By-Laws, said notice shall be deemed to be sufficient if given by depositing the same in a post office box in a sealed, postpaid wrapper addressed other person entitles thereto at his post office address as it appears on the books of the Corporation, and such notice shall be deemed to have been given on the day of such mailing. A waiver of notice, whether before or after the time stated therein, shall be deemed equivalent to notice.

Section 4. Resignations: any director or officer may resign at any time. Such resignation shall be made and take effect at the time specified therein; or, if no time be specified, at time of its receipt by President or Secretary. The acceptance of the resignation shall not be necessary to make it effective, unless expressly so provided I the resignation.

Article IX

Amendments

These By-Laws may be supplemented, altered or amended by an affirmation vote of a majority of the members present or by proxy at either a general or special meeting of the members at which a quorum is present. Written notice shall be given to all members at least thirty (30) days prior to the meeting at which the proposed action is to occur.

Article X

Budgets

An approved balanced or positive budget, by 2/3 members of the Board of Directors, must be submitted to the members, by the first members meeting of the calendar year. If the budget is amended, it must be presented at the next members meeting.

Article XI

Indemnification of the Officers and Directors

Section 1. The Corporation shall indemnify any director, former Director, officer, former officer, committee member or former committee member of the Corporation against expenses, liabilities and cost (including reasonable attorney's fees) actually and necessarily incurred by him in connection with any claim asserted against him, by action in court of otherwise by reason of his being or having been a Director, officer or committee member, except in relation to matters as to which he shall have been adjudged guilty (by a court of competent jurisdiction) of gross negligence, bad faith, willful misfeasance or malfeasance, reckless disregard of his duties or misconduct in respect of the matter for which indemnity is sought.

Section 2. If the Corporation has not fully indemnified him, the Court in the proceeding in which any claim against any such Director, former Director, officer, former officer, committee member or former committee member on his claim of indemnity, may access indemnity against the Corporation, its receiver or trustee for the amount paid by any such Director, former Director, officer, former officer, committee member or former committee member in satisfaction of any judgment or compromise of any such claim (exclusive in either case of any amount paid to the Corporation), and any expenses and costs (including any reasonable attorney's fees) actually and necessarily incurred by him in connection therewith to the extent that the Court shall deem reasonable and equitable, provided, nevertheless, that indemnity may be assessed under this Article only if the Court finds that the person indemnified was not guilty of gross negligence, bad faith, willful misfeasance or malfeasance, reckless disregard of his duties or misconduct in respect of the matter for which indemnity is sought.

Section 3. The rights of the indemnification herein provided may be insured against by policies maintained by the Corporation, shall be severable, shall not affect any other rights to which any Director, officer or committee member may now or hereafter be entitled, shall continue as to a person who has ceased to be such Director, officer or committee member and shall inure to the benefit of the heirs, executors and administrators of such a person. Nothing contained herein shall affect any rights to indemnification to which Corporation personnel other than Directors, officers and committee member may be entitled by contract or otherwise under the law.

Section 4. This indemnification applies only if the Director, officer, former officer, committee member or former committee member abides by the By-Laws.

ATTESTATION

We, the undersigned Directors of the Corporation, do hereby certify that the foregoing By-Laws are the true and legal By-Law of

PARKGLEN CIVIC IMPROVEMENT ASSOCIATION, a Texas Corporation, and that same were adopted by a majority of the Board of Directors held on the 24th day of October, 2000.