

BYLAWS
OF
POLK COUNTY PINWAH PINES
SECTIONS 1, 2, AND 3 PROPERTY OWNERS ASSOCIATION

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ARTICLE I

Offices

Section 1. The principal office of the corporation shall be located in Polk County, Texas.

Section 2. The Association shall have and continuously maintain in the State of Texas, a registered office as required by the Texas Non-Profit Corporation Act. The address of the registered office may be changed from time to time by the Board of Directors.

ARTICLE II

Board of Directors

Section 1. The affairs of the Association shall be managed by its Board of Directors. Directors need not be residents of Polk County, but must be property owners in either Pinwah Pines Section 1, 2 and/or 3.

Section 2. The number of directors shall be three (3), who shall serve for three (3) years terms each, after the initial term of office of the initial directors has transpired. The number of directors may be increased or decreased (but not to less than three) from time to time by amendment to these Bylaws, but no decrease shall have the effect of shortening the term of any incumbent director. A director need not be a member or a resident of the State of Texas. The following are appointed as directors for the places and initial terms shown, with their terms ending as shown:

<u>Director Place</u>	<u>Person</u>	<u>Initial Term</u>	<u>Term Ending</u>
1	Donna West	1 year	Annual Meeting 2007
2	Kathleen Holton	2 years	Annual Meeting 2008
3	Chuck Hanebuth	3 years	Annual Meeting 2009

Section 3. At the second annual meeting (2007) of members and at each annual meeting thereafter, the members shall elect a director to fill the director's term that is ending at such annual meeting, such person to hold office for a period of three (3) years from such election. Each director shall hold office for the term for which he is elected and until his successor shall be elected and shall qualify.

Section 4. A regular annual meeting of the Board of Directors shall be held without other notice than this bylaw at the registered office of the Association, or such other location at which the annual meeting of members conduct their annual meeting. The Board of Directors may provide by resolution the time and place for the holding of additional regular meetings of the Board without other notice than such resolution.

Section 5. Special meetings of the Board of Directors may be called by or at the request of the President or any two directors. The person or persons authorized to call special meetings of the Board may fix the place and time for holding any special meetings of the Board called by them.

Section 6. Notice of any special meeting of the Board of Directors shall be given at least three days previously thereto by written notice delivered personally or sent by mail or telegram to each director at this address as shown by the records of the Association. Any director may waive notice of any meeting. The attendance of a director at any meeting shall constitute a waiver of notice of such meeting. Neither the business to be transacted at nor the purpose of any regular or

special meeting of the Board need be specified in the notice or waiver of notice of such meeting, unless specifically required by law or by these Bylaws.

Section 7. Quorum. A majority of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board; and if less than a majority of directors are present at said meeting, a majority of the directors present may adjourn the meeting from time to time without further notice.

Section 8. Manner of Acting. The act of a majority of directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, unless the act of a greater number is required by law or by these Bylaws.

Section 9. Removal. Any director may be removed by the members of the Association, by a majority vote, with or without cause, at a special meeting called for that purpose.

Section 10. In the event of death, resignation or removal of a director, or a vacancy due to an increase in the number of directors, his successor shall be selected by the remaining members of the Board of Directors, and shall serve for the unexpired term of his predecessor and until his successor is elected and qualified.

Section 11. Compensation. Directors shall not receive any salaries or compensation for their services.

Section 12. Any action required by law to be taken at a meeting of the directors, or any action which may be taken at a meeting of the directors, may be taken without a meeting if a consent in writing setting forth the action to be taken, shall be signed by all the directors.

ARTICLE III

Officers

Section 1. The officers of the Association shall be the President, one or more Vice-Presidents (the number thereof to be determined by the Board of Directors), a Secretary, a Treasurer, and such other officers as may be elected in accordance with the provisions of this Article.

Section 2. Election and Term of Office. The officers of the Association shall be elected annually by the Board of Directors at the regular annual meeting of the Board of Directors. If the election of the officers shall not be held at such meeting, such election shall be held as soon thereafter as conveniently may be. Each officer shall hold office until his successor shall have been duly elected and shall have qualified.

Section 3. Removal. Any officer elected or appointed by the Board of Directors may be removed by the Board of Directors whenever in their judgment the best interests of the Association would be served thereby.

Section 4. Vacancies. A vacancy in any office caused by death, resignation, removal, disqualification or otherwise, may be filled by the Board of Directors for the unexpired portion of the term.

Section 5. President. The President shall be the principal executive officer of the Association and shall in general, supervise and control all of the business and affairs of the Association. He shall preside at all meetings of the Board of Directors. He may sign, with the Secretary, or any other proper officer of the Association authorized by the Board of Directors, any deeds, mortgages, bonds, contracts, checks drawn against the Association, or other instruments which the Board of Directors has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors, or by these Bylaws, or by

statute to some other officer or agent of the Association; and in general he shall perform all duties incident to the office of President and such other duties as may be prescribed by the Board of Directors from time to time.

Section 6. Vice-President. In the absence of the President or in the event of his inability or refusal to act, the Vice- President shall perform the duties of the President, and when so acting, shall have all of the power of, and be subject to all the restrictions upon the President. Any Vice-President shall perform such other duties as from time to time may be assigned to him by the President or by the Board of Directors.

Section 7. If required by the Board of Directors, the Treasurer shall give a bond for the faithful discharge of his duties in such sum and with such surety or sureties as the Board of Directors shall determine. He shall have charge and custody of and be responsible for all funds and securities of the Association; receive and give receipts for monies due and payable to the Association from any source whatever, and deposit all such monies in the name of the Association in such bank, trust company or other depositories as shall be selected in accordance with the provisions of Article V of these Bylaws; and in general perform all the duties incident to the office of Treasurer, and such other duties as from time to time may be assigned to him by the President or the Board of Directors.

Section 8. Secretary. The Secretary shall keep the minutes of the meetings of the Board of Directors in one or more books provided for that purpose; see that all notices are duly given in accordance with the provisions of these Bylaws, or as required by law; be custodian of the corporate records and of the seal of the Association; and see that the seal of the Association is affixed to all documents, to execute such on behalf of the Association, under its seal, as duly authorized in accordance with the provisions of these Bylaws; keep a register of the post office address of each

director, which shall be furnished to the Secretary by such Director; and in general, perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him by the President or by the Board of Directors.

ARTICLE IV

Members

Section 1. The Association members will consist of property owners in Pinwah Pines Sections 1, 2, and/or 3, current in payment of their maintenance fees as required by the deed restrictions, and of any additional fees and/or dues as may be assessed by the Association from time to time.

Section 2. The Association may issue such certificate, or cards, or other instruments evidencing membership rights, voting rights or ownership rights, as shall be agreed upon by a majority vote of the Board of Directors.

Section 3. Meetings of members shall be held at the registered office of the Association, or at such other place, within or without the State of Texas, as may be stated in the notice of the meeting or in a duly executed waiver of notice thereof.

Section 4. An annual meeting of the members, for the purposes of electing directors, and transacting such other business as may properly be brought before the meeting, shall be held at 3:00 o'clock p.m. on the 2nd Saturday of October, 2006, and annually thereafter on the 2nd Saturday of October, unless written notice is given changing the date and time of the annual meeting.

Section 5. Failure to hold the annual meeting at the designated time shall not work a dissolution of the Association. In the event the Board of Directors fails to call the annual meeting at the designated time, any member may make demand that such meeting be held within a

reasonable time, such demand to be made in writing by registered or certified mail directed to any officer of the Association. The annual meeting shall thereafter be called within sixty (60) days following such demand.

Section 6. Special meetings of the members for any purpose or purposes may be called by the President, or any member of the Board of Directors. No other business other than that specified in the notice of the meeting shall be transacted at such special meeting.

Section 7. (a) Written or printed notice stating the place, day and hour of the meeting and, in cases of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than 10 nor more than 50 days before the date of the meeting, either personally or by mail, by or at the direction of the President, the Secretary, or the officer or person or persons calling the meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail addressed to the member at his address as it appears in the records of the Association, with postage thereon prepaid. ☆☆

(b) Notice may be waived in writing signed by the person or persons entitled to such notice. Such waiver may be executed at any time before or after the holding of such meeting. Attendance at a meeting shall constitute a waiver of notice, except where the person attends for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened.

Section 8. Ten percent (10%) of the members entitled to vote, represented in person or by proxy, shall constitute a quorum at a meeting of the shareholders. If a quorum shall not be present or represented at any meeting of the members, the members entitled to vote, represented in person or by proxy, shall have power to adjourn the meeting from time to time, without notice other than ☆☆

announcement at the meeting, until a quorum is present or represented. At such adjourned meeting at which a quorum is present or represented any business may be transacted which might have been transacted at the original meeting.

Section 9. For the purpose of determining members entitled to notice or to vote at any meeting of the members or any adjournment thereof, the record date shall be the date on which notice to the meeting is mailed.

Section 10. At a meeting at which a quorum is present, the vote of the majority of the members in person or represented by proxy shall decide any question brought before the meeting, unless the question is one upon which the vote of a greater number is required by law, the Articles of Incorporation, or these Bylaws. The members present or represented at a meeting at which a quorum is present may continue to transact business until adjournment, notwithstanding the withdrawal of enough shareholders to leave less than a quorum.

Section 11. A member may vote either in person or by proxy executed in writing by the member, setting forth such member's designation of his attorney and proxy to act in his behalf at any meeting designated therein. Each such proxy shall be filed with the secretary prior to or at the commencement of the meeting at which said proxy is to be used. No proxy shall be valid after eleven (11) months from the date of its execution unless otherwise provided in said proxy.

Section 12. Any action required by law to be taken at a meeting of the members of the Association, or any action which may be taken at a meeting of the members, may be taken without a meeting if consent in writing setting forth the action so taken shall be signed by all of the members entitled to vote with respect to the subject thereof. Such consent shall have the same force and effect as a unanimous vote of the members entitled to vote and may be stated as such in any articles or document filed with the Secretary of State.

ARTICLE V

Miscellaneous Provisions

Section 1. Books and Records. (1.01) The Association shall keep correct and complete books and records of account, and shall also keep minutes of the proceedings of its Board of Directors, and shall keep at the registered or principal office, a record giving the names and addresses of the members of the Association and of the Board of Directors of the Association.

(1.02) The Association's records shall be kept subject to Section 209.005 of the Texas Property Code, as may be amended from time to time, and as currently in effect at the time of the adoption of these Bylaws:

- (a) A property owners' association shall make the books and records of the association, including financial records, reasonably available to an owner in accordance with Section B, Article 2.23, Texas Non-Profit Corporation Act (Article 1396-2.23, Vernon's Texas Civil Statutes).
- (b) An attorney's files and records relating to the association, excluding invoices requested by an owner under Section 209.008(d), are not:
 - (1) records of the association;
 - (2) subject to inspection by the owner; or
 - (3) subject to production in a legal proceeding.

(1.03) The Association's records shall be kept subject to Section 22.351 of the Texas Business Organizations Act, and by Article 1396.-2.23 of the Texas Non-Profit Corporation Act, as may be amended from time to time, and as currently in effect at the time of the adoption of these

Bylaws:

- A. Each corporation shall keep correct and complete books and records of account and shall keep minutes of the proceedings of its members, board of directors, and committees having any authority of the board of directors and shall keep at its registered office or principal office in this State a record of the names and addresses of its members entitled to vote.
- B. A member of a corporation, on written demand stating the purpose of the demand, has the right to examine and copy, in person or by agent, accountant, or attorney, at any reasonable time, for any proper purpose, the books and records of the corporation relevant to that purpose, at the expense of the member.

Section 2. All checks, drafts, or orders for the payment of money, notice or other evidence of indebtedness, issued in the name of the Association shall be signed by the President and the Treasurer of the Association, unless otherwise directed by the Board of Directors.

Section 3. Deposits. All funds of the Association shall be deposited from time to time to the credit of the Association in such banks, trust companies, or other depositories as the Board of Directors may select.

Section 4. Gifts. The Board of Directors may accept on behalf of the Association, any contributions, gifts, bequests or devises for the general purpose or for any special purpose of the Association, and give written evidence of such contribution, gift, bequest, or devise to such donor.

Section 5. The fiscal year of the Association shall begin on the first day of July of each year and end on the last day of June in each year.

Section 6. The Board of Directors shall provide a corporate seal, which shall be in the form of a circle and shall have inscribed thereon the name of the Association and the words "Corporate

Seal" or a star.

Section 7. Whenever any notice is required to be given under the provisions of the Texas Non-Profit Corporation Act, or under the provisions of the Articles of Incorporation, or by these Bylaws, a waiver thereof in writing, signed by the person or persons entitled to such notice, either before or after the time stated therein, shall be deemed to be the giving of such notice.


Section 8. Indemnification. Indemnification will be provided by the corporation pursuant to Chapter 8 of the Texas Business Organizations code, as amended by the Legislature from time to time. A copy of Chapter 8, as of the date of these Bylaws, is attached hereto as Exhibit "B."

ARTICLE VI

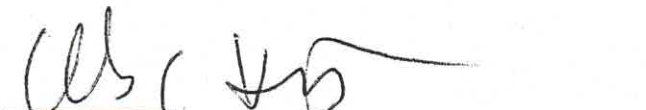
Amendment to Bylaws

Section 1. These Bylaws may be altered, amended, or repealed and new Bylaws may be adopted (a) by a majority of the Directors, present at any meeting or special meeting of the Directors, where a quorum is present, if at least ten (10) days written notice is given of the intent to alter, amend, repeal, or adopt at such meeting, and/or (b) by a majority of the members entitled to vote, present at any annual meeting or any special meeting called for that purpose, where a quorum is present, if at least ten (10) days written notice is given on the intent to alter, amend, or repeal, or adopt new Bylaws at such meeting.

These Bylaws are adopted by the Initial Board of Directors, at the organizational meeting of the Association on September 5, 2006.


DONNA WEST


KATHLEEN HOLTON


CHUCK HANEBUTH