

BYLAWS

of

BRAZOS COUNTRY OWNERS ASSOCIATION, INC.

A TEXAS NONPROFIT CORPORATION



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ARTICLE 1
OFFICES

Principal Office

1.01. The principal office of the Association shall be in Austin County, Texas, or its adjoining counties, and shall be established by the Board of Directors. The Association may have such other offices, either within or without the State of Texas, as the Board of Directors may determine or as the affairs of the Association may require from time to time.

Registered Office and Registered Agent

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

ARTICLE 11
MEMBERSHIP

Eligibility

2.01. The Members of the Association shall be the record Owner, whether one or more persons or entities, of a fee simple title to any Lot located in Brazos Country, Sections I,II, III, IV and Five, all Austin County, Texas subdivisions, according to the maps or plats thereof respectively recorded in Volume 1, Page 13: Volume 1, Page 25 and 26: Volume 1, Page 39 and 40: Volume 1, Page 55,56,57: Volume 1, Page 145 of the Map Record of Austin County, Texas (the "Property"), (as well as the record Owner of a fee simple title to any Lot in any other Austin County, Texas subdivision, or property brought within the jurisdiction of the Association), including a contract seller, but excluding those having such interest merely as security for the performance of an obligation. The rights of Members are subject to (a) the payment of charges, costs and Assessments (the "Assessments") provided by law or as set forth in the provisions of those certain instruments respectively filed of record under Austin County Clerk's File Numbers: 78-2902; 78-5624; 815252; 815942; and 861504 (hereinafter collectively referred to as the "Restrictions"), and as the same may be amended from time to time as therein provided, the Restrictions being incorporated herein as if set forth at length, which Restrictions run with and encumber the Property, and (b) compliance with the provisions of the Restrictions and the rules and regulations of the Board of Directors regarding the use of Common Area, if any and the conduct of Members, their families, their tenants, and the guests of any thereof. As provided in these Bylaws and the Restrictions, the voting and other membership rights of any Member may be suspended

by action of the Board of Directors during any period when such Member shall have failed to pay any Assessment then due and payable; but , upon payment of such Assessment, his rights and privileges shall be automatically restored. The Board of Directors shall from time to time adopt and publish rules and regulations governing the use of Common Area, if any, or the personal conduct of any person thereon; and the voting or other membership rights of any Member may be suspended by action of the Board of Directors for a period not to exceed sixty (60) days, if any Member, any member of his family, his tenants, or the guests of any thereof shall violate such rules and regulations.

Rights and Prerequisites of Membership

2.02. Each Member is entitled to the use and enjoyment of the Common Area, if any. Such rights may be delegated to and exercised by all Members of his family who reside upon the Property, any of his tenants who reside there under a lease for a term of one year or more, and the guests of any thereof. Each Member shall notify the Secretary of the Association in writing of the name and relationship of the Member of any person who shall be entitled to exercise such rights under this Section. The rights and privileges of such person are subjects to suspension by the Board of Directors in the same manner and for the same reasons as those of any Member under the preceding Section.

ARTICLE III MEETING OF MEMBERS

Annual Meeting

3.01. An annual meeting of the Members shall be held during November of each year, beginning with the year 1996 on a day and time set by the Board of Directors

of the Association for the purpose of electing Directors and for the transaction of other business as may properly come before the meeting.

Special Meeting

3.02. Special meetings of the Members may be called by the President, the Board of Directors, or not less than one-tenth (1/10) of the Members having voting rights.

Place of Meetings

3.03. The Board of Directors may designate any place, within Austin County, Texas, or its adjoining counties, as the place of meeting for any annual meeting or for any special meeting called by the Board of Directors.

Notice of Meetings

3.04. Written or printed notice, stating the place, day and hour of any meeting of Members shall be delivered, either personally or by mail, to each Member entitled to vote at such meeting, not less than twenty (20), nor more than fifty (50) days before the date of such meeting, by or at the direction of the President, or the Secretary, or the officer or person calling the meeting. In case of a special meeting or when required by statute or these bylaws, the purpose or purposes for which the meeting is called shall be stated in the notice. If mailed, the notice of a meeting shall be deemed to be delivered when deposited in the United States mail, addressed to the Member at his address as it appears on the records of the Association, with postage thereon prepaid.

Informal Action by Members

3.05. Any action required by law to be taken at a meeting of the Members or any action which may be taken at a meeting of the Members may be taken without a meeting, if a 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 matter thereof.

Quorum

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

Proxies

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

ARTICLE IV BOARD OF DIRECTORS

Powers

- 4.01. The Board of Directors shall have the power to:
- (a) enforce the terms of the Restrictions;
 - (b) acquire (by gift, purchase or otherwise), 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 the corporation;
 - (c) borrow money, and with the mortgage, pledge, deed in trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred;

- (d) participate in mergers and consolidations with other nonprofit corporations organized for the same purposes;
- (e) have and to exercise any and all powers, rights and privileges which a corporation organized under the Texas Non-Profit Corporation Act by law may now or hereafter have or exercise; and
- (f) remove a director who misses three (3) consecutive regular Board meetings.

Duties

4.02. It shall be the duty of the Board of Directors to:

- (a) cause to be kept a complete record of all its acts and corporate affairs and shall be made available to all Members;
- (b) supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;
- (c) as more fully provided in the Restrictions, to:
 - (1) fix the amount of the Annual Assessment against each Lot at least thirty (30) days in advance of each Annual Assessment period;
 - (2) send written notice of each Annual Assessment to each Owner subject thereto at least thirty (30) days in advance of each Annual Assessment period; and
 - (3) foreclose the lien against any property for which Assessments are not paid or to bring action at law against Owner

personally obligated to pay the same.

(d) issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any Assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an Assessment has been paid, such certificate shall be conclusive evidence of such payment;

(e) procure and maintain adequate liability and hazard insurance on property owned by the Association;

(f) cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;

(g) cause the Common Area to be maintained.

Number, Tenure and Qualifications

4.03. The Board of Directors shall consist of five (5) directors, who must be Owners, in good standing, of Lots in the Association, and who shall be elected by the Members in accordance with these Bylaws. At the annual meeting of the Members, to be held in November 1997, two (2) directors shall be elected for a term of one (1) year; two (2) directors shall be elected for a term of two (2) years; and one (1) director shall be elected for a term of three (3) years. At each annual meeting thereafter, Directors shall be elected to fill each expiring term for a term of three (3) years.

Regular Meeting

4.04. A regular annual meeting of the Board of Directors shall be held without other notice than this Section, immediately after, and at the same place as the annual meeting of Members. The Board of Directors may provide by resolution the time and

place, within Austin County, Texas, or its adjoining counties, for the holding of additional regular meetings of the Board without other notice than such resolution.

Special Meetings

4.05. Special Meetings of the Board of Directors may be called by or at the request of the President or a majority of the Directors. The person or persons authorized to call special meetings of the Board may fix any place in Austin County, Texas, or its adjoining counties, as the place for holding any special meetings of the Board called by them.

Notice

4.06. Notice of any special meeting of the Board of Directors shall be given at least two (2) days previous thereto by written notice delivered personally or sent by mail, fax or telegram to each Director at this address shown by the records of the corporation. 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, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted, nor the purpose of any regular or special meeting of the Board, need to be specified in the notice or waiver of notice of such meeting, unless specifically required by law or by these bylaws.

Quorum

4.07. A majority of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board; but if less than a majority of the

Directors are present at said meeting, a majority of the Directors present may adjourn the meeting from time to time without further notice.

Manner of Acting

4.08. The act of a majority of the 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 the law or these bylaws. Directors may vote at meetings in person or by proxy executed in writing by the Director. No proxy shall be valid after three (3) months from the date of its execution.

Removal

4.09. Any Director may be removed from office by a majority vote of each class of Members of the Association at a meeting of the Members duly called for that purpose, or by the Board as provided in Section 4.01(f) of these Bylaws.

Vacancies

4.10. Any vacancy occurring on the Board of Directors shall be filled by appointment of a Member by the Board of Directors. A director so appointed shall remain in office, until the next annual meeting. At the next annual meeting, an election will be held to select a person to fill out the remaining portion of the term where the vacancy occurred.

Compensation

4.11. Directors as such shall not receive any stated salaries for their services.

Informal Action by Directors

4.12. Any action required by law to be taken at a meeting of Directors, or any action which may be taken at a meeting of Directors, may be taken without a meeting if

a consent in writing setting forth the action so taken shall be signed by all of the Directors or as provided in Article Ten of the Articles of Incorporation.

ARTICLE V OFFICERS

Officers

5.01. The officers of the Association shall be a 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 determined necessary by the Board of Directors. Any two (2) or more offices may be held by the same person, except the offices of President and Secretary.

Election and Term of Office

5.02. The officers of the Association shall be elected annually by the Board of Directors at the first meeting of the Board of Directors after the annual meeting of the Members. Each officer shall hold office until his successor shall have been duly elected and shall have qualified.

Resignation and Removal

5.03. Any officer may be removed from office with cause by the Board. Any officer may resign at any time giving written notice to the Board, the President or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified necessary to make it effective.

Vacancies

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

President

5.05. 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 Members and 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, 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, 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. The President shall be an ex-officio member of all committees.

Vice President

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

Treasurer

5.07 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 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 whatsoever, and deposit all such monies in the name of the Association in such banks, trust companies, or other depositories as shall be selected in accordance with the provisions of Article VII 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 by the Board of Directors.

Secretary

5.08. The Secretary shall keep the minutes of the meetings of the Members and of the Board of Directors in one or more books provided for that purpose; give all notices 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 affix the seal of the Association to all documents, the execution of which on behalf of the Association under its seal is duly authorized in accordance with the provisions of these Bylaws; keep a register of the address of each Member which shall be furnished to the Secretary by each Member; 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.

Assistant Treasurers and Assistant Secretaries

5.09. If required by the Board of Directors, the Assistant Treasurers shall give bonds for the faithful discharge of their duties in such sums and with such sureties as the Board of Directors shall determine. The Assistant Treasurers and Assistant Secretaries in

general shall perform such duties as shall be assigned to them by the Treasurer or the Secretary or by the President or the Board of Directors.

ARTICLE VI COMMITTEES

Committees of Directors

6.01. The Board of Directors, by resolution adopted by a majority of the Directors in office, may designate and appoint one or more committees, each of which shall consist of two or more Directors, which committees, to the extent provided in said resolution, shall have and exercise the authority of the Board of Directors in the management of the Association. No such committee, however, shall have the authority of the Board of Directors to adopt a plan of merger or adopt a plan of consolidation with another corporation; to authorize the sale, lease exchange, or mortgage of all or substantially all of the Property and assets of the Association; to authorize the voluntary dissolution of the Association or removing proceedings therefor; to adopt a plan of the distribution of the assets of the Association; or to amend, alter or repeal any resolution of the Board of Directors which by its terms provides that it shall not be amended, altered, or repealed by such committee. The designation and appointment of any such committee and the delegation thereto of authority shall not operate to relieve the Board of Directors, or any individual Director, of any responsibility imposed on it or him by law.

Other Committees

6.02. Other committees not having and exercising the authority of the Board of Directors in the management of the Association may be designated by a resolution

adopted by the majority of the Directors present at a meeting at which a quorum is present. The President of the Association shall appoint the members thereof. Any member thereof may be removed by the person or persons authorized to appoint such member whenever in their judgment the best interests of the Association shall be served by such removal.

Term of Office

6.03. Each member of a committee(Director's or Other) shall continue as such until:

1. the next annual meeting of the Members of the Association
2. or, until his/her successor is appointed,
3. or, the committee itself is terminated,
4. or, the member resigns
5. or, the member is removed from office .

Chairman

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

Vacancies

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

Quorum

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

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 Directors that must be consistent with the Declaration of Restrictions for each Section within Brazos Country.

ARTICLE VII CONTRACTS, CHECKS, DEPOSITS, AND FUNDS

Contracts

7.01. The Board of Directors may authorize any Officer or Officers, agent or agents of the Association, 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 Association. 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 Association shall be signed by not less than two(2) Board Members, one of which must be an Officer/Treasurer of the Association.

Deposits

7.03. All funds of the Association shall be deposited from time to time to the credit of the Association in such banks, trusts, companies, or other depositories as the Board of Directors may select in Austin County.

Gifts

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

of the Association.

**ARTICLE VIII
BOOKS AND RECORDS**

8.01. The Association shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its Members, Board of Directors, and committees having any of the authority of the Board of Directors, and shall keep at the registered or principal office a record giving the names and addresses of the Members entitled to vote. All books and records of the Association may be inspected by a Member or his agent or attorney as provided in the Texas Non-Profit Corporation Act.

**ARTICLE IX
FISCAL YEAR**

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

**ARTICLE X
ASSESSMENTS AND DUES**

Annual and Special Assessments

10.01. As more fully provided in the Restrictions, each Member is obligated to pay to the Association Annual and Special 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 after the due date, the Assessment shall bear interest from the date of delinquency at the rate of nine and one-half percent (9 1/2 %) per annum, and the Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the Property, and interest, costs, and reasonable

attorney's fees of any such action shall be added to the amount of such Assessment as more fully provided for in the Restrictions. No Owner may waive or otherwise escape liability for the Assessment provided by non-use of the Common Area, if any, or abandonment of his Lot.

ARTICLE XI SEAL

11.01. 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, "Brazos Country Owners Association, Inc."

ARTICLE XII WAIVER OF NOTICE

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

ARTICLE XIII AMENDMENTS TO BYLAWS

13.01. These Bylaws may be altered, amended, or repealed and new Bylaws may be adopted by either of the following procedures:

(a) The Members at any annual, regular or special meeting shall have the power to enact, repeal and amend the Bylaws; provided however, any proposed change in the Bylaws has been previously brought before a preceding meeting, discussed and tabled until a future meeting for voting after proper written notice of any proposed Bylaw

changes has been sent out to the general membership thirty (30) days in advance of the upcoming meeting. Any change in the Bylaws shall require a two-thirds majority vote of all Members present (including proxies) and voting shall be done by secret ballot, or

(b) The Board of Directors of the Association at any annual, regular or special meeting shall have the power to enact, repeal and amend the Bylaws; provided however, any proposed change in the Bylaws has been previously brought before a preceding meeting, discussed and tabled until a future meeting. Any change in the Bylaws shall require a simple majority vote of the Board of Directors.

13.02. Notwithstanding the above, any change in the Bylaws adopted by procedure 13.01a. cannot be repealed or amended by the Board of Directors until twenty-four (24) months after such change was enacted.

ARTICLE XIV CONFLICT WITH RESTRICTIONS

14.01. The terms used in the Bylaws shall have the same definitions as the terms used in the Restrictions. Provided, however, in the event anything contained in these Bylaws shall be determined to be in conflict with the provisions of the Restrictions, then the Restrictions shall be controlling as to the actions of the Association, its Board of Directors and Members.

8/27/98
DATE

8/27/98
DATE

8/27/98
DATE

8/27/98
DATE

8-27-98
DATE

William J. Henry
SIGNATURE OF DIRECTOR

John Stewart
SIGNATURE OF DIRECTOR

William J. Henry
SIGNATURE OF DIRECTOR

Bob G. Wasson
SIGNATURE OF DIRECTOR

William Roberts
SIGNATURE OF DIRECTOR

CERTIFICATION

I, the undersigned, do hereby certify that I am the duly elected and acting-secretary of the Brazos Country Owners Association, Inc., a Texas Non-Profit Corporation, and that the foregoing Bylaws constitute the amended Bylaws of said Association, as duly adopted by the Board of Directors thereof on the 27th day of AUGUST, 1998.

John Stewart
Secretary/BCOA Board of Director

