

**AMENDED AND RESTATED BYLAWS
OF THE
VALLEY LODGE PROPERTY OWNERS ASSOCIATION, INC.**

**ARTICLE I
OFFICES**

1.01 Principal Office. The principal office of the Association in the State of Texas shall be located in the City of Simonton, County of Fort Bend. 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.

1.02 Registered Office and Registered Agent. 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 Nonprofit 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 II
MEMBERS**

2.01 Classes of Members. The Association shall have one (1) class of members, and the qualifications and rights of the members of such class shall be as follows:

- (a) The Members of the Association shall be the owners of the lots located in Section 1, Section 2, and Section 3 of Brazos Valley, a subdivision located in Fort Bend County, Texas ("Brazos Valley").
- (b) The owner of each lot within Brazos Valley shall have one (1) vote. In the case of joint ownership of any lot, any one (1) of such joint owners may cast such vote, but in the event of a dual or plural vote being received on any one (1) lot, then such lot or vote shall be disregarded.

2.02 Majority Action. All action or votes by the Members shall be by a majority of the votes actually cast, and not on the basis of a majority of all Members or lots in Brazos Valley unless otherwise required by the Articles of Incorporation or by the laws of the State of Texas.

2.03 Transfer of Membership. Membership in this Association is determined on the basis of ownership of lots in Brazos Valley and is automatically transferred upon the transfer of the lot.

ARTICLE III MEETINGS OF MEMBERS

3.01 Annual Meeting. An annual meeting of the Members shall be held once per year within ninety (90) days of the end of the fiscal year beginning in the year 2007. Unless otherwise determined by the Board of Directors, the annual meeting shall be held on the fourth Sunday of February of each year at the hour of 4:00 p.m. for the purpose of electing Directors and for the transaction of other business as may come before the meeting. If the election of Directors shall not be held on the day designated herein for any annual meeting, or at any adjournment thereof, the Board of Directors shall cause the election to be held at a special meeting of the members as soon thereafter as possible.

3.02 Special Meetings. A special meeting of the members may be called by the President, a majority of the Board of Directors, or by written petition from not less than ten percent (10%) of the members having voting rights. For any special meeting called by petition of the members, the Board of Directors must set a date and time within sixty (60) days of receipt of said petition if no date and time is specified in the petition.

3.03 Place of Meetings. The Board of Directors may designate any place, within the State of Texas, as the place of meeting for any annual meeting or for any special meeting. If no designation is made, the place of meeting shall be the city hall of the City of Simonton.

3.04 Notice of Meetings. Written or printed notice stating the date, time and place 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 ten (10) 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 officers or persons 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. Provided, however, the Board of Directors may, by unanimous vote, waive the requirement that notice of an annual meeting be sent if such meeting is held on the date, time and in the place specified in 3.01 and 3.03 above.

3.05 Informal Action by Members. Any action required by these Bylaws 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.

3.06 Quorum. The presence, in person, by proxy or by absentee ballot, of Members entitles to cast at least one percent (1%) 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.

3.07 Proxies. 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 representative. No proxy shall be valid after eleven (11) months from the date of its execution, unless otherwise provided in the proxy.

3.08 Absentee Voting. At any meeting of Members, a Member entitled to vote may cast an absentee ballot in a form approved by the Board of Directors including, but not limited to, mail, facsimile, electronic mail and on-line voting. The ballot may only be used for issues specifically listed on the ballot and marked by the member. The Board of Directors may set a deadline for receipt of absentee ballots that is prior to the date of the meeting.

ARTICLE IV BOARD OF DIRECTORS

4.01 General Powers. The affairs of the Association shall be managed by its Board of Directors.

4.02 Number and Tenure. The Board of Directors shall be comprised of seven (7) members. Members shall serve on staggered two (2) years terms with three (3) Director positions being elected in odd numbered years and four (4) Directors positions being elected in even numbered years. Each Director shall hold office until his successor shall have been elected and qualified.

4.03 Qualifications. To serve on the Board of Directors, a person must be an adult at least 18 years in age and be a Member of the association.

4.04 Regular Meetings. Regular meetings of the Board of Directors shall be held at least four (4) times per year at a date, time and place as determined by the Board of Directors.

4.05 Special Meetings. Special meetings of the Board of Directors may be called by the President or any two (2) Directors. The person or persons authorized to call special meetings of the Board may fix any date, time and place within the City of Simonton, State of Texas for holding any special meetings of the Board called by them.

4.06 Notice. No specific form of notice is required to call a meeting the Board of Directors other than the confirmation of the President of the Association, or the Directors calling the meeting that all Directors have been notified either in person, by mail, by facsimile, by electronic mail, or by telephone, at least twenty-four (24) hours prior to the time and date of the meeting. No notice is required as to the items on the agenda and any business of the Association may be transacted at any meeting.

4.07 Quorum. A majority of the non-vacant Board of Directors positions shall constitute a quorum for the transaction of business at any meeting of the Board. If at any time during the meeting, one of more Board members leave the meeting and the total present is less than a quorum, no further business requiring a vote of the Board may be transacted. 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.

4.08 Open Meetings and Executive Sessions. (a) Subject to the provisions of 4.08(b), all Board meetings shall be open to attendance by all Members or their representatives, but only Directors may participate in any discussion or deliberation unless a Director requests that attendees be granted permission to speak. In such case, the presiding officer may limit the time any individual may speak. The Board shall not be required to make agendas available to Members in advance of meetings.

(b) Notwithstanding the above, the presiding officer may adjourn any Board meeting and reconvene in executive session, and may restrict attendance to Directors and such other persons as the Board may specifically invite, to discuss matters of a sensitive nature, such as pending of threatened litigation, personnel matters, and such other matters as the Texas Nonprofit Corporation Act may specifically authorize.

4.09 Manner of Acting. 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 law or by these Bylaws.

4.10 Informal Action by Directors. Any action required by these Bylaws 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, including electronic mail or facsimile, setting forth the action so taken shall be approved by all of the Directors.

4.11 Compensation. Directors shall not receive any salaries or other compensation for their services as a Board member, but by resolution of the Board of Directors, a fixed sum and expenses of attendance, if any, may be allowed for attendance at each regular or special meeting of the Board; but nothing herein contained shall be construed to preclude any Director from serving the Association in any other capacity and receiving compensation therefor. Directors may be reimbursed for expenditures or expenses made on behalf of the Association,

4.12 Conflicts of Interest. Unless otherwise approved by a majority of the other Directors, no Director may transact business with the Association during his or her term as a Director or within two (2) years after the term expires. A Director shall promptly disclose to the Board any actual or potential conflict of interest affecting the Director relative to his or her performance as a Director.

4.13 Removal. Any Director may be removed, with or without cause, by the vote of a majority of the Members of the Association at a special meeting of the Members called for that purpose. In addition, at any meeting of the Board of Directors where a quorum is present, a majority of the Directors may remove any Director who has had three (3) consecutive unexcused absences from called Board meetings prior to the meeting at which the vote is taken.

4.14 Vacancies. Any vacancy occurring in the Board of Directors shall be filled by appointment by the remaining Board members. A person appointed to fill a vacancy shall serve for the unexpired term of his predecessor in office.

ARTICLE V OFFICERS

5.01 The officers of the corporation 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 elected in accordance with the provisions of this Article. The Board of Directors may appoint such other officers, including one or more Assistant Secretaries and one or more Assistant Treasurers, as it shall deem desirable, such officers to have the authority and perform the duties prescribed, from time to time, by the Board of Directors. Any two or more offices may be held by the same person, except the offices of President and Secretary.

5.02 Appointment and Term of Office. The officers of the Association shall be appointed annually by the Board of Directors at the first Board meeting following the annual meeting of the Members. If the appointment of officers shall not be held at such meeting, such appointment shall be held as soon thereafter as may be possible. New offices may be created and filled at any meeting of the Board of Directors. Each officer shall hold office until his successor shall have been duly appointed.

5.03 Removal. Any officer 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, but such removal shall be without prejudice to the contract rights, if any, of the officer so removed.

5.04 Vacancies. 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.

5.05 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 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 have 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.

5.06 Vice President. 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 upon the President. Any Vice President shall perform such other duties as from time to time may be assigned by him by the president or the Board of Directors.

5.07 Treasurer. 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 moneys due and payable to the Association from any source whatsoever, and deposit all such moneys in the name of the Association in such banks, trust companies, or other depositories as shall be selected in accordance with 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.

5.08 Secretary. 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 post office 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.

5.09 Assistant Treasurers and Assistant Secretaries. 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 Secretary or by the President or the Board of Directors.

ARTICLE VI COMMITTEES

6.01 Committees of Directors. 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. However, no such committee shall have the authority of the Board of Directors in reference to amending, altering, or repealing the Bylaws; electing, appointing, or removing any member of any such committee or any Director or officer of the Association; amending the Articles of Incorporation; adopting a plan of merger or adopting a plan of consolidation with another corporation; authorizing the sale, lease, exchange, or mortgage of all or substantially all of the property and assets of the Association; authorizing the voluntary dissolution of the Association or revoking proceedings therefor; adopting a plan for the distribution of the assets of the Association; or amending, altering, or repealing 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.

6.02 Other Committees. 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 a majority of the Directors present at a meeting at which a quorum is present. Except as otherwise provided in such resolution, members of each such committee shall be Members of the Association and the President of the Association shall appoint the members thereof. Any members 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.

6.03 Term of Office. Each member of a committee shall continue as such until the next annual meeting of the members of the Association and until his successor is appointed, unless the committee shall be sooner terminated, or unless such member be removed from such committee, or unless such member shall cease to qualify as a member thereof.

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

6.05 Vacancies. 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.

6.06 Quorum. 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 the act of the committee.

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

ARTICLE VII CONTRACTS, CHECKS, DEPOSITS AND FUNDS

7.01 Contracts. 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.

7.02 Checks and Drafts. 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 such officer or officers, agent or agents of the Association and in such manner as shall from time to time be determined by resolution of the Board of Directors. In the absence of such determination by the Board of Directors, such instruments shall be signed by the Treasurer or an Assistant Treasurer and countersigned by the President or a Vice President of the Association.

7.03 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.

7.04 Donations. The Board of Directors may accept on behalf of the Association any contribution, gift, bequest, or devise for the general benefit of the Members 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 any Member or his agent or attorney for any proper purpose at any reasonable time in compliance with applicable law.

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

10.01 Annual Assessments. The Board of Directors may determine from time to time the amount of the annual assessments payable to the Association by Members of the Association.

10.02 Payment of Assessments. Assessments shall be payable in advance on the first day of the year in each fiscal year. Assessments of a new Member shall be prorated from the first day ownership for the remainder of the fiscal year of the Association.

10.03 Default in Payment. When any Member is in default in the payment of assessments or other fees for a period of twelve (12) months, certain membership rights shall thereupon be suspended until all assessments and fees are brought current. The Board of Directors may, on a case-by-case basis, restore membership rights to a Member making routine payments against a default under an approved payment plan. As allowed by applicable law, any Member whose rights have been suspended may not vote at any Members meeting or on any Members issues. As allowed by applicable law, any Member whose rights have been suspended may not utilize any of the common areas of the Association.

**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 and words “Corporate Seal of Valley Lodge Property Owners Association, Inc.” Provided, however, the Board may dispense with the necessity of such seal.

**ARTICLE XII
WAIVER OF NOTICE**

12.01 Whenever any notice is required to be given under the provisions of the Texas Nonprofit Corporation 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 notice, 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 Any portion of these Bylaws may be altered, amended, or repealed and new Bylaws, in part or in whole, may be adopted by a majority of the Directors present at any regular meeting or at any special meeting, if at least two (2) days written notice is given of an intention to alter, amend, or repeal all or any portion these Bylaws or to adopt new Bylaws at such meeting.

**ARTICLE XIV
LIABILITY AND INDEMNIFICATION**

14.01 Liability. The Association’s officers, directors and committee members shall not be liable for any mistake of judgment, negligent or otherwise, or for any action taken or omitted in such capacities, except for their own individual willful misfeasance, malfeasance, misconduct or bad faith. The officers and directors shall have no personal liability with respect to any contract or other commitment made or action taken in good faith on the Association’s behalf (except to the extent that such officers or directors are also Members).

14.02 Indemnification. Subject to the limitations of Texas law, the Association shall indemnify every present and former officer, director and committee member against all damages and expenses, including attorney fees and expenses, reasonably incurred in connection with any action, suit or other proceeding (including settlement of any suit or proceeding, if approved by the then Board) to which he or she may be party by reason of being or having been an officer, director or committee member, except that the Association shall have no obligation to indemnify any individual against liability or expenses incurred in connection with a proceeding:

- (a) brought by or in the right of the Association, although it may reimburse the individual for reasonable expenses in connection with the proceeding if it is determined by the court or in the manner provided above that the individual met the relevant standard of conduct under Texas law; or
- (b) to the extent that the individual is adjudged liable for conduct that constitutes:
 - (i) appropriation , in violation of his or her duties, of any business opportunity of the Association; or
 - (ii) intentional misconduct or knowing violation of the law; or
 - (iii) an unlawful distribution to members, directors or officers; or
 - (iv) receipt of an improper personal benefit.

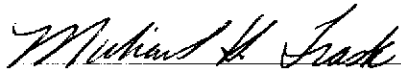
This right to indemnification shall not be exclusive of any other rights to which any present or former officer, director or committee member may be entitled. The Association shall, as a common expense, maintain adequate general liability and directors and officer liability insurance to fund this obligation, if such insurance is reasonably available.

14.03 The agreement to indemnify herein shall be made as specified above, provided, however, in the event a quorum cannot be obtained, then by:

- (a) A majority vote of the committee of the Board of Directors designated to act in the matter by a majority vote of all Directors, consisting solely of two or more Directors at the time of the vote were not named defendants or respondents in the proceedings; or
- (b) By special legal counsel selected by the Board of Directors or a committee by the Board by a vote of a majority of a quorum consisting of directors who at the time of the vote are not named defendants or respondents in the proceeding; or if such quorum cannot be obtained and such committee cannot be established by a majority vote of all Directors; or by the members of the Association in a vote that excludes the votes of the Directors who are named defendants or respondents in the proceedings.

14.04 Such indemnification shall, when extended, be to the full extent provided pursuant to the laws and the statutes of the State of Texas.

Adopted by a majority vote on this 4th day of January, 2006 at a duly called meeting of the Board of Directors at which a quorum was present.


Secretary
Valley Lodge Property Owners Association, Inc.