

BY-LAWS OF
TOWNHOUSE MANOR FUND, INC.

ARTICLE I.

Offices and Agent

The principal office of the corporation in the State of Texas shall be located in the County of Harris. The registered office of the corporation required by the Texas Non-Profit Corporation Act to be maintained in the State of Texas may be, but need not be, identical with the principal office in the State of Texas, and the address of the registered office may be changed from time to time by the Board of Trustees. The registered agent of the corporation may be changed from time to time by the Board of Trustees. The address of the initial registered office of the corporation shall be 4070 Breakwood, Houston, Texas, and the name of the initial registered agent of the corporation at such address shall be D. M. Nichols, Jr.

ARTICLE II.

Members

SECTION 1. After January 1, 1969, the members of this corporation shall be the owners of the lots in the applicable subdivisions as defined in the Articles of Incorporation.

SECTION 2. Annual Meeting. The annual meeting of the membership shall be held on the fourth Thursday of January in each year at the hour of 7:00 p.m. for the purpose of electing Trustees and for the transaction of such other business as may come before the meeting. If the day fixed for the annual meeting shall be a legal holiday in the State of Texas, such meeting shall be held on the next succeeding business day. If the election of Trustees shall not be held on the day designated herein for any annual meeting of the membership or at any adjournment thereof, the Board of Trustees shall cause the election to be held at a special meeting of the members as soon thereafter as convenient.

SECTION 3. Special Meetings. Special meetings of the membership for any purpose or purposes, unless otherwise prescribed by statute, may be called by the President or by the Board of Trustees, and shall be called by the President at the request of ten (10%) per cent of all of the members of the corporation entitled to vote at the meeting.

SECTION 4. Place of Meeting. The Board of Trustees may designate any place within Houston, Texas, as the place of meeting for any annual meeting or for any special meeting called by the Board of Trustees. If no designation is made or if a special meeting be otherwise called, the place

of meeting shall be the registered office of the corporation in the State of Texas.

SECTION 5. Notice of Meeting. Written or printed notice stating the place, day and hour of the meeting, and in the case of special meetings the purpose or purposes for which the meeting is called, shall be delivered not less than fifteen (15) nor more than fifty (50) days before the date of the meeting either personally or by mail by or at the direction of the President or the Secretary or the officer or persons calling the meeting to each member entitled to vote at such 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 on the membership roll of the corporation, with postage thereon prepaid. Attendance by a member, whether in person or by proxy, at a membership meeting shall constitute a waiver of notice of such meeting of which he has had no notice.

SECTION 6. Date for Determining Members. For the purpose of determining members entitled to notice of or to vote at any meeting of the membership or any adjournment thereof, or in order to make a determination of members for any other proper purpose, the Board of Trustees of the corporation shall by resolution fix in advance a date as the record date for any such determination of members, such date in any case to be not more than fifty (50) days, and in case of a meeting of the membership, not less than fifteen (15) days prior to the date on which the particular action requiring such determination of the members is to be taken. When a determination of members entitled to vote at any meeting of members has been made as provided in this section, such determination shall apply to any adjournment.

SECTION 7. Membership Roll. The Secretary of the corporation shall make at least fifteen (15) days before each meeting of members a complete list of the members entitled to vote at such meeting or any adjournment thereof arranged in alphabetical order, which list for a period of ten (10) days prior to such meeting shall be kept on file at the registered office of the corporation and shall be subject to inspection by any member at any time during usual business hours. Such list shall also be produced and opened at the time and place of the meeting and shall be subject to the inspection by any member during the whole time of the meeting.

SECTION 8. Quorum. At least twenty (20%) per cent of the members of the corporation entitled to vote represented in person or by proxy shall constitute a quorum at a meeting of the members. If less than twenty (20%) per cent of the members are represented at a meeting, a majority of the members present may adjourn the meeting from time to time without further notice. At such adjourned meeting at which a quorum shall be present or represented, any business may be transacted which might have been transacted as originally notified. The members present at a duly organized meeting may continue to transact business until adjournment, notwithstanding the withdrawal of enough members to leave less than a quorum.

SECTION 9. Proxies. At all meetings of members, a member may vote by proxy executed in writing by the member or by his duly authorized attorney in fact. Such proxy shall be filed with the Secretary of the corporation before or at the time of the meeting. No proxy shall be valid after eleven (11) months from the date of its execution.

SECTION 10. Voting. Each lot in an applicable subdivision (as defined in the Articles of

Incorporation) shall be entitled to one (1) vote; and the owner or owners of such lot shall cast such vote as a unit. The full vote of any lot standing in the name of a man and his wife may be cast by either of them in person or by a proxy duly signed by both of them. The full vote of any lot standing in the name of another corporation may be voted by such officer, agent or proxy as the by-laws of such other corporation may prescribe. The vote of any lot standing in the name of an administrator, executor or guardian may be voted by such administrator, executor or guardian so long as such lot is in his possession and forms a part of the estate being served by him, either in person or by proxy.

ARTICLE III.

Board of Trustees

SECTION 1. General Power. The business and affairs of the corporation shall be managed by its Board of Trustees.

SECTION 2. Number. Tenure and Qualifications. Until January 1, 1969, the Trustees of the corporation shall be those named in the Articles of Incorporation. Thereafter, the Board of Trustees shall be composed of five (5) Trustees who shall be the residential owner-occupants of a lot in Townhouse Manor; and each such Trustee shall at be elected at an annual meeting of the members or at a special meeting of the members called for such purpose and shall hold office until the next annual meeting of the members. All Trustees shall hold office until their successors have been duly elected and qualified.

SECTION 3. Regular Meetings. A regular meeting of the Board of Trustees shall be held without other notice than this by-law immediately after, and at the same place as, the annual meeting of members. The Board of Trustees may provide by resolution the time and place within Houston, Texas, for the holding of additional regular meetings without other notice than such resolution.

SECTION 4. Special Meetings. Special meetings of the Board of Trustees may be called by or at the request of the President or any three (3) Trustees. The person or persons authorized to call special meetings of the Board of Trustees may fix any place within the City of Houston, Texas, as the place for holding any special meeting of the Board of Trustees called by them.

SECTION 5. Notice. Notice of any special meeting shall be given at least two (2) days prior thereto by a written notice delivered personally or mailed to each Trustee at his home address. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, so addressed, with postage thereon prepaid. Any Trustee may waive notice of any meeting. The attendance of a Trustee at a meeting shall constitute a waiver of notice of such meeting, except where a Trustee 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 at nor the purpose of, any regular or special meeting of the Board of Trustees need be

specified in the notice or waiver of notice of such meeting.

SECTION 6. Quorum. A majority of the number of Trustees fixed by Section 2 of this Article III shall constitute a quorum for the transaction of business at any meeting of the Board of Trustees. The act of a majority of the Trustees present at a meeting at which a quorum is present shall be the act of the Board of Trustees.

SECTION 7. Vacancies. Any vacancy occurring in the Board of Trustees may be filled by the affirmative vote of a majority of the remaining Trustees, though less than a quorum of the Board of Trustees. A Trustee elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office. A vacancy shall be deemed to exist by reason of the death, resignation, failure or refusal to act by the person elected.

SECTION 8. Removal. The entire Board of Trustees or any individual Trustee may be removed from office without assigning any cause by the vote of a majority of all members of the corporation. In case the entire Board or any one or more of the Trustees are so removed, new Trustees may be elected at the same meeting for the unexpired term of the Trustee or Trustees so removed.

ARTICLE IV.

Officers

SECTION 1. The officers of the corporation shall be a President, a Vice-President, a Secretary, and a Treasurer, each of whom shall be elected by the Board of Trustees. Such other officers and assistant officers as may be deemed necessary may be elected or appointed by the Board of Trustees. Any two or more offices may be held by the same person, except the offices of President and Secretary.

SECTION 2. Election and Term of Office. The initial officers of the corporation shall be elected by the Board of Trustees at the first meeting of the Board of Trustees; and thereafter, the officers of the corporation shall be elected by the Board of Trustees annually, at each meeting of the Board of Trustees held after each annual meeting of the members. If the election of officers shall not be held at any such meeting, such election shall be held as soon thereafter as conveniently may be. Each officer shall hold office until his successors shall have been duly elected and shall have qualified or until his death or until he shall resign or shall have been removed in the manner hereinafter provided.

SECTION 3. Removal. Any officer or agent elected or appointed by the Board of Trustees may be removed by the Board of Trustees whenever in its judgment the best interests of the corporation would be served thereby.

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

SECTION 5. President. The President shall be the principal executive officer of the corporation and, subject to the control of the Board of Trustees, shall in general supervise and control all of the activities and affairs of the corporation. He shall, when present, preside at all meetings of the members and of the Board of Trustees. He may sign, with the Secretary or any other proper officer of the corporation thereunto duly authorized by the Board of Trustees, any, notes, bonds, contracts, or other instruments which the Board of Trustees has authorized to be executed, and in general shall perform all duties incident to the office of President and such other duties as may be prescribed by the Board of Trustees from time to time.

SECTION 6. Vice President. In the absence of the President, or in the event of his death, inability or refusal to act, the Vice President 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. The Vice President shall perform such other duties as may from time to time be assigned to him by the President or by the Board of Trustees.

SECTION 7. Secretary. The Secretary shall (a) keep the minutes of the meetings of the members and of the Board of Trustees in one or more books provided for such purpose; (b) see that all notices are duly given in accordance with the provisions of these by-laws or as required by law; (c) be custodian of the corporate records of the corporation; (d) keep a membership roll of the members of the corporation; (e) sign with the President or Vice President any instruments as authorized by resolution of the Board of Trustees; and (f) 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 Trustees.

SECTION 8. Treasurer. If required by the Board of Trustees, 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 Trustees shall determine. He shall: (a) have charge and custody and be responsible for all funds of the corporation; receive and give receipts for moneys due and payable to the corporation from any source whatsoever, and deposit all such moneys in the name of the corporation in such banks, trust companies or other depositories as shall be selected in accordance with these by-laws; and (b) in general perform all of 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 Trustees.

SECTION 9. Salaries. The salaries of the officers shall be fixed from time to time by the Board of Trustees and no officer shall be prevented from receiving such salary by reason of the fact that he is also a Trustee of the corporation.

ARTICLE V.

Contracts, Loans, Checks and Deposits

SECTION 1. Contracts. The Board of Trustees may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the corporation, and such authority may be general or confined to specific instances.

SECTION 2. Loans. No loans shall be contracted on behalf of the corporation, and no evidence of indebtedness shall be issued in its name, unless authorized by a resolution of the Board of Trustees. Such authority may be general or confined to specific instances.

SECTION 3. Checks, Drafts, etc. All checks, drafts or other orders for the payment of money, notes or other evidence of indebtedness issued in the name of the corporation shall be signed by such officer or officers, agent or agents of the corporation and in such manner as shall from time to time be determined by resolution of the Board of Trustees.

SECTION 4. Deposits. All funds of the corporation not otherwise employed shall be deposited from time to time to the credit of the corporation in such banks, trust companies or other depositories as the Board of Trustees may select.

ARTICLE VI.

Procedure

Meetings of members and of the Board of Trustees shall be conducted in accordance with the procedure as contained in Robert's Rules of Order to the extent applicable.

ARTICLE VII.

Amendments

Amendments to these by-laws shall be adopted at an annual or special meeting of the members by a vote of a majority of all members of the corporation in person or by proxy.

ARTICLE VIII.

Settlement of Disputes

In the event of a dispute between the owners of adjoining properties in a matter for which the consent or release of one or the mutual consent or release of both is required, the owners shall submit the dispute to a professional arbitrator agreed upon by both parties. If both parties are unable to agree upon an arbitrator, then the Board of Trustees may appoint a professional arbitrator who is not a member of the Townhouse Manor Fund, Inc., for them. The dispute shall be arbitrated in accordance with the provisions of the Texas General Arbitration Statute. The determination of the arbitrator shall be final and conclusive upon both parties.

Amended: January 4, 1973
 December 5, 1992
 January 28, 1993