

BY-LAWS

BRITTANY BAY HOMEOWNERS ASSOCIATION, INC.

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BY-LAWS

OF

BRITTANY BAY HOMEOWNERS ASSOCIATION, INC.

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BY-LAWS
OF
BRITTANY BAY HOMEOWNERS ASSOCIATION, INC.

The name of the corporation shall be BRITTANY BAY HOMEOWNERS ASSOCIATION, INC., a Texas non-profit corporation, hereinafter called "Association".

ARTICLE I

OBJECT

1. Properties. "Properties" shall mean and refer to that certain real property described in the Declaration of Covenants, Conditions and Restrictions for Brittany Bay, a subdivision in Harris County, Texas and such additions thereto as may hereafter be brought within the jurisdiction of the Association.
2. Declaration. "Declaration" shall mean and refer to the Declaration of Covenants, Conditions and Restrictions applicable to the Properties recorded in the Official Public Records of Real Property of Harris County, Texas under County Clerk's File number _____.
3. Owners. All present or future owners, tenants, future tenants, or any other person (hereinafter called "Owner" or "Owners") who might use the facilities of the project in any manner are subject to the regulations set forth in these By-Laws. The mere acquisition or rental of any of the lots (hereinafter referred to as "Lot" or "Lots") within the Properties or the mere act of occupancy of any of said Lots will signify that these By-Laws and the Declaration are accepted, ratified and will be complied with.

ARTICLE II

MEMBERSHIP, VOTING, QUORUM, PROXIES

1. Membership. Any person on becoming an Owner of a Lot shall automatically become a member of this Association and be subject to these By-Laws and the Declaration. Such membership will terminate without any formal action by the

Association whenever such person ceases to own a Lot, but such termination shall not relieve or release any such former Owner from liability or obligation incurred under or in any way connected with the Properties during the period of such ownership and membership in the Association; nor shall such termination impair any right or remedies which the Board of Directors of the Association (hereinafter called the "Board") or others may have against such former Owner arising out of or in any way connected with such ownership and membership in the Association. No certificates of stock shall be issued by the Association, but the Board may, if it so elects, issue a membership card to the Owner(s) of a Lot. Such membership card shall be surrendered to the Secretary whenever ownership of the Lot designated thereon shall terminate.

2. Voting. The Association shall have two (2) classes of voting membership, Class A and Class B, and the vote distribution shall be as provided for in the Declaration.

3. Quorum. Except as otherwise provided in these By-Laws, the Articles of Incorporation, or in the Declaration, the presence in person or by proxy of the Owners representing ten percent (10%) of the votes entitled to be cast shall constitute a quorum.

4. Proxies. Votes may be cast in person or by proxy. Proxies may be filed with the Secretary before the appointed time of each meeting.

ARTICLE III

RESPONSIBILITIES AND MEETINGS

1. Responsibilities Generally. The Owners of the Lots will constitute the Association, which will have the responsibility of administering the project through a Board of Directors.

2. Place of Meetings. Meetings of the Association shall be held at such place as the Board may determine.

3. Annual Meeting. The first annual meeting of the Association shall be held at such time and place as shall be designated by the Board of Directors of the Association, in the notice thereof, and shall not occur more than twelve (12) months from the date of the first transfer of a Lot to an Owner. Thereafter, there shall be a meeting of the Association on the fourth Wednesday in February of each year at 8:00 P.M. at the office of the corporation or at such other reasonable time and place (not more than sixty (60) days before or after such date), as shall be specified in the notice thereof. At such meetings there shall be elected by ballot of the Owners a Board of Directors in accordance with the requirements of Paragraph 4 of Article IV of these By-Laws. The Owners may also transact such other business of the Association as may properly come before them.

4. Special Meetings. It shall be the duty of the President to call a special meeting of the Owners as directed by resolution of the Board or upon a petition signed by twenty-five percent (25%) of the Owners and having been presented to the Secretary. The notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice.

5. Notice of Meetings. It shall be the duty of the Secretary to mail or personally deliver a notice of each annual or special meeting, stating the purpose thereof as well as the time and place where it is to be held, to each Owner of record, at least thirty (30) days but not more than fifty (50) days prior to such meeting, unless otherwise provided in the Declaration. The mailing of a notice in the manner provided in this paragraph shall be considered notice served.

6. Adjourned Meeting. If any meeting of Owners cannot be organized because a quorum has not attended, the Owners who are present, either in person or by proxy, may adjourn the meeting to a time not less than thirty (30) days nor

more than fifty (50) days following the meeting or adjournment thereof. The required quorum at any such adjourned meeting shall be one/half (1/2) of the required quorum of the meeting which was adjourned.

7. Order of Business. The order of business at all annual meeting of the Owners of Lots shall be as follows:

- a. Roll call
- b. Proof of notice of meeting or waiver of notice
- c. Reading of minutes of preceding meeting
- d. Reports of officers
- e. Reports of committees
- f. Election of Directors
- g. Unfinished business
- h. New business

8. Action Without Meeting. Any action required or permitted to be taken by the members may be taken without a meeting and to the extent allowed by law, written consent of the appropriate number of Owners to any action which requires the vote of the Owners at a meeting shall have the same force and effect of a vote taken at any such meeting.

ARTICLE IV

BOARD OF DIRECTORS

1. Number Qualifications. Subject to the provisions hereof and except as is provided in Section 4 of this Article, the affairs of this Association shall be governed by a Board of Directors, composed of five (5) persons.

2. Powers and Duties. The Board shall have the powers and duties necessary for the administration of the affairs of the Association. The Board may do all such acts and things as are not prohibited by these By-Laws or by the Declaration and as are directed to be exercised and done by the Owners.

3. Other Powers and Duties. The Board shall be empowered and shall have the duties as follows:

(a) To administer and enforce the covenants, conditions, restrictions, uses, limitations, obligations, and all other provisions set forth in the Declaration.

(b) To establish, make and enforce compliance with such reasonable house rules as may be necessary for the operation, use and occupancy of the Properties with the right to amend same from time to time. A copy of such rules and regulations shall be delivered to, or mailed to, each member promptly upon the adoption thereof.

(c) To keep in good order, condition and repair all of the Common Area and all items of personal property used in the enjoyment of the entire premises.

(d) To suspend the voting rights and right to use of any facilities or services of a Member during any period in which such Member shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended for a period not to exceed sixty (60) days for infraction of the published rules and regulations of the Association.

(e) To fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period and send written notice of same to every Owner subject thereto at least thirty (30) days in advance of each annual assessment period.

(f) To collect delinquent assessments by suit or otherwise and to enjoin or seek damages from an Owner as is provided in the Declaration and these By-Laws.

(g) To protect and defend the Common Areas from loss and damage by suit or otherwise.

(h) To enter into contracts within the scope of their duties and powers.

(i) To establish a bank account for the common treasury and for all separate funds which are required or may be deemed advisable by the Board.

(j) To keep and maintain full and accurate books and records showing all of the receipts, expenses or disbursements, to permit examination thereof

at any reasonable time by each of the Owners and to cause such books and records to be audited annually.

(k) To prepare a statement (the "Annual Report") summarizing all receipts expenses or disbursements since the last such statement.

(l) To designate the personnel necessary for the maintenance and operation of the Common Area.

(m) In general, to carry on the administration of this Association and to do all of those things necessary and reasonable in order to carry out the purposes of the Association.

4. Election and Term of Office. The initial Board of Directors of the Association shall hold office until the first Annual Meeting, at which time the members shall elect one (1) Director for a term of one (1) year, two (2) Directors for terms of two (2) years each, and two (2) Directors for terms of three (3) years each. At each Annual Meeting thereafter the Members shall elect that number of Directors equal to the number of Directors whose terms expire, for three (3) year terms of office. The persons receiving the largest number of votes will be elected. Cumulative voting is not permitted.

5. Vacancies. Vacancies on the Board caused by any reason other than the removal of a Director by a vote of the Association shall be filled by vote of the majority of the remaining Directors, even though they may constitute less than a quorum; and each person so elected shall be Director for the remainder of the unexpired term to which he has been appointed.

6. Organizational Meeting. The first meeting of a newly elected Board shall be held immediately after the election at such place as shall be fixed by the Directors at the meeting at which such Directors were elected; and no notice shall be necessary to the newly elected directors in order to legally constitute such meeting, provided a majority of the whole Board shall be present.

7. Regular Meetings. Regular meetings of the Board may be held at such time and place as shall be determined, from time to time, by a majority of the Directors. Notice of regular meetings of the Board shall be given to each Director, personally or by mail, telephone or telegraph, at least three (3) days prior to the day named for such meeting.

8. Special Meetings. Special meetings of the Board may be called by the President on three (3) days notice to each Director, given personally, or by mail, telephone or telegraph which notice shall state time, place and purposes of the meeting.

9. Waiver of Notice. Before or at any meeting of the Board, any Director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any meeting of the Board shall be a waiver of notice by him of the time and place thereof. If all the Directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

10. Board of Directors Quorum. At all meetings of the Board, a majority of the Directors shall constitute a quorum for the transaction of business; and the acts of the majority of the Directors present at a meeting at which a quorum is present shall be the acts of the Board. If, at any meeting of the Board, there be less than a quorum present, the majority of those present may adjourn the meeting from time to time. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

11. Board Action Without Meeting. Any action required or permitted to be taken by the Board may be taken without a meeting and will have the same force and effect as a unanimous vote of Directors, if all members of the Board shall individually and collectively consent in writing to such action.

ARTICLE V

OFFICERS

1. Designation. The Officers of the Association shall be a President and Vice President, who shall at all times be Members of the Board of Directors, a Secretary and a Treasurer, and such other officers as the Board may, from time to time by resolution create.

2. Election of Officers. The Officers of the Association shall be elected annually by the Board at the organization meeting of each new Board and each shall hold office for one (1) year unless he shall sooner resign, or shall be removed or otherwise disqualified to serve.

3. Multiple Offices. The offices of Secretary and Treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created by the Board of Directors.

4. Removal of Officers. Upon affirmative vote of a majority of the members of the Board, any officer may be removed, either with or without cause, and his successor elected at any regular meeting of the Board, or at any special meeting of the Board called for such purposes.

5. President. The President shall be the chief executive officer of the Association and the Board. He shall preside at all meetings of the Association and the Board. He shall have all the general powers and duties which are usually vested in the office of president of an association, including but not limited to the powers to appoint committees from among the Owners from time to time as he may in his discretion decide are appropriate to assist in the conduct of the affairs of the Association.

6. Vice President. The Vice President shall have and exercise all powers of the President, in the absence of the President.

7. Secretary. The Secretary shall keep all the minutes of all meetings

of the Board and the minutes of all meetings of the Association; he shall be in charge of such books and papers as the Board may direct; and he shall, in general, perform all the duties incident to the office of Secretary.

The Secretary shall compile and keep up to date at the principal office of the Association a complete list of Owners (the "Owner Register") and their last known addresses as shown on the records of the Association. Such list shall also show opposite each Owner's name the number or other appropriate designation of the Lot owned by such Owner. Such list shall be open to inspection by Owners and other persons lawfully entitled to inspect the same at reasonable times during regular business hours. These duties may be assigned to a manager or paid employee if and/or as so designated by the Board of Directors.

8. Treasurer. The Treasurer shall have responsibility for Association funds and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Association and shall be responsible for causing the books and records of the Association to be audited annually as the Board shall direct. He shall be responsible for the deposit of all monies and other valuable effects in the name, and to the credit of, the Association in such depositories as may from time to time be designated by the Board. These duties may be assigned to a manager or paid employee if and/or as so designated by the Board of Directors.

ARTICLE VI

INDEMNIFICATION OF OFFICERS AND DIRECTORS

The Association shall indemnify every Director or Officer, his heirs, executors and administrators, against all loss, costs and expenses, including counsel fees, reasonably incurred by him in connection with any action, suit or proceeding to be liable for gross negligence or willful misconduct. In the event of a settlement, indemnification shall be provided only in connection

with such matters covered by the settlement as to which the Association is advised by counsel that the person to be indemnified has not been guilty of gross negligence or willful misconduct in the performance of his duty as such Director or Officer in relation to the matter involved. The foregoing rights shall not be exclusive of other rights to which such Director or Officer may be entitled. All liability, loss, damage, costs and expenses incurred or suffered by the Association by reason or arising out of or in connection with the foregoing indemnification provisions shall be treated and handled by the Association as Common Expenses; provided, however, that nothing in this Article shall be deemed to obligate the Association to indemnify any Owner of a Lot, who is or has been a Director or Officer of the Association, with respect to any duties or obligations assumed or liabilities incurred by him under and by virtue of the Declaration as an Owner of a Lot covered thereby.

ARTICLE VII

OBLIGATION OF OWNERS

1. Assessments. All Owners shall be obligated to pay the assessments imposed by the Association to meet the Common Expenses as provided in the Declaration. An Owner shall be deemed to be a member in good standing and entitled to vote at any annual or at any special meeting of the Association within the meaning of these By-Laws, if and only if such Owner shall have fully paid all assessments made or levied against such Owner and such Owner's Lot.

2. Maintenance and Repair. It shall be the duty of each Owner, at his sole cost and expense, to maintain, repair, replace and restore areas subject to his exclusive control in a neat, sanitary and attractive condition in compliance with the Declaration.

3. General.

(a) Each Owner shall comply strictly with the provisions of the Declaration, including all obligations imposed upon such Owner concerning maintenance of properties described in the Declaration.

(b) Each Owner shall always endeavor to observe and promote the accomplishment of the cooperative purposes for which the Association was established.

4. Rules and Regulations.

(a) All Owners shall promptly and completely comply with each of the rules and regulations contained in the Declaration and herein contained and hereafter properly adopted, and particularly, pertaining to the use of the Common Area, in order that all Owners and their guests shall achieve maximum utilization of such facilities consummate with the rights of each of the other Owners thereto.

(b) Nothing shall be done in, on or to any Lot or improvements thereon, nor shall same be occupied or used for any purpose, nor shall any commodity, product or personal property be kept therein or thereon, which shall cause such Lot or improvements thereon to be uninsurable against loss by fire or the perils included in an extended coverage endorsement under the rules of the State of Texas Insurance Commission or which might cause or warranty any policy or policies covering said premises to be cancelled or suspended by the issuing company.

ARTICLE VIII

AMENDMENTS TO BY-LAWS

1. New By-Laws may be adopted or these By-Laws may be repealed or amended at an annual meeting, or at another meeting of the Association called for that purpose, by vote of majority of a quorum of votes entitled to be cast.

2. Whenever an amendment or new By-Law is adopted, it shall be copied in the book of By-Laws with the original By-Laws, in the appropriate place. If any By-Law is repealed, the fact of repeal with the date of the meeting at

which the repeal was enacted or written assent was filed shall be stated in said book.

ARTICLE IX

NON-PROFIT

The Association is not organized for profit. No Owner, member of the Board of Directors, or person from whom the Association may receive any property or funds shall receive or shall be lawfully entitled to receive any pecuniary profit from the operation thereof, and in no event shall any part of the funds or assets of the Association be paid as salary or compensation to, or distributed to, or inure to the benefit of any Owner or member of the Board; provided, however, always: (1) that reasonable compensation may be paid to any member while acting as an agent or employee of the Association for services rendered in effecting one or more of the purposes of the Association; and (2) that any member of the Board may, from time to time be reimbursed for his actual and reasonable expenses incurred in connection with the administration of the affairs of the Association.

ARTICLE X

REGISTERED AGENT

The address of the initial Registered Office of the Association is 7001 Corporate Drive, Suite 301, Houston, Texas 77036, and the name of the initial registered agent at such address is Harvin C. Moore, Jr.

ARTICLE XI

EXECUTIVE AND OTHER COMMITTEES

The Board of Directors may appoint an Executive Committee, and such other committees as may be necessary from time to time, consisting of such number of its members and with such powers as it may designate, consistent with the

By-Laws and the Laws of the State of Texas. Such committees shall hold office at the pleasure of the Board.

ARTICLE XII

FISCAL YEAR

The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year except that the first fiscal year shall begin on the date of incorporation.

ARTICLE XIII

CORPORATE RECORDS AND REPORTS -- INSPECTION

1. As per the provisions of Article IV, the Association shall maintain adequate and correct accounts, books and records of its business and properties. All such books, records and accounts shall be kept at its principal place of business in the State of Texas, as fixed by the Board of Directors from time to time.

2. The Owner Register, the books of account and minutes of proceedings of the Association, of the Board and of Executive Committees of the Board shall be open to inspection upon the written demand of any Owner or his mortgagee at a reasonable time, for a purpose reasonably related to his interest as an Owner or his mortgagee.

3. The original or a copy certified by the Secretary of these By-Laws, as amended or otherwise altered to date, shall be open to inspection at the Association's principal office at reasonable times during office hours.

4. All checks, drafts or other orders for payment of money, notes or other evidences of indebtedness, issued in the name of or payable to the Association, shall be signed or endorsed by such person or persons and in such manner as shall be determined from time to time by resolution of the Board.

5. The Board, except as in the By-Laws otherwise provided, may authorize any Officer or Officers, agent or agents, to enter into any contract or execute any instrument in the name of and on behalf of the Association. Such authority may be general or confined to specific instances. Unless so authorized by the Board, no officer, agent or employee shall have any power or authority to bind the Association by any contract or engagement, or to pledge its credit, or to render it liable for any purpose or to any amount.

6. An Annual Report shall be prepared according to generally accepted accounting principals applied on a basis consistent with that of the preceding year.

ARTICLE XIV

TERMS USED IN DECLARATION

All terms used herein, unless otherwise defined herein, shall have the same meaning as set forth in Declaration. These By-Laws are intended to amplify and provide for the administration of the terms and conditions of the Declaration. In the event that there exists or arises a conflict between these By-Laws and the Declaration, the Declaration shall control. If there is a conflict between these By-Laws and the Articles of Incorporation the Articles will control. If there is a conflict between the Articles of Incorporation and the Declaration, the Declaration shall control.


IN WITNESS WHEREOF, the undersigned have hereunto set their hands this


25 day of Dec., 1984.

BOARD OF DIRECTORS


HARVIN C. MOORE, JR.


CAROLYN H. MESSNER


MARK WESTFALL


ROBERT BURKIN


KIRK BAKER