

RESTATED BY-LAWS OF PHEASANT CREEK HOMEOWNERS ASSOCIATION, INC.
(EFFECTIVE DATE: November 6, 1990)

ARTICLE I.
NAME AND LOCATION

The name of the corporation is PHEASANT CREEK HOMEOWNERS ASSOCIATION, INC., hereinafter sometimes referred to as the "ASSOCIATION" or the "Corporation". The principal office of the corporation shall be located at 2906 Pheasant Creek Drive, Sugar Land, Texas 77478 but meetings of members and directors may be held at such places within the State of Texas, County of Fort Bend or other Counties, as may be designated by the Board of Directors.

ARTICLE II.
DEFINITIONS

Section 1. "ASSOCIATION" shall mean and refer to Pheasant Creek Homeowners Association, Inc., a Texas non-profit corporation, its successors and assigns.

Section 2. "Properties" shall mean and refer to those certain properties described in the official plats and in the Declarations of Covenants, Conditions and Restrictions of Pheasant Creek Subdivision, Sections One (1) and Two (2), of record in the Office of the County Clerk of Fort Bend County, Texas (Volume 22, Page 32 and Vol. 31, Page 2, respectively), as well as any additional properties which may hereafter be brought within the jurisdiction of the ASSOCIATION.

Section 3. "Common Area" shall mean all real property owned by the Association for the common use and enjoyment of the Owners. The common area currently owned by the Association is described as follows:

A tract of land containing 5.5123 acres, more or less, Reserve "D", PHEASANT CREEK, SECTION ONE (1), an addition in Fort Bend County, Texas, according to the map or plat thereof recorded in Volume 22, Page 32 of the Map Records of Fort Bend County, Texas.

Section 4. "Lot" shall mean and refer to that portion of any of the plots of land shown upon any recorded Subdivision map of the Properties on which there is or will be built a single family dwelling, with the exception of the Common Area(s) and designated reserves.

Section 5. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot which is a part of the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 6. "Declarations" shall mean and refer to the Declarations of Covenants, Conditions and Restrictions of Pheasant Creek Subdivision, Sections One (1) and Two (2), Fort Bend County, Texas per the Maps or Plats thereof and any additions, amendments and/or supplements thereto, as well as the Declarations for any additional Sections which may hereafter be brought within (annexed into) the jurisdiction of the ASSOCIATION.

Section 7. "Members" shall mean and refer to those persons entitled to membership as provided in the Declarations and these By-Laws. A member's voting rights shall be suspended if he has not paid the maintenance charge assessment through the current year. Suspension of voting rights shall last until the member shall have paid his dues. Every person or entity who is a record owner of a fee or undivided fee interest in any Lot which is subject by covenants of record to assessment by the ASSOCIATION, including contract sellers, shall be a member of the ASSOCIATION. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment by the ASSOCIATION. Each Owner shall, upon and by virtue of becoming an owner, automatically become a member of the ASSOCIATION and shall remain a Member thereof until his ownership ceases for any reason, at which time his membership in the ASSOCIATION shall be appurtenant to and shall automatically follow the legal ownership of each Lot and may not be separated from such ownership. Whenever the legal ownership of any lot passes from one person to another, by whatever means, it shall not be necessary that any instrument provide for transfer of membership in the ASSOCIATION. Membership in the ASSOCIATION is expressly limited to the Owners of Lots, such ownership being the sole qualification for membership.

Section 8. "Suspended Member" shall mean and refer to those persons who are members of the ASSOCIATION whose membership has been suspended as set forth hereinafter. During any period in which a member shall be in default in the payment of any annual or special assessment levied by the ASSOCIATION, or should a member for any reason be a judgment debtor of the ASSOCIATION, the voting rights and right to use the recreational facilities and common areas of such member may be suspended by the Board of Directors until such assessment or judgment has been paid in full. Such rights of a member may also be suspended after notice and hearing, for a period not to exceed sixty (60) days, for violation of any rule and regulation established by the Board

of Directors governing the use of the Common Area and recreational facilities.

ARTICLE III.
MEETINGS OF MEMBERS

Section 1. Annual Meetings. An annual meeting of the membership (for the election of Directors and for the transaction of such other business as may properly come before the meeting), shall be held on the first Tuesday in the month of June, at 7:30 o'clock p.m. The Board of Directors may change the annual meeting date by notifying the members in writing at least ten (10) days prior to the regular annual meeting date. If the day of the annual meeting is a legal holiday, the Board of Directors will designate an alternate date for the annual meeting, such alternate date being within thirty (30) days of the original meeting date. Additional regular meetings of the membership may be scheduled by the Board of Directors, if such meetings are deemed necessary.

Section 2. Special Meetings. Special meetings of the members may be called at any time by the President, by at least two (2) members of the Board of Directors, or upon written request of the members who are entitled to vote twenty-five percent (25%) of the membership.

Section 3. Notice of Meetings. Except as otherwise provided in the Articles of Incorporation, the Declarations, or these By-Laws, written notice of each meeting of the Members shall be given by, or at the direction of, the Secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least 15 days (but no more than 50 days) before such meeting to each Member entitled to vote thereat, addressed to the Member's address last appearing on the books of the Association, or supplied by such Member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and in the case of a special meeting, the purpose of the meeting.

Section 4. Quorum. The presence at the meeting of members entitled to cast at least ten percent (10%) of the votes as provided herein shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declarations, or these By-Laws. If, however, such quorum shall not be present or represented at any meeting, the members entitled to vote thereat shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

Section 5. One (1) Vote Per Lot/Proxy Voting. When more than one person owns an interest in any Lot, all such persons shall be members. The vote of such Lot shall be exercised as they among themselves determine, but in no event shall more than one (1) vote or ballot be cast with respect to a Lot. A member may vote

at any meeting of the membership either in person or by proxy executed in writing by the member, or by his duly authorized attorney in fact. Proxies shall be filed with the Secretary of the ASSOCIATION before or at the time of the meeting and shall automatically cease upon conveyance by the member of his Lot. Every proxy shall be revocable and shall specify the meeting or action to which it applies. General proxies shall not be permitted.

Section 6. Cumulative voting shall not be allowed.

ARTICLE IV.
BOARD OF DIRECTORS

Section 1. Board of Directors. The affairs of the ASSOCIATION shall be managed by a Board of five (5) Directors, all of whom must be members in good standing of the ASSOCIATION and neither of whom reside with any other current member of the Board of Directors. Each Director elected shall serve until his successor shall have been duly elected and qualified. The person receiving the largest number of votes for that position shall be elected.

Section 2. Staggered Terms of Office. Each Director shall be elected for a term of two (2) years. Three (3) Board positions will be filled in even years and two (2) Board positions will be filled in odd years. The members shall elect the Directors for a term of two (2) years to fill each expiring term.

Section 3. Nominations(s) and Election(s). At least two (2) months prior to each annual meeting of the membership, the Board of Directors shall appoint a nominating committee composed of three (3) members, two (2) of whom may not be on the Board of Directors. The chairman of the nominating committee must be a member of the Board of Directors. Any member desiring nomination may file his name in nomination with the chairman of the nominating committee or with the Secretary not less than two (2) weeks prior to the annual meeting of members. The nominating committee shall present at the annual meeting at least one nomination for each director position to be filled as provided in Section 2 of Article IV hereof, presenting as part of its report nominations by those desiring nomination and filing as above provided. A member of the nominating committee may not be nominated by that committee.

Nominations may also be made from among members of the ASSOCIATION. Nominations shall be taken from the floor at the annual meeting prior to conducting the vote; provided, however, that any person nominating another shall certify to the willingness of the nominee to serve, if the latter is not in attendance.

The election shall be held by secret written ballot at the annual meeting of the membership. The election results shall be announced, including the number of ballots cast for each

candidate, segregated between the ballots cast by those present in person and those present by proxy. The candidate receiving the largest number of votes cast for that Board position is elected.

Section 4. Removal. Any director may be removed from the Board, with or without cause by a majority vote of the members of the Association.

Section 5. Vacancies: In the event of death, resignation or removal of a director, his successor shall be appointed by an affirmative vote of a majority of the remaining Directors, even though such majority may constitute less than a quorum of a Board of Directors, and shall serve for the unexpired term of his predecessor should such term expire at the next annual meeting of the membership. Should such term not expire at the next annual meeting, the designated successor shall serve until the next annual election, at which time the position shall come before the members for a confirmation vote on the balance of the term of that position.

Section 6. Compensation. No director shall receive compensation for any services he may render to the ASSOCIATION; provided, however, any director may be reimbursed for his actual expenses incurred in the performance of his duties.

ARTICLE V. MEETINGS OF DIRECTORS

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held at least four (4) times per annum without notice, at such place and hour as may be fixed from time to time by resolution of the Board. Should said meeting date fall upon a legal holiday, the meeting will be re-scheduled for another date and time as determined by a majority of the Board of Directors.

Section 2. Special Meetings. Special meetings of the Board of Directors shall be held when called by the President of the ASSOCIATION, or by any two (2) directors after notice to each director.

Section 3. Quorum. A majority of the number of directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

Section 4. Action Without a Meeting. Any action which may be required or permitted to be taken at a meeting of the Board of Directors may be taken without a meeting if a consent in writing setting forth the action so taken is signed by a majority of the members of the Board of Directors. Such consent shall evidence whether each Board Member voted "for" or "against" the action or abstained from the vote and shall be placed in the minute book

of the ASSOCIATION with the minutes of the Board of Directors. Any action so approved shall have the same effect as though taken at a meeting of the directors.

ARTICLE VI
POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers. The Board of Directors shall have the following rights and powers:

(a) to adopt and publish rules and regulations governing the use of the Common Areas and recreational facilities and the personal conduct of the Members, their Delegates and their Guests thereon, and to establish penalties for the infraction thereof;

(b) to suspend the voting rights 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 after notice and hearing, for a period not to exceed sixty (60) days for infraction of published rules and regulations regarding use of a common area;

(c) to exercise for the ASSOCIATION all powers, duties and authority vested in or delegated to this ASSOCIATION and not reserved to the membership by other provisions of these By-Laws, the Articles of Incorporation or the Declarations;

(d) to declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors;

(e) to employ a manager, an independent contractor, or such other employees as it deems necessary, and to prescribe their duties and the terms of employment; and

(f) to exercise such other rights and powers granted to it under the Declarations, the Articles of Incorporation or these By-Laws.

Section 2. Duties. It shall be the duty of the Board of Directors to:

(a) cause to be kept a complete record (i.e., minutes) of all its acts and corporate affairs and to present a financial statement to the members at the annual meeting of the members, or at any special meeting when such statement is requested in writing by one-fourth (1/4) of the members who are entitled to vote;

(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 Declarations, to:

(1) fix the amount of the annual assessment against properties subject to the jurisdiction of the ASSOCIATION at least thirty (30) days in advance of each annual assessment period, and take such actions as it deems appropriate to collect such assessments and to enforce the liens given to secure payment thereof; and

(2) send at least thirty (30) days written notice of each assessment to every Owner subject thereto in advance of each annual assessment period;

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

(e) procure and maintain such liability and hazard insurance as it may deem appropriate on any property or facilities owned by the ASSOCIATION;

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

(g) Cause the Common Area(s) to be maintained.

ARTICLE VII.
OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Officers. The officers of this 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.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors held after the annual membership meeting each year.

Section 3. Term. The officers of this ASSOCIATION shall be elected annually by the Board and each shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or is otherwise disqualified to serve.

Section 4. Special Appointments. The Board may elect such other officers as the affairs of the ASSOCIATION may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by a majority vote of the Board. Any officer may resign at any time by 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 therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancies. A Vacancy in any office may be filled by appointment by a majority vote of the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7. Multiple Offices. No person shall simultaneously hold both the offices of president and secretary. 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 pursuant to Section 4, of this Article.

Section 8. Duties. The duties of the officers of the ASSOCIATION are as follows:

President

a. The president shall preside over all meetings of the Board of Directors and Membership, deciding all questions of procedure and order.

b. The president shall sign all approved written instruments of the ASSOCIATION, including, but not limited to, leases, mortgages and deeds.

c. The president shall formulate goals and plans for the year and present them to the Board of Directors or the membership, as appropriate, for approval.

d. The president shall execute all orders, resolutions and motions of the Board of Directors and/or the membership.

e. The president shall serve as Ex-Officio member of all committees.

Vice-President

The vice-president shall act in the place and stead of the president in the event of his absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board of Directors.

Secretary

a. The secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board of Directors and of the members and submit all minutes at subsequent meetings for approval.

b. The secretary shall serve notice of meetings of the Board of Directors.

c. The secretary shall keep appropriate current records showing the members of the ASSOCIATION together with their addresses.

d. The secretary shall perform such other duties as required by the Board of Directors.

Treasurer

a. The treasurer shall be responsible for maintaining the records of financial accounts of the ASSOCIATION.

b. The treasurer shall be responsible for depositing receipts and disbursing expenses of the ASSOCIATION as directed by the Board of Directors.

c. The treasurer shall be responsible for maintaining a record of physical assets of the ASSOCIATION that are currently in use and shall notify the Secretary of any change in status.

d. The treasurer shall be responsible for maintaining a depository for physical assets when not in use.

e. The treasurer shall be responsible for preparation of legal returns required by taxing authorities.

f. The treasurer shall be responsible for preparing the budget for approval by the Board of Directors, including tentative drafts to be presented to the Board of Directors.

g. The treasurer shall be responsible for preparation of an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting, and make same available to each member of the ASSOCIATION.

h. The treasurer shall cause an annual audit of the ASSOCIATION'S books to be made by a certified public accountant at the completion of each fiscal year.

ARTICLE VIII COMMITTEES

Section 1. Committee Appointments. At its discretion, the Board of Directors may appoint committees, as provided in the Declaration and these By-Laws, as deemed appropriate for carrying out its purposes. These committees may include, but are not limited to:

a) Architectural Control Committee - as provided in the Declarations.

b) Nominating Committee - as provided in these By-Laws.

c) Recreation Committee - to advise the Board of Directors on all matters pertaining to the recreational program and activities of the Association and to perform such functions as the Board in its discretion determines;

d) Maintenance Committee - to advise the Board of Directors on all matters pertaining to the maintenance, repair or improvement of the Properties, and to perform such other functions as the Board in its discretion determines.

e) Publicity Committee - to inform the members of all activities and functions of the Association and, after consulting with the Board of directors, to make such public releases and announcements as are in the best interest of the Association.

f) Audit/Finance Committee - to supervise the annual audit and statement of income and expenditures to be presented to the membership at its regular annual meeting, to submit to the Treasurer a proposed annual budget for ultimate review and approval by the Board of Directors by October 31st of each year for the upcoming year; and to receive, review, inspect and make recommendations to the Board on all bids made to the Association. The Treasurer shall be an ex-officio member of this committee.

Section 2. Function of Committees. It shall be a function of each committee to solicit inquiries from members on any matter involving Association duties and activities within its field of responsibility. The committee shall handle such inquiries or refer them to the appropriate committee, director or officer of the Association.

ARTICLE IX.
INDEMNIFICATION OF DIRECTORS AND OFFICERS

Pursuant to Section 2.22A of the Texas non-Profit Corporation Act, and subject to the provisions thereof, the Corporation may indemnify any director or officer (or former ones) for expenses and costs, including attorney's fees, which are actually and necessarily incurred in connection with any claim asserted by reason of being or having been a director or officer only if it is determined that the person's actions were conducted in good faith and were reasonably believed to be in the Corporation's best interest relative to conduct in any official capacity and that, in all other cases, the conduct was at least not opposed to the Corporation's best interest. In regard to criminal proceedings, the Corporation must find that there was no reasonable cause to believe the conduct was unlawful. The intent of this By-Law provision is to allow the Corporation, by majority VOTE of its Board of Directors, to indemnify its directors and officers to the maximum extent allowed by law without the necessity of a vote of the membership.

Further, The Board of Directors may purchase and maintain

insurance against any liability whether or not the Corporation has the power to indemnify against that liability, to the extent that the majority of the Board feels that such insurance is reasonable and necessary.

ARTICLE X.
BOOKS AND RECORDS

The books, records and papers of the ASSOCIATION shall, upon notice of fifteen (15) days to the Secretary of the Association, during reasonable business hours, be subject to inspection by any member. The Declarations, the Articles of Incorporation and the By-Laws of the ASSOCIATION shall be available for inspection by any member at a convenient location to be designated by the Board of Directors, where copies thereof may be purchased at a reasonable cost.

ARTICLE XI.
ASSESSMENTS

As more fully described in the Declarations, each member is obligated to pay to the ASSOCIATION annual 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 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 for any such action shall be added to the amount of such assessment. No owner may waive or otherwise escape liability for the assessments provided for herein by nonuse of the Common Area(s), or services provided by the ASSOCIATION or by abandonment of his Lot.

ARTICLE XII.
PROPERTY RIGHTS: RIGHTS OF ENJOYMENT

Each member shall be entitled to the use and enjoyment of the Common Area(s) and recreational facilities owned by the Association. Any member may delegate in writing his rights of enjoyment of the Common Area(s) and recreational facilities to the members of his family, his tenants or contract purchasers, who reside on the property. Such member shall notify the Secretary in writing of the name of any such delegate(s). The rights and privileges of such delegates are subject to the rules and regulations, By-Laws, Articles of Incorporation and Declarations of the Association to the same extent as the member.

ARTICLE XIII.
AMENDMENTS

Section 1. Amendment. These By-Laws may be amended, at a regular or special meeting of the Members, by a vote of a majority of Members present in person or by proxy.

Section 2. Conflict. In the case of any conflict between the

Articles of Incorporation and these By-Laws, the Articles shall control. In the case of any conflict between the Declarations and these By-Laws, the Declarations shall control.

ARTICLE XIV.
MISCELLANEOUS

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.

IN WITNESS WHEREOF, we, being all the directors of the Pheasant Creek Homeowners Association, Inc., have hereunto set our hands this ____ day of _____, 1990.

, President and Director

, Vice-President and Director

, Secretary/Treasurer and Director

, Director

, Director

CERTIFICATION

I, the undersigned, do hereby certify:

THAT I am the duly elected and acting secretary of the Pheasant Creek Homeowners Association, Inc., a Texas Non-Profit Corporation, and,

THAT the foregoing Restated By-Laws constitute the Restated By-Laws of said ASSOCIATION, as fully adopted at a duly called meeting of the Membership, held on the ____ day of _____, 1990.

IN WITNESS WHEREOF, I have hereunto subscribed my name this ____ day of _____, 1990

Secretary
Printed name: _____