

RESTATED AND AMENDED BYLAWS
OF
HILLWOOD ACRES PROPERTY OWNERS ASSOCIATION
A NONPROFIT CORPORATION
AS AMENDED ON MAY 24, 2008

ARTICLE I
REGISTERED OFFICE and AGENT

Section 1. The name of the corporation is HILLWOOD ACRES PROPERTY OWNERS ASSOCIATION INC., (hereinafter referred to as the "Association"). The principal office of the corporation shall be located at 187 Sandy Drive, Trinity, Texas, 75862, but meetings of members and directors may be held at such places within the State of Texas, County of Trinity, as may be designated by the Board of Directors.

Section 2. The Association shall have and continuously maintain in the State of Texas a registered office as required by Article 1396, Section 2.05 of the Texas Non-Profit Corporation Act. The registered office and the principal office of the corporation in the State of Texas are the same and the address of the registered office may be changed from time to time by the Board of Directors.

ARTICLE II
DEFINITIONS

Section 1. "Association" shall mean and refer to HILLWOOD ACRES PROPERTY OWNERS ASSOCIATION, INC., its successors and assigns.

Section 2. "Properties" shall mean and refer to HILLWOOD ACRES SUBDZVISION "B", a subdivision in the WM. McKIM SURVEY, Abstract No. 411, Trinity, County, Texas, as per map or plat of said subdivision recorded at Volume 2, Page 17, of the Plat Records of Trinity County.

Section 3. "Common Area" shall mean all real property, if any, owned by the Association for the common use and enjoyment of the Owners.

Section 4. "Lot" shall mean and refer to any plot of land not an unrestricted reserve shown upon any recorded subdivision map of the Properties with the exception of the Common Area, if any.

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. "Developer" shall mean and refer to Ferrell Whittlesey, of Trinity County, Texas, his successors and assigns if such successors or assigns should acquire more than one undeveloped Lot from the Declarant (refers to the Developer) for the purpose of development.

Section 7. "Declaration" shall mean and refer to that certain document recorded at Volume 190, Page 439 of the Real Property Records of Trinity County.

Section 8. "Member" shall mean and refer to every person or entity who is a record owner of a fee or undivided fee interest within the Properties and has agreed to be bound by the bylaws 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.

Section 9. "Member in good standing" shall mean and refer to every member, as defined in Article II, Section 8 of this document, who is eligible to vote at a meeting of the association, as defined in Article XVII, Section 5 of this document.

ARTICLE III

Section 1. Annual Meetings. The annual meeting of the members shall be held on the Saturday immediately preceding Memorial Day for the purpose of electing Directors and for the transaction of other business as may come before the meeting. Meetings will start between the hours of 9:00 a.m. and 3:00 p.m. on said day.

Section 2. Special Meetings. Special meetings of the members may be called at any time by the President or by the Board of Directors, or upon written request of the members having not less than one-tenth (1/10th) of the votes entitled to be cast at such meeting.

Section 3. Notice of Meetings. Written notice of each special meeting of the members shall be given by, or at the direction of, the secretary or person authorized to call the meeting, by delivering or mailing a copy of such notice, postage prepaid, nor less than ten (10) no more than fifty (50) days before such meeting to each member entitled to vote at such meeting, 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 the purpose of the meeting.

Section 4. Quorum. The presence at the meeting of members holding twenty five percent (25%) of the votes entitled to be cast, represented in person or by proxy, shall constitute a quorum for any action, except as otherwise provided in the Articles of Incorporation, the Declaration, or these Bylaws. If, such quorum shall not be present or represented at any meeting, the members entitled to vote at such meeting shall have the power to adjourn the meeting, from time to time without notice other than announcement at the meeting, until a quorum as previously defined shall be present or be represented.

Section 5. Proxies. At all meetings of members, each member may vote in person or by proxy. All proxies shall be in writing, on the form provided for such purpose, and filed with the secretary either by mail or in person by the giver of the proxy. Every proxy shall be revocable and shall automatically cease upon the adjournment of the meeting for which to proxy was given or conveyance by the member of his Lot.

ARTICLE IV BOARD OF DIRECTORS

Section 1. Number. The affairs of this Association shall be managed by Board of Six (6) directors, who shall be members in good standing of the Association.

Section 2. Term of Office. The term of office for a Director shall be three years. At the first annual meeting after adoption of this change, the members shall elect two Directors for a term of three years and one Director for a term of 2 years. At the second annual meeting after adoption of this change, the members shall elect two Directors for a term of three years and one Director for a term of 1 year. At the third annual meeting after adoption of this change and at all subsequent annual meetings the members shall elect two Directors for a term of 3 years.

Section 3. Removal. Any director may be removed from the Board, with or without cause, by a majority vote of the members in good standing of the Association. In the event of death, resignation or removal of a director, his successor shall be selected by the remaining members of the Board and shall serve for the unexpired term of his predecessor.

Section 4. Compensation. No director shall receive compensation for any service he may render to the Association. However, any director may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 5. Action Taken Without a Meeting. The directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of a quorum of directors. Any action so approved shall have the same effect as taken at a meeting of the directors.

ARTICLE V

ELECTION OF DIRECTORS

Section 1. Nomination. Nomination for election to the Board of Directors may be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two or more members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the members, to serve from the close of such annual meeting until the close of the next annual meeting and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled.

Section 2. Election. At each election the members of Hillwood Property Owners Association, Inc., or their proxies, shall be entitled to one vote for each Member. When more than one person holds an interest in any Lot or Lots, all such persons shall be members; provided, however, that the vote for such Lot or Lots shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to such Lot or Lots.

ARTICLE VI

MEETINGS OF DIRECTORS

Section 1. Regular Meetings. A Regular meeting of the Board of Directors shall be held at least six times per year, at such place and hour as may be fixed from time to time by

resolution of the Board. Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next succeeding business day.

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 Directors, after not less than three (3) days 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. A Director may vote in person or by proxy executed in writing by the Director. However Directors present by proxy may not be counted toward a quorum. No proxy shall be valid after the meeting for which it was executed.

ARTICLE VII

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers. The Board of Directors shall have power to:

- (a) adopt and publish rules and regulations governing the use of the Common Area and facilities, if any, and the personal conduct of the members and their guests thereon, and to establish penalties for the infraction thereof;
- (b) suspend the voting rights and right to use of the recreational facilities of a member during any period in which such member shall be in default in the payment of their annual dues. Such rights may also be suspended after notice and hearing for a period not to exceed 60 days for infraction of published rules and regulations;
- (c) pursue any other remedy provided by law in addition to or in lieu of or all of the above, including a personal action for money damages against the defaulting owner;
- (d) 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 Declaration;

- (e) 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; and
- (f) procure and maintain adequate liability and hazard insurance on property owned by the Association;
- (g) employ a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties.

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

- (a) cause to be kept a complete record of all its acts and corporate affairs and to present a summary thereof to the members at the annual meeting of the members;
- (b) supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;
- (c) determine a recommended amount for the annual dues to be presented to the members at the annual meeting for their approval;
- (d) cause the Common Area, if any, to be maintained.

ARTICLE VIII

INDEMNITY OF DIRECTORS

Section 1. The Association shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Association) by reason of the fact that he is or was a director, officer, employee, or agent of the Association, or is or was serving at the request of the Association as a director, officer, employee or agent of another enterprise, against expenses (including attorney's fees), judgment, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Association, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful.

Section 2. The Association shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action or suit by or in the right of the Association to procure a judgment in its favor by reason of the fact that he is or was a director, officer, employee or agent of the Association, or is or was serving at the request of the Association as a director, officer, employee, or agent of another Association, partnership, joint venture, trust, or other enterprise against expenses (including attorney's fees) actually and reasonably incurred by him in connection with the defense or settlement of such action if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interest of the Association; provided, however, that no indemnification shall be made in respect to any claim, issue or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of his duty to the Association except to the extent that the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all circumstances of the case, such person is fairly and reasonably entitled to indemnify for such expenses which such court shall deem proper.

Section 3. The termination of any action, suit, or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the Association, and, with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful.

Section 4. Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the Association in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of the director, officer, employee or agent to repay such amount unless it shall ultimately be determined that he is not entitled to be indemnified by the Association as authorized in this section.

Section 5. Indemnification hereunder shall be made only upon a determination in the specific case that indemnification is proper under the substantive standards established hereunder. Such determination shall be made (1) by the Board of Directors by a majority vote of a quorum consisting of directors who were not parties to such action, suit or proceeding, or (2) if such a quorum is not obtainable, or, even if obtainable a quorum of disinterested directors so

directs, by independent legal counsel in a written opinion, or (3) by the members of the Association.

Section 6. The Association shall have power to purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the Association, or is or was serving at the request of the Association as a director, officer, employee or agent of another Association, partnership, Joint ventures' trust or other enterprise against any liability asserted against him and incurred by him in any such capacity or arising out of his status as such, whether or not the Association would have the power to indemnify him against such liability under the provisions of this section.

ARTICLE IX OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Offices. 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 following each annual meeting of the members.

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 Appointment. 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 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 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. The offices of Secretary and Treasurer may be held by the same parson. 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 are as follows:

President

(a) The President shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out shall sign all leases, mortgages, deeds and other written instruments and shall, if so determined by the Board of Directors, co-sign all checks and promissory

Vice-President

(b) 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.

Secretary

(c) The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the members; keep the corporate seal if any, of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Board and of the members; keep appropriate current records showing the members of the Association together with their addresses, and shall perform such other duties as required by the Board.

Treasurer

(d) The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall sign all checks and promissory notes of the Association; keep proper books of account; and shall prepare an annual budget and a statement of income and expenditure to be represented to the membership at its regular annual meeting.

ARTICLE X
COMMITTEES

The Board of Directors by resolution adopted by a majority of the Directors in office may designate one or more committees, as deemed appropriate in the carrying out of its purpose.

ARTICLE XI
BOOKS AND RECORDS

The books, records, and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any member. The Declaration, the Articles of Incorporation and the By-Laws of the Association shall be available for inspection by any member at the principal office of the Association, where copies may be purchased at a reasonable cost.

ARTICLE XII
VOTING MEMBERSHIP AND DUES

"The Association shall have one class of voting membership. Members shall all be Owners, and shall be entitled to one vote for each Lot or Lots on which annual dues are paid to the Association as defined herein. When more than one person holds an interest in any Lot or Lots, all such persons shall be members. The vote for such Lot or Lots shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any Lot and in no case shall one entity be allowed to control more than 5% of the Total Vote of the Association. The Total Vote of the Association is equal to the total number of annual dues paid to the association. The Voting Membership can only be changed if 51% of the available members approve the change.

- a. Each member is obligated to pay to the Association annual dues in the form of a Maintenance Assessment Fee as defined in Article XVII, a Major Road Fund Assessment Fee (assessed to each member and not by lot(s)) as defined in Article XVIII, and a Garbage Fee (applies to members with residence(s) only). The Maintenance Assessment Fee obligation will be on a per Lot basis except as follows;
- b. If an Owner or Owners hold more than one Lot with one or no residence, only one Lot will be assessed annual dues.
- c. If an Owner or Owners hold more than one Lot with more than one residence, each Lot with a residence will be subject to an annual dues assessment. Except

that; should a single residence encompass more than one Lot then only one of those Lots will be assessed annual dues.

If an Owner or Owners hold more than one Lot they may elect to pay an annual dues assessment for each Lot subject to the limitations of voting rights described herein.

For Example;

Case 1: Owner A owns six undeveloped lots. Owner A would be required to pay a single annual dues and would be entitled to one vote. Owner A could elect to pay additional annual dues on some or all of the other lots up to a total of six. Each of these additional dues payment would entitle Owner A to an additional vote; however, Owner A could never have more than 5% of the total votes available. If there are 80 votes available, he could only have a maximum of 4 votes (5% of 80).

Case 2: Owner B owns five lots and two residences. One of the residences covers parts of two lots. Owner B would be responsible for two annual dues assessments, one for each residence and would be entitled to two votes. Owner B could elect to pay additional annual dues on the other lots up to a total of five. Each of these additional dues would entitle Owner B to an additional vote; however, Owner B could never have more than 5% of the total votes available. If there were 80 votes available he could only have a maximum of 4 votes.

Case 3: Owner C owns two lots and one residence. Owner C would be responsible for a single annual dues and would be entitled to one vote. Owner C could elect to pay additional annual dues on the other lot for a total of two. This additional annual dues payment would entitle Owner C to one additional vote of a total of two.

ARTICLE XIII CORPORATE SEAL

The Association may have a corporate seal at the discretion of the Board of Directors in a form to be determined by the Board.

ARTICLE XIV
AMENDMENTS

Section 1. These Bylaws may be amended, at a regular or special meeting of the members, by a vote of a majority of a quorum of members present in person or by proxy.

Section 2. In case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control; and in case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

ARTICLE XV
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, except that the first fiscal year shall begin on the date of incorporation.

ARTICLE XVI
AUTHORITY OF ASSOCIATION

Section 1. The Association shall have the authority to exercise those powers and privileges as set forth in the Articles of Incorporation, and shall be bound by, and have the authority to enforce, and amend, any and all restrictions of record concerning HILLWOOD ACRES SUBDIVISION as set forth and filed in the records of the County Clerk of Trinity County, Texas, including but not limited to those set forth in Volume 190, page 439 *et seq.*; and any amendments to said deed restrictions adopted by the Association and filed of record with the County Clerk of Trinity County, Texas.

Section 2. The Association shall not have the sole authority to enforce the deed restrictions. The determination of whether to file any lawsuit or take any other action regarding a deed restriction violation is vested in the sole discretion of the Board of Directors. Provided, however, that the members of the Association, by majority vote of the members at a regular or special meeting duly called as required by these bylaws, may direct the Board of Directors to file any lawsuit or take any other action regarding a deed restriction violation.

ARTICLE XVII

MAINTENANCE ASSESSMENT FEE

Section 1. All owners of lots in said Hillwood Acres shall pay an annual maintenance fee as determined and set by the Association as defined by the By-Laws and Deed Restrictions of Hillwood Acres Property Owners Association, Inc. The amount of the maintenance fee shall be determined by a majority vote of the members, represented in person or by proxy, of the Association at the annual meeting of the Association, at which a quorum of the members, represented in person or by proxy, is obtained. Notice shall be given to all the lot owners of said annual meeting and of the proposed annual maintenance fee to be determined for the next fiscal year. In the event, the proposed maintenance fee fails to obtain the necessary votes at the annual meeting, then the maintenance fee for the next fiscal year shall be the amount set for the preceding year. Such maintenance fee shall be secured by said Vendor's Lien upon the particular lot, tract or parcel of land at the time the fee is due. Said assessments shall be in the form of a covenant to run with the ownership of the said lots.

Section 2. Maintenance fees shall be payable to "Hillwood Acres Property Owners Association" at 187 Sandy Drive, Trinity, Texas 75862. The Maintenance Fee shall become delinquent if not paid before January 31st in the year such fees are due. Invoices for maintenance fees will be sent out not less than 90 days prior to the delinquency date. Any maintenance fee not paid when due shall give the Association the right to bring an action of law against the person or entity obligated to pay same, or the Association may foreclose the lien created hereby against the particular lot, tract or parcel. Interest at eighteen percent (18%) (see ATTACHMENT A & B) per year from date due, costs and reasonable attorney's fees incurred in such action shall be added to the amount due. Each such person or entity owning and lot, tract or parcel out of the said property, by acceptance of deed thereto, hereby grants to the Association, its successors and assigns, or its agents, the right and power to bring all such actions against same personally for the collection of the maintenance fees due and unpaid, and to enforce the aforesaid lien by all methods available, including non-judicial foreclosure pursuant to Section 51.002 and such persons and/or entities hereby expressly grant to the Association a power of sale in connection with such liens.

Section 3. The Vendor's Lien securing payment of the maintenance fee provided for above shall be subordinated to the lien of any mortgage or mortgages granted or created by the person or entity owning same to secure the payment of funds advance and used for the purpose of purchasing and/or improving such lot, tract or parcel. The sale or transfer or any such lot, tract or parcel pursuant to Mortgage foreclosure or any proceeding in lien thereof, shall extinguish the lien securing such maintenance fee as to all past due payment. No such sale or transfer shall relieve such lot, tract or parcel from liability for maintenance fees thereafter becoming due or from the lien securing same.

Section 4. All lots, tracts or parcels out of the said property owned by the Association shall be exempt from the lien and maintenance fees provided for hereby during the period the Association owns same. Said lien and fee shall attach to the particular lot, tract or parcel upon conveyance of same by the Association.

Section 5. The Board of Directors of the Association shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, and reservations now or hereafter imposed by the By-Laws and restrictions, said lawsuit to be brought in the name of the Association, upon a vote by the majority of the Board of Directors of the Association at a duly

called meeting of the Board at which a quorum of Directors is present, against any lot owner who is delinquent in payment of the maintenance fees, as delinquent and defined in the restrictions and these By-Laws of the Association. Any lot owner who has not paid the annual maintenance fees applicable to the lot/lots he/she owns, once such maintenance fees are payable as provided by these By-Laws and deed restrictions, shall be considered in default. Any lot owner who is delinquent in payment of any maintenance fees or other fees due on the recorded date of any meeting, as determined by the By-Laws of the Association, shall not be a "member in good standing" and shall not be entitled to vote at any meeting of the members, whether annual or special, and shall not be entitled to hold an directorship or office of the Association.

Section 6. The maintenance fee shall, to the extent available, be applied to the payment of maintenance expenses and/or construction costs incurred for any or all of the following purposes, as determined by the Board of said Association;

- a. Lighting, constructing, improving, and maintaining streets, sidewalks, paths, parkways, esplanades, or swimming pools, if any,
- b. Collecting and disposing of garbage, ashes, rubbish and similar material as well as the maintenance of vacant lots,
- c. the construction of club house facilities, ramps, boat landings, boat basins and other similar recreation facilities on areas so reserved by developer;
- d. doing any other thing necessary or desirable in the opinion of the Board of the Association, to keep the property neat and in good order or which is considered of general benefit to the owners or occupants of Hillwood Acres Subdivision including expenses incurred in enforcing any provisions of the By-Laws, including any amendments thereto, approved by the Hillwood Acres Property Owners Association, on file in the County Clerk's office of Trinity County, Texas.

ARTICLE XVIII

MAJOR ROAD FUND ASSESSMENT FEE

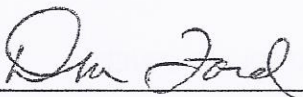
Section 1. Each member is obligated to pay to the Association, in addition to the Maintenance Assessment Fee and a Garbage Assessment Fee (applies to members with residence(s) only) as set forth in the Deed Restrictions, Contracts for Sale, and these Bylaws, a Major Road Fund Assessment Fee. This assessment shall be used for major road repairs within the subdivision. The Road Fund Assessment Fee shall be assessed to each member and not by lot(s) under the conditions set forth in these Bylaws. Failure to pay the assessments on or before the date of notice shall be treated the same as failure to pay the maintenance fees, as provided by these Bylaws, specifically, but not limited to, Article XVII.


Section 2 The Board of Directors' subject to approval by a majority of the members of the Association at an annual or special meeting, at which a quorum is represented, may make assessments against each member and not by lot(s) for major road or public utility repairs and/or construction. Notice of any such assessment must be given in any Notice of any special meeting, but such specific Notice is not necessary for an annual meeting. Such assessment question will be governed the same as for the assessment of maintenance fees as provided by these Bylaws.

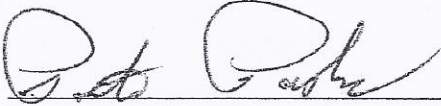
Section 3 No lot owner may waive or otherwise escape liability for the assessments provided for herein by non-use of any of the facilities or services provided by the Association or by abandonment of his/her lot(s).

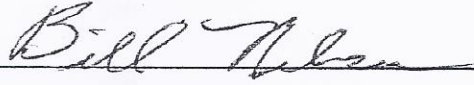
The above Restated and Amended By-Laws were adopted by the members of the Association at the annual meeting, on May 24, 2008, and are now in full force and effect.

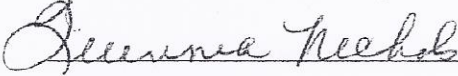
Signed this day 24 day July, 2008.

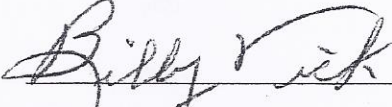

Don Ford – President


Virginia Johnson – Secretary


Pete Paske – Vice – President


Bill Nelson – Member


Quinnia Nichols – Treasurer


Billy Vick – Member

ATTACHMENT A

Interest Rates for Delinquent Annual Dues

Annual Dues in the form of Maintenance Assessment Fee (based on lot(s)) and Major Road Fund Assessment Fee (assessed by member and not by lot(s)) are due by January 31st of each year. Payment received after January 31st is subject to the following penalty in interest rates:

Example: A member who owes dues for two annual assessments would be billed a total of:

Maintenance Fee	\$75.00
Road Fund	<u>\$50.00</u>
Total	\$125.00

Table of Interest Rate

MONTH	INTEREST	AMOUNT OWED
February	2%	\$127.50
March	4%	\$130.00
April	6%	\$132.50
May	8%	\$135.00
June	10%	\$137.50
July	12%	\$140.00
August	14%	\$142.50
September	16%	\$145.00
October	18%	\$147.50

ATTACHMENT B

Interest Rates for Delinquent Annual Dues

Annual Dues in the form of Maintenance Assessment Fee (based on lot(s)), Garbage Fee (applies to members with a residence only), and Major Road Fund Assessment Fee (assessed by member and not by lot(s) are due by January 31st of each year. Payment received after January 31st is subject to the following penalty in interest rates:

Example: A member who owes dues for all three annual assessments would be billed a total of:

Maintenance Fee	\$75.00
Garbage Fee	\$55.00
Road Fund	<u>\$50.00</u>
Total	\$180.00

Table of Interest Rate

MONTH	INTEREST	AMOUNT OWED
February	2%	\$183.60
March	4%	\$187.20
April	6%	\$190.80
May	8%	\$194.40
June	10%	\$198.00
July	12%	\$201.60
August	14%	\$205.20
September	16%	\$208.80
October	18%	\$212.40