

Original

FIRST AMENDED BYLAWS

OF

LAS MARIPOSAS TOWNHOUSE HOMEOWNERS ASSOCIATION, INC.

ARTICLE I

NAME AND LOCATION

The name of the corporation is Las Mariposas Townhouse Homeowners Association, Inc. The registered office of Las Mariposas Townhouse Homeowners Association, Inc. shall be located at 500 Valley Park, Garland, Texas but meetings of members and of Directors may be held at such places within the State of Texas, County of Dallas, as may be designated by the Board of Directors.

ARTICLE II

DEFINITIONS

SECTION 1. "Association" shall mean and refer to Las Mariposas Townhouse Homeowners Association, Inc., a Texas non profit corporation, its successors and assigns, or upon its merger or consolidation with another corporation or corporation resulting from said merger or consolidation.

SECTION 2. "Declaration" shall mean and refer to the Declaration of Covenants, Conditions and Restrictions applicable to the Properties and filed on December 28, 1999, as Document No. 847490 in the office of the County Clerk in Dallas County, Texas and recorded in Volume 99250, Page 5738, Real Property Records, and as the same may be amended from time to time as therein provided.

SECTION 3. "Owner" shall mean and refer to that certain real property described in Exhibit "A" & "B" to the Declaration, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

SECTION 4. "Articles of Incorporation" - text deleted from prior Bylaws filed October 11, 1982.

hereafter be brought within the jurisdiction of the Association.

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. Where any said lot is being sold by the fee owner thereof to a contract vendee who is entitled to possession of the Lot, the contract vendor and the contract vendee shall be considered the joint Owners of said Lot.

SECTION 6. "Lot" shall mean and refer to any plot of land, other than Common Properties, shown on Exhibit "A" & "B" to the Declaration upon which a single family residence may be or has been constructed.

SECTION 7. "Common Properties" shall mean and refer to all real property owned by the Association for the common use and enjoyment of the Owners.

SECTION 8. "Member" shall mean and refer to each person entitled to membership in the Association as provided in the Declaration and the Articles of Incorporation.

ARTICLE 111

MEETING OF MEMBERS

SECTION 1. "Annual Meetings". The next annual meeting of the members shall be held on the 4th Tuesday in May, 2000, and each subsequent regular annual meeting of the members shall be held on the same month of each year thereafter, at the hour of 7:30 P.M. If the day for the annual meeting of the members is a legal holiday, the meeting will be held at the same hour on the first day following which is not a legal holiday.

SECTION 2. "Special Meetings". Special meetings of the members may be called

at any time by the President of the Association or by the Board of Directors, or upon written request of the members who are entitled to vote one-fourth (1/4) of all of the votes of the membership.

SECTION 3. "Notice of Meetings." 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 said notice, at least fifteen (15) and not more than thirty (30) days before the meeting to each member entitled to vote thereat, addressed to the member's address last appearing on the books of the Association for the purpose of notice. Said notice shall specify the place, day and hour of the meeting, and in the case of a special meeting, the purpose of each meeting.

SECTION 4. "Quorum." The presence at the meetings of members to cast, or of proxies entitled to cast, (1/10) of the votes of membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration or these Bylaws. If, however, a 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 represented.

SECTION 5. "Proxies" At all meetings, each member may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary of the Association. Every proxy shall be revocable, and every proxy shall terminate automatically upon conveyance by the member of his Lot.

SECTION 6. "Record Date". The Board of Directors may establish a date

(Record Date), not more than (60) days in advance of any meeting, which shall be the last date for determining the identify of members for the purpose of voting at said meeting. The

records of the County Clerk for Dallas County, Texas, as of the Record Date shall be deemed conclusive evidence of a transfer of ownership of the properties, unless evidence of a transfer of ownership, in a form which should be recorded with the County Clerk of Dallas County, Texas, has been filed with the Association no later than the Record Date.

ARTICLE 1V

BOARD OF DIRECTORS

SECTION 1. "Number." The affairs of the Association shall be managed by a Board of (5) Directors, who shall be members of the Association.

SECTION 2. "Term of Office." At the next annual meeting the members shall elect (2) Directors for a term of (3) years: (2) Directors for a term of (1) year, and (1) Director for a term of (2) years. At each annual meeting thereafter the members shall elect for a term of (3) years that number of Directors equal to the number of Directors whose terms of office expire in that year.

CLARIFICATION: This section was written to establish terms for the original annual meeting in 1976. This was to create staggered, three-year terms for successive Directors so that an entire Board would not vacate offices at the same time.

SECTION 3. "Removal." Any Director or all the Directors may be removed from the Board, with or without cause, by a majority vote of the members 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 he 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 expense 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 all the Directors. Any action so approved shall have the same effect as though taken at a meeting.

ARTICLE V

NOMINATION AND ELECTION OF DIRECTORS

SECTION 1. "Nomination." Nomination of candidates for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nomination 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 eve from the close of said annual meeting until the close of the next annual meeting and said appointment shall be announced at each annual meeting . The Nominating Committee may make as many nominations for election to the Board of Directors as it shall in its discretion determine, but in no event shall fewer nominees be named than the number of vacancies to be filled. Said nominations shall be made from among members.

SECTION 2. Election. Election to the Board of Directors shall be by secret written ballot. At said election the members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The person receiving the largest number of votes shall be elected, to the

extent of the number of directorships to be filled. Cumulative voting shall not be permitted.

ARTICLE VI

MEETING OF DIRECTORS

SECTION 1 "Regular Meetings" Regular meetings of the Board of Directors shall be held monthly without notice, on the third Tuesday in each month at the hour of 6:30 P.M. Should such meeting fall upon a legal holiday, than that meeting shall be held at the same time on the next following which is not a legal holiday.

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 not less than five (5) days notice to each Director.

SECTION 3 "Quorum" A majority of the numbers 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 of Directors.

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 Properties, and the personal conduct of the members and their guests thereon, and to establish penalties for the infraction thereof.
- b. Suspend any member's voting rights and enjoyment rights in the recreational facilities situated upon the Common Properties during any period in which the member

shall be in default of payment of any assessment levied by the Association. Said rights may also be suspended after notice and hearing, for a period not to exceed sixty days for infraction of published rules and regulations;

c. Exercise for the Association all powers, duties and authority vested in or delegated to the Association and not reserved to the membership by other provisions of these By-laws, Articles of Incorporation or the Declaration:

d. Declare the office of the Board of Directors to be vacant in the event a member shall be absent from three (3) consecutive meetings of the Board of Directors; and

e. 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 statement thereof to the members at the annual meeting of the members, or at any special meeting when said statement is requested in writing by one-fourth of all votes of members;

b. Supervise all officers, agents, and employees of the Association, and to see that their duties are properly performed.

c. As more fully provided in the Declaration to:

1. Fix the amount of annual assessments against each Lot and the dates on which they are due at least thirty days in advance of each annual assessment period;

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

The President shall preside at all meetings of the Board of Directors and of the members; shall see that orders and resolutions of the Board of Directors are carried out; shall sign all leases, mortgages, deeds and other written instruments and shall co-sign all checks and promissory notes.

VICE PRESIDENT

The Vice President shall act in the place and stead of the President in the event of the President's 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

The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board of Directors and of the members; serve notice of meetings of the Board of Directors and of the members; keep appropriate current records showing the members of the Association together with their addresses, and shall perform other duties as required by the Board of Directors.

TREASURER

The Treasurer shall receive and deposit in appropriate bank accounts all Moines of the Association and shall disburse said funds as directed by resolution of the Board of Directors; shall co-sign all checks and promissory notes of the Association; shall keep proper books of accounts; shall cause an annual audit of the Association books to be made by a public accountant at the completion of each fiscal year, and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting, and deliver a copy of each to the members.

3. Foreclose the lien against any property for which assessments are not paid within thirty (30) days after due date or to bring an action at law against the owner personally obligated to pay the same.

d. Issue, or to cause an appropriate office to issue, upon demand by any person, a certificate setting forth whether or not the assessments against a specified Lot have been paid. A reasonable charge may be made by the Board for the issuance of a certificate. If a certificate states an assessment has been paid, said certificate shall be conclusive of payment;

e. Procure and maintain adequate liability and hazard insurance on property owned by the Association;

f. Cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate; and

g. Cause the Common Properties to maintain the exteriors (excluding roofs) of all residences in the Properties to be maintained, and the front yards of all residences in the Properties to be maintained.

ARTICLE VIII

OFFICERS AND THEIR DUTIES

SECTION 1 "Enumeration of Officers The officers of the Association shall be a President and a 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 the 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 be otherwise disqualified to serve.

CLARIFICATION: "Terms" were established in Article 4, Section 2, and supersede this section. Terms are three (3) years, and the officers elected annually are ones where the term of that Board seat has expired.

SECTION 4 "Special Appointments" The Board of Directors shall 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 of Directors 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 of Directors. Any officer may resign at any time by giving written notice to the Board of Directors, the President or the Secretary. Said resignation shall take effect on the date of receipt of said notice or at any later time specified therein; the acceptance of said 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 of Directors. The officer appointed to a 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 person. No person shall simultaneously hold more than one of the other offices except in the case of special officers created pursuant to Section 4 of this Article.

SECTION 8 "Duties" The duties of the officers are as follows:

PRESIDENT

ARTICLE IX
COMMITTEES

The Association shall appoint an Architectural Control Committee, as provided in the Declaration, and a Nominating Committee, in the same manner as provided in the Bylaws with respect to the nomination of candidates to the Board of Directors. In addition, the Board of Directors shall appoint such other committees as deemed appropriate in carrying out its purpose.

ARTICLE X
BOOKS AND RECORDS

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

ARTICLE XI
ASSESSMENTS

As more fully provided in the Declaration, each owner is obligated to pay the Association annual and special assessments which are secured by a continuing lien upon the property against which the assessment is made. Any assessment which is not paid when due shall be delinquent. If the assessment is not paid within fifteen (15) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of ten percent (10%) per annum, which interest shall be calculated at a daily rate equal to $1/360$ of said annual rate. 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 or any said action shall be added to the amount of said assessment. No Owner shall waive or otherwise escape liability for the assessments provided for in the Declaration and herein by non-use of the Common Properties or by abandonment of his lot of his interest therein.

ARTICLE XII

CORPORATE SEAL

The Association shall not have a corporate seal.

ARTICLE XIII

AMENDMENTS

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

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

ARTICLE XIV

USE OF COMMONS PROPERTIES

The Common Properties may be used by Owners and their immediate families, and their respective guests in accordance with such rules and regulations as may be established from time to time by the Association. Said rules may limit the number or frequency of guests and guest usage of the Common Properties, in the general interest of members.

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.

CERTIFICATION

I, the undersigned, do hereby certify:

THAT, I am the duly elected and acting Secretary of the Las Mariposas Townhouse Homeowners Association, Inc. and,

THAT the foregoing Bylaws constitute the Second Amended Bylaws of said Association, as duly adopted at a meeting of the Members thereof, held on the 28th day of December, 1999.

RAY ACKERMAN, SECRETARY