

BYLAWS
OF
MEMORIAL GLEN PROPERTY OWNERS, INC.

(As Amended February 28, 1969, and February 22, 1974)
and March 6, 1979

ARTICLE I

MEMBERS

Section 1. Members. The membership of this Corporation shall consist of those persons owning property in Memorial Glen Subdivision, Harris County, Texas, Sections One and Two and lots six (6) through ten (10), Block 3, and Fifty-seven (57) through One Hundred Twenty-Five (125), Block 2, in Section Three (hereinafter referred to as "Memorial Glen").

Section 2. Annual Meeting. The annual meeting of members shall be held on the first Tuesday in March of each year, at a time to be stated in the written or printed notice of such meeting, if not a legal holiday, and, if a legal holiday, then on the next succeeding day that is not a holiday. Any business, including the election of directors, may be transacted at an annual meeting, except as otherwise provided by law or by these bylaws.

Section 3. Special Meeting. A special meeting of members may be called at any time by the members of the Corporation having not less than one tenth of the votes entitled to be cast at such meeting, by the Board of Directors or by the president. Only such

business shall be transacted at a special meeting as may be stated or indicated in the notice of such meeting.

Section 4. Place. Unless otherwise specified in the notice of a members' meeting, each such meeting of members shall be held at the principal office of the Corporation in Houston, Texas.

Section 5. Notice. Except as otherwise required by law, the Articles of Incorporation or these bylaws, written or printed notice stating the place, day and hour and, in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than ten (10) nor more than fifty (50) days before the date of the meeting, either personally or by mail, by or at the direction of the president, or the secretary, or the officers, or persons calling the meeting to each member entitled to vote at such meeting.

Section 6. Quorum. Except as otherwise required by law, the Articles of Incorporation or by these bylaws, members holding one-fourth of the votes present at such a meeting, present in person or by proxy, shall constitute a quorum. At any meeting at which a quorum is present, the act of the members, present in person or by proxy, holding a majority of the votes present at such a meeting shall be the act of the membership unless the vote of a greater number is required by law, the Articles of Incorporation or the bylaws. The members present at any meeting, though less than a quorum, may adjourn the meeting and any business may be transacted at the reconvened meeting, if a quorum is present, that could be transacted

at the original meeting. No notice of adjournment, other than announcement at the meeting, need be given, except 24 hours' notice of the reconvened meeting shall be given to any member not present at the original meeting.

*16 lots
2 votes
6 votes
6 "*
Section 7. Voting. Each member is entitled to two votes for each lot he owns in Memorial Glen. Should two or more members jointly own a lot they shall be jointly entitled to two votes for such lot.

Section 8. Proxies. A member may vote in person or, unless the Articles of Incorporation or the bylaws otherwise provide, may vote by proxy executed in writing by the member or by his duly authorized attorney-in-fact. No proxy shall be valid after eleven (11) months from the date of its execution, unless otherwise provided in the proxy. Each proxy shall be revocable unless expressly provided therein to be irrevocable and in no event shall a proxy remain irrevocable for a period of more than eleven (11) months.

Section 9. Election of Directors. For the purpose of the election of directors, Memorial Glen is divided into three (3) Election Areas which are set out on the attached plat, which is incorporated herein as a part of these bylaws. Two directors shall be elected from each such Election Area, who shall be members and residents of such Area. Three directors who shall be members shall be elected at large. At each election for directors each member entitled to vote at such election shall have the right to vote, in person or by proxy,

for as many persons, from those running at large as there are directors at large to be elected, and for a person, if any, running from each Election Area in which he owns property. At the discretion of the Board of Directors, the elections of the directors and officers may be conducted by mail.

Section 10. Special Voting Provisions. Any contract to buy, sell or encumber real property or execute a long-term lease or execute any one contract which by its terms either commits more than 20% of the Memorial Glen Property Funds income in any one year or requires more than two years to complete, must be approved at any meeting at which a quorum is present, by members, present in person or voting an absentee ballot obtained in person from and submitted to the secretary no later than three full business days before the meeting, holding three-fourths of the votes present at such a meeting at any such meeting. Notice of such a meeting must be given in accordance with Article I, Section 5 hereof, except that such notice shall be delivered not less than twelve nor more than thirty-five days before the date of the meeting.

In the event that Lots 123, 124 and 125, Block 2, Section 3 of Memorial Glen are acquired by the Corporation and if it thereafter should become necessary to sell or dispose of said lots, the sale or disposition of said lots and the reinstatement of the original restrictions or the adoption of new restrictions on said lots shall be subject to the approval at any special meeting at which a quorum is present, by members, present in person, or voting an absentee ballot

obtained in person from and submitted to the secretary no less than three full business days before the meeting, who hold three-fourths of the votes present at such a meeting at such special meeting. Notice must be given in accord with Article I, Section 5 hereof except that notice shall be delivered not less than thirty (30) days nor more than forty-two (42) days before the date of the meeting. The agenda of such a special meeting shall be limited solely to these subjects.

Any other provision of these bylaws notwithstanding this Section may be altered, amended or repealed only by the vote of the members entitled to vote on an amendment to the bylaws. Voting by proxy for provisions covered hereby is not permitted.

Section 11. Officers. The president shall preside at and the secretary shall keep the records of each meeting of members, and in the absence of either such officers, his duties shall be performed by some person appointed by the meeting.

ARTICLE II

BOARD OF DIRECTORS

Section 1. Number and Term of Office. The directors shall be elected by the members entitled to vote, at their annual meeting. The business and property of the Corporation shall be managed and controlled by the Board of Directors (each of whom shall be a member of the Corporation), and subject to the restrictions imposed by law, by the Articles of Incorporation, or by these bylaws, they may exercise all the powers of the Corporation.

The number of directors shall be nine (9). Three shall be elected at large, each of the remaining six (6) shall be elected two from each of the three (3) Election Areas as provided for in Article I Section 9. Each director must have resided in Memorial Glen for one (1) year to be eligible for election to the board.

A vacancy on The Board of Directors shall be declared when a director misses three (3) consecutive regular meetings of the Board and the vacancy shall be filled as provided in the last paragraph of Section 1.

Each director shall hold office for the term of two (2) years and until his successor shall have been elected and qualified.*

Any vacancy occurring in the Board of Directors by reason of resignation, death, termination of membership in the Corporation, or physical or mental disability, may be filled by the affirmative vote of a majority of the directors then in office though less than a quorum of the Board of Directors. A director elected to fill a vacancy must have resided in Memorial Glen for one (1) year prior to such election and shall be elected for the unexpired term of his predecessor in office.

Section 2. Meetings of Directors. The directors may hold their meetings and may have an office and keep the books of the Corporation, except as otherwise provided by statute, in such place or places in the City of Houston, Texas, as the Board of Directors may from time to time determine.

Section 3. First Meeting. Each newly elected Board of Directors may hold its first meeting for the purpose of organization and the transaction of business, if a quorum is present, immediately after the annual meeting of the membership, and no

(*) Except that in the first year of the two (2) year terms above provided, five (5) elected directors shall hold office for two (2) years and four (4) shall hold office for one (1) year, the holders of one-year and two-year terms being determined by lot.

after the annual meeting of the membership, and no notice of such meeting shall be necessary.

Section 4. Election of Officers. At the first meeting of the Board of Directors in each year at which a quorum shall be present, held next after the annual meeting of stockholders, the Board of Directors shall proceed to the election of the officers of the Corporation.

Section 5. Regular Meetings. Regular meetings of the Board of Directors shall be held at such times and places as shall be designated, from time to time, by resolution of the Board of Directors. Notice of such regular meetings shall not be required.

Section 6. Special Meetings. Special meetings of the Board of Directors shall be held whenever called by the president or by the secretary or by a majority of the directors for the time being in office.

The secretary shall give notice of each special meeting in person, or by mail or telegraph at least two (2) days before the meeting to each director. Unless otherwise indicated in the notice thereof, any and all business may be transacted at a special meeting.

At any meeting at which every director shall be present, even though without any notice, any business may be transacted.

Section 7. Quorum. A majority of the directors fixed by these bylaws shall constitute a quorum for the transaction of business, but if at any meeting of the Board of Directors there be less

than a quorum present, a majority of those present may adjourn the meeting without notice. The act of a majority of the directors present at a meeting at which a quorum is in attendance shall constitute the act of the Board of Directors, except as otherwise provided by law, by the charter, or by these bylaws. A director may not be represented by proxy or absentee ballot.

Section 8. Order of Business. At meetings of the Board of Directors, business shall be transacted in such order as from time to time the Board may determine.

At all meetings of the Board of Directors, the president shall preside, and in the absence of the president a chairman shall be chosen by the Board from among the directors present.

The secretary of the Corporation shall act as secretary of all meetings of the Board of Directors, but in the absence of the secretary, the presiding officer may appoint any person to act as secretary of the meeting.

Section 9. Compensation. Directors as such shall not receive any salary or compensation for their services.

Section 10. Executive Committee. The Board of Directors may, by resolution passed by a majority of the whole Board, designate two or more directors to constitute an Executive Committee, which Committee, to the extent provided in such resolution, shall have and may exercise all of the authority of the Board of Directors in the business and affairs of the Corporation except where action of the Board of Directors is specified by statute. The Executive Committee

shall act in the manner provided in such resolution. The Executive Committee so designated shall keep regular minutes of the transactions of its meetings and shall cause such minutes to be recorded in books kept for that purpose in the office of the Corporation, and shall report the same to the Board of Directors from time to time.

ARTICLE III

OFFICERS

Section 1. Titles and Term of Office. The officers of the Corporation (who shall be members of the Corporation) shall be a president, one or more vice presidents, a secretary and treasurer, and such other officers as the Board of Directors may from time to time elect or appoint. One person may hold more than one office, except that the president shall not hold the office of secretary.

Each officer shall hold office for the term of one year and until his successor shall have been elected and qualified. A vacancy in the office of any officer by reason of resignation, death, termination of membership in the Corporation, or physical or mental disability, shall be filled by vote of a majority of the directors, at any meeting at which a quorum is present. An officer elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office.

Section 2. Powers and Duties of the President. The president shall be the chief executive officer of the Corporation and, subject

to the Board of Directors, he shall be in general charge of the properties and affairs of the Corporation; he shall preside at all meetings of the membership and of the Board of Directors.

Section 3. Vice Presidents. Each vice president shall have such powers and duties as may be assigned to him by the Board of Directors and shall exercise the powers of the president during that officer's absence or inability to act. Any action taken by a vice president in the performance of the duties of the president shall be conclusive evidence of the absence or inability to act of the president at the time such action was taken.

Section 4. Treasurer. The treasurer shall have custody of all the funds and securities of the Corporation which come into his hands. When necessary or proper, he may endorse, on behalf of the Corporation, for collection, checks, notes and other obligations and shall deposit the same to the credit of the Corporation in such bank or banks or depositories as shall be designated in the manner prescribed by the Board of Directors; he may sign all receipts and vouchers for payments made to the Corporation, either alone or jointly with such other officer as is designated by the Board of Directors; whenever required by the Board of Directors, he shall render a statement of his cash account; he shall enter or cause to be entered regularly in the books of the Corporation to be kept by him for that purpose full and accurate accounts of all moneys received and paid out on account of the Corporation; he shall perform all acts inci-

dent to the position of treasurer subject to the control of the Board of Directors; he shall, if required by the Board of Directors, give such bond for the faithful discharge of his duties in such form as the Board of Directors may require.

Section 5. Secretary. The secretary shall keep the minutes of all meetings of the Board of Directors and the minutes of all meetings of the membership in books provided for that purpose; he shall attend to the giving and serving of all notices; he shall have charge of the corporate books, records, documents and instruments, except the books of account and financial records and securities of which the treasurer shall have custody and charge, and such other books and papers as the Board of Directors may direct, all of which shall at all reasonable times be open to the inspection of any director upon application at the office of the Corporation during business hours, and he shall in general perform all duties incident to the office of secretary subject to the control of the Board of Directors.

Section 6. Compensation. Officers as such shall not receive any salary or compensation for their services.

ARTICLE IV

MISCELLANEOUS PROVISIONS

Section 1. Fiscal Year. The fiscal year of the Corporation shall be as determined by the Board of Directors.

Section 2. Seal. The seal of the Corporation shall be such as from time to time may be approved by the Board of Directors.

Section 3. Notice and Waiver of Notice. Whenever any notice whatever is required to be given under the provisions of these bylaws, said notice shall be deemed to be sufficient if given by depositing the same in a post office box in a sealed postpaid wrapper addressed to the person entitled thereto at his post office address, as it appears on the books of the Corporation, and such notice shall be deemed to have been given on the day of such mailing. A waiver of notice, signed by the person or persons entitled to said notice, whether before or after the time stated therein, shall be deemed equivalent thereto.

Section 4. Resignations. Any director or officer or member may resign at any time. Such resignations shall be made in writing and shall take effect at the time specified therein, or, if no time be specified, at the time of its receipt by the president or secretary. The acceptance of a resignation shall not be necessary to make it effective, unless expressly so provided in the resignation.

Section 5. Indemnification.* (A) Each person who acts as a Director or officer of the Corporation shall be indemnified by the Corporation against expenses actually incurred by him in connection with the defense of any action, suit, or proceeding in which he is a party by reason of his being or having been a Director or officer of the Corporation, except in relation to matters as to which he shall

be adjudged in such action, suit, or proceeding to be liable for gross negligence or willful misconduct, and except for any sum paid for the Corporation in settlement of an action, suit, or proceeding based on gross negligence or willful misconduct in the performance of his duties.

(B) The right of indemnification provided herein shall inure to each Director and officer referred to in (A) whether or not he is such Director or officer at the time such costs or expenses are imposed or incurred, and in the event of his death shall extend to his legal representatives.

ARTICLE V.

AMENDMENTS

These bylaws may be altered, amended, or repealed and new bylaws may be adopted by the affirmative vote of two-thirds of the votes which members present at a meeting, in person or by proxy, are entitled to cast. Such vote may be taken at any annual meeting, or at any special meeting if notice of the proposed amendment be contained in the notice of said special meeting. Except as otherwise herein provided, these bylaws may be altered, amended, or repealed and new bylaws may be adopted by the affirmative vote of a majority of the full Board of Directors at any regular or special meeting. However, Article I, Section 10, "Special Voting Provisions", Article I Section 1 "Number and Term of Office" of directors and Article III,

Section 1 "Titles and Terms of Office" of officers shall be amended only by an affirmative vote of three-fourths of the votes of members present in person, or voting an absentee ballot obtained in person from and submitted to the secretary no less than three full business days before a special meeting called for that purpose with notice given in accordance with Article I, Section 5 hereof.

ARTICLE VI.

LIMITATION OF EXECUTIVE COMMITTEE AUTHORITY

The authority of the Executive Committee shall not extend to any major project or major expenditure mentioned in Article I, Section 10 hereof.

ARTICLE VII.

REMOVAL OF DIRECTORS AND VACANCY IN DIRECTORSHIPS

Any director may be removed by the members if the best interests of the Corporation will be served thereby. A vote for removal may be held at any meeting of the members. A director shall be removed upon the action of members entitled to vote in an election for that directorship who hold a majority of the votes entitled to be cast, present in person or by proxy, at any meeting at which a quorum is present. Any vacancy on the Board of Directors other than those specified in Article II, Section I may be filled by the members at any special or annual meeting in the manner above prescribed for the election of directors.