

FIRST AMENDED BY-LAWS
OF
R. F. ASSOCIATION, INC. dba
RIVER FOREST HOMEOWNER ASSOCIATION, INC.

ARTICLE I.

NAME AND LOCATION

The name of the corporation is R. F. Association Inc., dba River Forest Homeowner Association, Inc., hereinafter referred to as the "Association. The principal office of the corporation shall be at such location as designated from time to time by the Board of Directors and reflected as such with the Secretary of State of the State of Texas, but meetings of members and directors may be held at such places within the State of Texas, County of Fort Bend, as may be designated by the Board of Directors.

ARTICLE II.

DEFINITIONS

The following words, when used in these Bylaws, unless a different meaning or intent clearly appears from the context, shall have the following meanings:

Section 1. "Association" shall mean River Forest Homeowners Association, Inc., a Texas non-profit corporation.

Section 2. "Articles" shall mean the Articles of Incorporation of the Association.

Section 3. “Common Area” shall mean all real property, if any, together with improvements thereon, owned by the Association for the common use and enjoyment of the Owners.

Section 4. “Developer” shall mean and refer to River Forest, LTD., a Texas Limited Partnership, its successors or assigns.

Section 5. “Lot(s)” shall mean and refer to any of the numbered Lots shown on the River Forest Subdivision Plat, including all current sections to same as well as all future additions annexed and under the purview of the Association, including any Lots created by the replatting of a Lot or other tract of land.

Section 6. “Owner(s)” and /or “Owner`s Representative” shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot or Lots, including contract sellers, but excluding those having such interest merely as security for the performance of any obligation.

Section 7. “Property” shall mean and refer to that certain real property being the Lots and Common Areas within the River Forest Subdivision and any additional property hereafter added to the jurisdiction of the Association as provided by the Declarations on file for all sections of the subdivision.

Section 8. “Restrictions” shall mean and refer to any restrictive covenants applicable to the Property as may be filed in the Official Public Records of Real Property of the Fort Bend County, Texas, and any amendments thereafter or such other restriction created by additional properties dedicated to the subdivision by the Developer.

Section 9. “Member” shall mean and refer to those persons entitled to membership as provided in the Bylaws, the Restrictions and Articles of Incorporation.

ARTICLE III.

MEMBERSHIP

Section 1. Every person or entity who is now or hereafter becomes an Owner shall automatically be a Member of the Association during his period of ownership. Membership shall be appurtenant to and may not be separated from the ownership of a Lot. Without limiting the generality of the foregoing, Members of the Association shall include the Developer so long as the Developer shall own any of the Property, together with all other Owners of the Property.

Section 2. Each Member shall be entitled to one (1) vote for each Lot owned in fee. The Developer shall be entitled to exercise all voting rights as prescribed in the Declaration on file for the subdivision. The Developer retains the right to assign or relinquish its voting rights in whole or in part at any time.

Section 3. The rights of Members are subject to the payment of periodic assessments levied and to be levied by the Association, which are imposed against the Owner of, and become a lien upon, all of the Property against which such assessments are made, as provided in the Restrictions. Each such assessment, together with interest thereon and cost of collection thereof, as provided in the Restrictions, shall also be the personal obligation of the person who was the Owner of such Property at the time when the assessment fell due. The voting rights of a Member may be suspended by action of the Board of Directors during the period when any such assessment remains unpaid, but upon payment of all such assessments, the right and privileges of such Member shall be automatically restored.

Section 4. Membership in the Association shall continue only so long as such Member shall own Property. Membership in the Association shall not be transferable; provided, however, that 1) upon the sale by a Member of Property, the purchaser of such Property shall become a Member of the Association, and 2) in the event that ownership of Property shall devolve upon another person or other persons by virtue of the death of an individual Member, or by virtue of the termination of a trust or partnership, or by the dissolution of a corporation, or otherwise, the person or persons succeeding to an interest in Property shall become Members of the Association.

Section 5. When Property is owned in common tenancy, membership in the Association by virtue thereof shall be joint, and the rights of such membership (including the voting rights arising therefrom) shall be exercised by the joint action of all of the common owners.

Section 6. The Association shall be entitled to recognize the exclusive right of a person registered on its books as a Member of the Association for purpose of voting, or for any other purpose, and shall not be bound to recognize any equitable or other claim on the part of any other person, whether or not the Association shall have express or other notice thereof, except as otherwise provided by the laws of the State of Texas.

ARTICLE IV.

MEETING OF MEMBERS

Section 1. Regular Meetings. Regular meetings of the members shall be held, without notice, at such place and time as may be fixed by the Board of Directors. Regular meetings are only for the purpose of updating members on the affairs of the Association. Regular meetings shall be conducted as an open forum, at which a quorum shall not be necessary, nor may any voting be conducted thereat.

Section 2. Annual Meeting. An annual meeting of the Members shall be held in the last quarter of every year. At such meeting, the Members entitled to vote thereat shall elect, by a plurality vote, a Board of Directors and may transact such other business as may properly be brought before the meeting, except as may be provided hereinafter. All meetings of Members for the election of Directors shall be held at such place as the Board of Directors may from time to time designate, as stated in the notice of such meeting or a duly executed waiver of notice thereof; at this meeting a quorum must be obtained (See Article IV, Section 5).

Section 3. Special Meetings. A special meeting of the Members may be called by the President of the Board of Directors or shall be called by the President or Secretary upon written request of Members entitled to cast at least one-tenth (1/10) of all the votes of the entire membership of the Association. The business transacted at any special meeting of Members shall be limited to the purposes stated in the notice thereof.

Section 4. Notice of Meetings. Written or printed notice stating the place, day and hour of the meeting, 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) days or no more than fifty (50) days before the day of the meeting, either personally or by mail, by or at the direction of the President,

the Secretary, or the officer or person calling the meeting, to each Member entitled to vote at such meeting. The Board of Directors may fix in advance a date, not exceeding fifty (50) days preceding the date of any meeting of Members, as a record date for the determination of the Members entitled to notice of and to vote at, any such meeting, and any adjournment thereof, and in such case such Members and only such Members as shall be Members of record on the date so fixed shall be entitled to such notice of, and to vote at, such meeting and any adjournment thereof, notwithstanding any change of Membership on the books of the Association after any such record date fixed as aforesaid.

Section 5. Quorum. Unless otherwise provided in the Articles, Members entitled to cast ten percent (10%) of the votes of the membership, represented in person or by proxy, shall constitute a quorum at a meeting of Members. If, however, a quorum shall not be present or represented at any meeting of the Members, the Members present in person or represented by proxy shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present or represented. At such adjourned meeting at which a quorum shall be present or represented any business may be transacted which might have been transacted at the meeting as originally notified. The majority vote of Members at a meeting at which a quorum is present shall be the act of the Members, unless the vote of a greater number is required by law, the Articles or these Bylaws.

Section 6. Absentee Ballot. A Member may vote in person or by proxy/absentee ballot 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 it remain irrevocable for a period of more than eleven (11) months from the date of its execution.

ARTICLE V..

BOARD OF DIRECTORS: SELECTION AND TERM OF OFFICE

Section 1. Number and Qualifications. The affairs of the Association shall be managed by a Board of not less than five (5) Directors, who must be resident members of the Association in good standing. A member of the Association in “good standing” is defined as a member of the Association who 1) is current in the payment of all annual assessments, special assessments, and any other costs and charges levied by the Association against the member, and 2) is not in violation of the restrictive covenants which encumber the properties under the jurisdiction of the Association, or the Association's Articles of Incorporation, By-Laws, or its rules and regulations. Should any Director during his term of office become a member of the Association who is not in good standing, the Director in question shall be notified of his impending disqualification and be given an opportunity to address the Board of Directors at its next regular meeting. If by the next following regular meeting of the Board of Directors (after the Board meeting where the Director in question is given an opportunity to address the Board), said Director is still defined as a member of the Association who is not in good standing, by operation of this provision 1) said Director shall automatically be removed from the Board and his position declared vacant, and 2) this fact shall be reflected in the minutes of the board meeting.

Section 2. Term of Office. The term of office of a Board member shall be two (2) years. Director’s terms shall be staggered. In order to restore the terms of the Directors to two (2) years each, the director positions which currently maintain the offices of President and Vice-President will be up for election at the 2002 Annual Meeting, to serve a two (2) year term, and the director positions which currently maintain the offices of Secretary, Treasurer, as well as the

At Large Director position will be up for election to serve a one (1) year term. At the subsequent 2003 Annual Meeting, the director positions that currently maintain the office of Treasurer, Secretary, and the At Large Director will be up for an election to serve a two (2) year term. Beginning at the 2004 Annual Meeting all director positions will be two (2) year terms and will, consequently, be staggered such that two (2) directors are up for election in 2004, and three (3) directors positions will be up for election in 2005. The subsequent staggered election of directors will ensure that continuity exists within the governing body which comprises the Board of Directors. Each Director elected shall hold office until his term expires and until his successor is elected and qualified or until his earlier death, resignation or removal. Directors need not be residents of the State of Texas, but each Director shall be a Member of the Association.

Section 3. Removal. At any meeting of Members called expressly for the purpose of removing a Director or Directors, any Director or the entire Board of Directors may be removed, with or without cause, by a vote of a majority of the Membership. A new Board of Director, or an entire panel of Directors may be elected at the same meeting where the vote to remove a director or directors is effected. Any Director may resign at any time upon giving written notice to the Association.

ARTICLE VI.

NOMINATION AND ELECTION OF DIRECTORS

Section 1. Nomination. Five (5) Directors shall be elected to the Board of Directors of the Association at the Annual Meeting of the Members. Subject to the directives set forth in Article V, Section 2, each Director shall be elected to serve a two (2) year term by a separate vote whereby the nominee receiving the highest number of votes shall be elected. At least sixty (60)

days prior to the date of each annual meeting of the Members, the Board shall appoint a committee (“Nominating Committee”) comprised of three (3) Owners and post the names, addresses, and phone numbers of the Members of the Nominating Committee in the Property office. Any Owner may nominate himself/herself or any other person for election to the Board. Nominations shall be made in writing to any member of the Nominating Committee no less than forty-five (45) days prior to the date of each annual meeting of the Members. The Nominating Committee shall meet at least thirty (30) days prior to the date of each annual meeting of the Members to recommend a nominee for each position to be elected on the Board of Directors. The Secretary shall distribute with the notice of the annual meeting of the Members a list setting forth the Nominating Committee’s nominee for each position of the Board. No nomination for positions on the Board may be made at the annual meeting of the Members.

Section 2. Election. Each Member may cast as many votes as such Member is entitled to pursuant to the provisions of Section 2 of Article III of these Bylaws. At each election for Directors, every Member entitled to vote at such election shall have the right to cast, in person or by proxy, as many votes as he is entitled to cast for as many persons as there are Directors to be elected, and for whose election he has the right to vote. Cumulative voting in the election of Directors is not permitted.

Section 3. Vacancy. Any vacancy occurring in the Board of Directors may be filled by the affirmative vote of a majority of the remaining Directors though not less than a quorum of the Board of Directors. A Director elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office. Any directorship to be filled by reason of an increase in the number of directors shall be filled by election at an annual meeting of the Members or at a special meeting of the Members called for that purpose. A Director elected to fill a newly created

directorship shall hold office until the expiration of his term and until his successor is elected and qualified or until his earlier death, resignation or removal.

ARTICLE VII.

MEETING OF THE BOARD OF DIRECTORS

Section 1. Meetings. Meetings of the Board of Directors, regular or special, may be held either within or without the State of Texas.

Section 2. Regular Meetings. Regular meetings of the Board of Directors may be held at such time and at such place as may be fixed from time to time by resolution of the Board.

Section 3. Special Meetings. Special meetings of the Board of Directors may be called by the President, and shall be called by the President or the Secretary on the written request of not less than two Directors. Written notice of special meetings of the Board of Directors shall be given to each Director at least three (3) days before the date of the meeting.

Section 4. Quorum. A quorum of the Board of Directors shall be established by the presence of three (3) of the possible five (5) directors at a meeting of the directors. The majority of 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 majority of the Directors. Any action so approved shall have the same effect as though taken at a meeting of the Directors.

ARTICLE VIII.

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

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

- (a) adopt and publish rules and regulations governing use of the Common Area and Facilities, and the personal conduct of the members and their guests thereon, and to establish penalties for infractions thereof;
- (b) 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;
- (c) exercise for the Association all powers, duties and authority vested in or delegated to this Association by dedicatory instrument or state law and not reserved to the membership by other provisions of these Bylaws or the Articles of Incorporation, or the Restrictions; and
- (d) employ a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties.
- (e) The Board has the power to make expenditures, to perpetuate the Association and to provide for the general maintenance of the Association and its common areas.

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;
- (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 Restrictions, to set the amount of the annual maintenance assessments and supervise all matters in collection thereof;

(d) to cause the Common Area to be maintained.

(e) ensure that the Association maintains current true and accurate financial records with full and correct entries with respect to all financial transactions of the Association, including all income and expenditures, in accordance with generally accepted accounting practices;

(f) ensure that all records, books and annual reports of the financial activity of the Association shall be kept at the registered office or principal office of the Association in Texas for at least three (3) years after the closing of each fiscal year and shall be available to the public for inspection and copying there during normal business hours.

ARTICLE IX.

COMMITTEES

The Board of Directors, by resolution adopted by a majority of the full Board of Directors, may designate from among its members one or more other committees.

ARTICLE X.

NOTICES

Section 1. Whenever any notice is required to be given to any Member or Director under the provisions of any statute, the Articles, these Bylaws or the Restrictions, it shall be given in writing and delivered personally or mailed to such member or Director at such address as appears on the books of the Association, and such notice shall be deemed to be given at the time when the same shall be deposited in the United States mail with sufficient postage thereon

prepaid. Notice to Directors may also be given by telegram, and notice given by such means shall be deemed given at the time it is delivered to the telegraph office.

Section 2. Whenever any notice is required to be given to any Member or Director under the provisions of any statute, the Articles, these Bylaws or the Restrictions, a waiver thereof in writing signed by the person or persons entitled to said notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

Section 3. Attendance of a Director at a meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express stated purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened.

ARTICLE XI.

OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Offices. The officers of the Association shall consist of a President, one or more Vice Presidents, a Secretary, and a Treasurer, each of whom shall be elected by the Board of Directors. No director may hold more than one (1) office at a time.

Section 2. Election of Officers. The Board of Directors, at its first meeting after each annual meeting of Members, shall choose a President, a Vice President, a Secretary, and a Treasurer.

Section 3. Special Appointments. The Board of Directors may elect or appoint such other officers, assistant officers, and agents as may be necessary, who shall hold their offices for such terms and shall exercise such powers and perform such duties as shall be determined from time to time by the Board.

Section 4. Term. Each officer of the Association shall hold office until his successor is chosen and qualified or until his earlier death, resignation or removal.

Section 5. Resignation and Removal. Any officer may resign at any time upon giving written notice of the Association. Any officer or agent or member of the executive committee or any other committee elected or appointed by the Board of Directors may be removed by the Board of Directors whenever in its judgment the best interest of the Association will be served.

Section 6. Vacancies. Any vacancy occurring in any office of the Association by death, resignation, removal, or otherwise shall be filled by the Board of Directors. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7. Duties. The duties of the officers are as follows:

President

The President shall have such powers and duties as usually pertain to such office, except as may be modified by the Board of Directors. Unless the Board of Directors shall otherwise delegate such duties, the President shall have general powers of oversight, supervision, and management of the business and affairs of the Association, and shall see that all orders and resolutions of the Board of Directors are carried into effect. He shall execute bonds, mortgages, and other contracts of the Association, except where required or permitted by law to be otherwise signed and executed, and except where the signing and execution thereof shall be expressly delegated by the Board of Directors to some other officer or agent of the Association.

Vice President

The Vice President, unless otherwise determined by the Board of Directors, shall, in the absence or disability of the President, perform the duties and exercise the powers of the President. He shall perform such other duties and have such other powers, as the Board of

Directors shall prescribe.

Secretary

The Secretary shall attend all meetings of the Board of Directors and all meetings of the Members, and record, or cause to be recorded, all the proceedings of the meeting of the Association and of the Board of Directors in a book to be kept for that purpose, and shall perform like duties for the standing committees when required. He shall give, or cause to be given, notice of all meetings of the Members and special meetings of the Board of Directors, and shall perform such other duties as may be prescribed by the Board of Directors or the President, under whose supervision he shall be.

Treasurer

The Treasurer shall keep, or cause to be kept, full and accurate accounts of receipts and disbursements in books belonging to the Association, and shall deposit, or cause to be deposited, all moneys and other valuable effects in the name and to the credit of the Association in such depositories as may be designated by the Board of Directors. He shall disburse, or cause to be disbursed, the funds of the Association as may be ordered by the Board of Directors, and shall render, or cause to be rendered, to the President and the Board of Directors as its regular meetings, or when the Board of Directors so requires, an account of all transactions and of the financial condition of the Association.

ARTICLE XII.

INDEMNIFICATION OF OFFICERS AND DIRECTORS

The Association shall indemnify any and all of its Directors or officers or former Directors or officers against expenses and cost (including reasonable attorneys' fees) actually and

necessarily and reasonably incurred by them, or any of them, in connection with the defense of any action, suit or proceeding in which they, or any of them, are made parties, or a party, by reason of being or having been Directors or officers or a Director or officer of the Association, except in relation to matters as to which any such Director or officer or former Director or officer shall be adjudged in such action, suit or proceeding to have been guilty of negligence or misconduct in respects of the matter in which indemnity is sought. The foregoing right to indemnity shall include reimbursement of the amounts and expenses paid in settling any such action, suit or proceeding when settling or a plea of nolocontendere appears to be in the interest of the Association. Such indemnification shall not be deemed exclusive of any other rights to which those indemnified may be entitled under any bylaw, agreement, vote of Members or otherwise.

ARTICLE XIII.

GENERAL PROVISIONS

Section 1. No dividend shall be paid and no part of the income of the Association shall be distributed to its Members, Directors or Officers.

Section 2. No Director shall receive compensation for any service he may render to the Association. Further, the Association shall make no loans to its Directors or Officers. However, any Director may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 3. Upon dissolution or final liquidation, the Association may make a distribution to its Members, but only as permitted by the Texas Non-Profit Corporation Act and the U.S. Internal Revenue Code of 1954, as amended.

Section 4. 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.

Section 5. The Association shall keep correct and complete books and records of account and shall keep minutes of the proceedings of its Members, Board of Directors and committees having any authority of the Board of Directors. All books and records of the Association may be inspected at the office of the Association by any Member or the agent or attorney of such Member for any proper purpose during regular business hours of the Association.

Section 6. All checks or demands for money and notes of the Association shall be signed by such officer or officers or such other person or persons as the Board of Directors from time to time may designate.

ARTICLE XIV.

AMENDMENTS

Section 1. These Bylaws may be altered, amended, or repealed or new Bylaws may be adopted (a) at any regular or special meeting of the Board of Directors, by the affirmative vote of a majority of the Board of Directors, subject to repeal or change at any regular or special meeting of the Members at which a quorum is present or represented, by the affirmative vote of a majority of the votes entitled to be cast by the Members at such meeting and present or represented thereat, provided notice of the proposed repeal or change is contained in the notice of such meeting of Members, or 1) at any regular or special meeting of Members at which a quorum is present or represented, by the affirmative vote of a majority of the votes entitled to be cast by

the Members at such meeting and present or represented thereat, provide notice of the proposed alteration, amendment or repeal (or a statement that new Bylaws are proposed to be adopted) is contained in the notice of such meeting of the Members.

Section 2. In the case of any conflicts between the Articles of Incorporation and these By-Laws, the Articles shall control; and in the case of any conflict between the Restrictions and these By-Laws, the Restrictions shall control.

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FILED AND RECORDED
OFFICIAL PUBLIC RECORDS

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DIANNE WILSON, COUNTY CLERK
FORT BEND COUNTY, TEXAS