

CORPORATE SECRETARY'S CERTIFICATE
LAKE CONROE FOREST OWNERS ASSOCIATION, INC.

The undersigned certifies that he/she is the duly appointed and acting Secretary of Lake Conroe Forest Owners Association, Inc. (the "Association"). The Association is the property owners' association for Lake Conroe Forest, which is a subdivision in Montgomery County, Texas, as set out in the maps or plats thereof recorded in the Map Records of Montgomery County, Texas (the "Subdivision").

The Association is a Texas non-profit corporation, and a true and correct copy of the Amended and Restated Bylaws of Lake Conroe Forest Owners Association, Inc., Effective May 2009, is attached to this certificate as Exhibit "A."


Signed this 21st day of May, 2009.


TERRY LYNN HALE, Secretary of LAKE CONROE FOREST OWNERS ASSOCIATION, INC.

STATE OF TEXAS §

COUNTY OF MONTGOMERY §

Sworn to and subscribed to before me on the 21st day of May, 2009, by **TERRY LYNN HALE**, Secretary of LAKE CONROE FOREST OWNERS ASSOCIATION, INC., a Texas non-profit corporation, on behalf of said corporation.

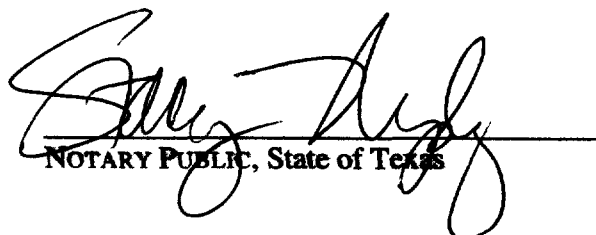

NOTARY PUBLIC, State of Texas

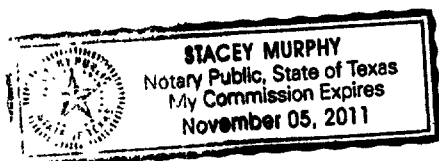


THE STATE OF TEXAS §

COUNTY OF MONTGOMERY §

This instrument was acknowledged before me on the 21st day of May, 2009, by **TERRY LYNN HALE**, Secretary of **LAKE CONROE FOREST OWNERS ASSOCIATION, INC.**, a Texas non-profit corporation, on behalf of said corporation.


NOTARY PUBLIC, State of Texas



AFTER RECORDING RETURN TO:
Lake Conroe Forest Owners Association, Inc
c/o Bryan P. Fowler
The Fowler Law Firm
300 West Davis, Suite 510
Conroe, Texas 77301

EXHIBIT “A”

LAKE CONROE FOREST OWNERS ASSOCIATION, INC.

- ***Amended and Restated Bylaws , Effective
May 2009***

**AMENDED AND RESTATED BYLAWS OF
LAKE CONROE FOREST OWNERS ASSOCIATION, INC.
Effective May 2009**

ARTICLE

- I NAME**
- II PURPOSE**
- III MEMBERSHIP**
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ARTICLE I

NAME:

The Association shall be known as Lake Conroe Forest Owners Association, Inc.

ARTICLE II

PURPOSE:

The purpose or purposes for which the corporation is organized are: to keep, maintain and manage all parks and lakes contained in LAKE CONROE FOREST, a subdivision in Montgomery County, Texas; and to levy and to collect from the owners of said subdivision such maintenance assessments as might be necessary to defray the expense of keeping, managing and maintaining such recreational areas.

ARTICLE III

MEMBERSHIP:

Section 1. Member: A "Member" is defined as an owner of one or more properties within Lake Conroe Forest subdivision.

Section 2. Active Member: An "Active Member" is defined as a member who is current in all maintenance fees to the Association. Only Active Members can serve on the Board of Directors or on a Committee. Active Members will have access to all property owned or otherwise controlled by the Association. Usage of the Association facilities is subject to rules and limitations set forth in these Bylaws or posted at each facility. Active Members will be entitled to one fixed vehicle pass and one guest pass.

Section 3. Associate Member: An "Associate Member" is defined as a person or family residing in Lake Conroe Forest who is leasing or renting property. Associate Members will have access to all property owned or otherwise controlled by the Association. Usage of the Association facilities is subject to rules and limitations set forth in these Bylaws or posted at each facility. Associate Members must pay an annual maintenance fee and will be entitled to one fixed vehicle pass and one guest pass.

ARTICLE IV

ASSESSMENTS:

Section 1. Members are required to pay an annual maintenance fee, which will be due on January 1st of each calendar year. Members must pay current year maintenance fees plus past years delinquent maintenance fees (plus any penalty if assessed) to become a current Active Member.

Section 2. Associate Members are required to pay an annual maintenance fee, which will be due on January 1st of each calendar year. The Board of Directors may prorate the Associate Members maintenance fee, based on the inception date of the Associate Member's lease agreement.

Section 3. Annual maintenance fees will be determined by majority vote of Active Members attending an Annual Meeting or Special Meeting called for such purpose, provided that a quorum of Active Members is present. Notice of such a vote must be sent to all Active Members in accordance Article VII, Section 1A. Annual maintenance fees will be equal for all property owners. No discounts or exemptions will be given.

ARTICLE V

VOTING:

Section 1. Only Active Members are entitled to vote on Association business within the prescribed limitations of these Bylaws. To be eligible to vote, an Active Member's maintenance assessment fee may not have been delinquent thirty (30) days prior to the meeting. Each Active Member is entitled to one (1) vote regardless of the number of properties such Active Member owns. For purposes of voting, a husband and wife shall be considered one (1) Active Member, and shall be entitled to one (1) vote.

Section 2. Associate Members have no voting rights.

Section 3. For purposes of voting at an Annual or Special Meeting, pursuant to Article VII Sections 1 and 2, a quorum shall consist of no less than twenty-five (25) Active Members. Voting by proxy shall not be allowed at any Annual or Special Meeting.

Section 4. All Elections shall be held in accordance with Article XVI.

ARTICLE VI

USE OF FACILITIES:

Section 1. Boat Ramp Reserved Area: All persons using this area must have a pass for entrance of a vehicle. Any vehicle in the facility without a pass or using a canceled pass may be towed away at the owner's expense. Lost or stolen passes will be replaced at the expense of the Member.

Section 2. Community Building

Section 2A. The Community Building will be made available to certain non-profit organizations as approved by the Board of Directors. No organization will be allowed to use the Community Building on a continuous weekly basis. Two responsible parties will be required to sign a lease agreement and the organization must submit a cleaning/damage deposit as determined and set from time to time by the Board of Directors.

Section 2B. The Community Building will be made available to all Active and Associate Members within prescribed limitations set forth by the Board of Directors. Members will be required to sign a lease agreement and submit a cleaning/damage deposit and rental fee as determined and set from time to time by the Board of Directors.

Section 2C. The Community Building will be made available to certain non members for daily rental within prescribed limitations set forth by the Board of Directors. Lessee will be required to sign a Lease Agreement, submit a cleaning/damage deposit and rental fee as determined and set from time to time by the Board of Directors.

Section 3. Lakes, Parks, and Dams (Excluding Boat Ramp, and Community Building): Active Members, Associate-Members, and their guests may use these areas for recreational purposes, within prescribed limitations. The posted park rules must be followed.

ARTICLE VII

MEETINGS:

Section 1. The Annual Meeting of the Membership will be held on the second Sunday in November of each year, beginning at 1:00 p.m. at a designated area within the subdivision.

Section 1A. A written notice of the Annual Meeting, and the meeting agenda, will be mailed to each member of record at least fifteen (15) days, but not more than ~~thirty~~ (30) days, before the meeting.

Section 1B. Only business stated in the agenda of the Annual Meeting may be acted on. Requests to have business added to the agenda for the Annual Meeting must be submitted in writing to the Board of Directors at least sixty (60) days prior to the meeting. Members shall be permitted to vote on all matters expressly requiring membership vote by these bylaws and other dedicatory instruments of the Association, or by applicable law.

Section 1C. The reading of the Minutes of the previous Annual Meeting shall contain only the business handled (motions made and approved or rejected) and shall not

consume more than ten (10) minutes. Each Active Member that wishes to voice concerns or share ideas will be given a reasonable amount of time to speak.

Section 2. A Special Meeting of the membership may be called by the President with the consent of the majority of the Board of Directors. Additionally, the President shall call a Special Meeting within forty-five (45) days of the Board of Directors being presented with a petition calling for such Special Meeting provided said petition has been signed by at least ten percent (10%) of the Active Members. Notice of all Special Meetings must comply with notice requirements for the Annual Meeting (Article VII, Section 1a). Only business stated in the notice of Special Meeting may be acted on. Any petition calling for such a meeting must have the printed name, property address, telephone number, and the signature of each petitioner recorded on the petition document. Members shall be permitted to vote on all matters expressly requiring membership vote by these bylaws and other dedicatory instruments of the Association, or by applicable law.

Section 3. Board of Directors Meeting A regularly scheduled meeting of the Board of Directors must be held at the same time and day of each month, starting the meeting between weekday hours of 6pm and 8pm or weekend hours between 10am and Noon at the Community Building. The scheduled day for regular BOD meetings will be determined at the beginning of each year. There will be no regularly scheduled BOD meeting in December. A quorum shall consist of a majority of the total Board Members.

Section 4. Special Called Board of Directors Meetings may be called by the President or by the majority of the Board of Directors. Notice of a Special Called Board of Directors Meeting must be given to all Board Members. Only the business stated in the notice may be acted on. A quorum shall consist of a majority of the total Board Members.

ARTICLE VIII

COMMITTEES:

Section 1. Definition of a "Committee": A body of one or more persons, appointed by the Board of Directors. The purpose of the committee will be determined and communicated by the Board of Directors in writing. Each committee will report to the Board of Directors. Any committee action must first be presented to, and approved by the Board of Directors.

Section 2. Definition of a "Standing Committee": A committee constituted to perform a continuing function. Such committee shall be appointed by the Board of Directors. Each committee shall make a monthly report to the Board of Directors and a written report at the end of its term detailing all activities and submit it to the Secretary to be presented at the Annual Meeting.

Section 3. Definition of a "Special Committee": A committee appointed by the Board of Directors, to carry out a specified task. Upon completion, the committee will submit a final written report to the Board of Directors.

Section 4. Eligibility: All committee members must be Active Members of the Association.

ARTICLE IX

STANDING COMMITTEES

Section 1. "Election Committee": The Election Committee shall consist of five (5) Active Members, none being members of the Board of Directors. The Election Committee will secure nominations by any manner available, and compile a list of nominees eligible and willing to serve as a member of the Board of Directors. The Election Committee will submit the slate of nominees to the Board of Directors, at least forty-five (45) days prior to the Annual Meeting. The names of the nominees will be recorded in the minutes of the next regularly scheduled Board of Directors Meeting. The Election Committee will carry out the election procedures pursuant to Article XVI "Election Procedures".

Section 2. "Budget Committee": The Budget Committee shall consist of the Chairpersons of all Standing Committees, the Treasurer, and not more than two (2) other Active Members. The Budget Committee shall estimate all incoming revenue and propose an operating budget for the upcoming year. The proposed budget shall be submitted to the Board of Directors for presentation at the Annual Meeting.

Section 3. "Community Building Committee": The Community Building Committee will advise the Board of Directors of requirements for the maintenance of the Community Building, and will assist the Board of Directors in acquiring bids for any maintenance to be completed.

Section 4. "Lakes, Parks, and Dams Committee": The Lakes, Parks and Dams Committee will advise the Board of Directors of requirements for the maintenance of all the facilities controlled by the Association except the Community Building. The Lakes, Parks, and Dams Committee will assist the Board of Directors in acquiring bids for maintenance of such facilities.

ARTICLE X

OFFICERS:

Section 1. The Officers of this Association will be a President, Vice President, Secretary, and Treasurer.

Section 2. The President, Vice President, Secretary, and Treasurer shall be appointed annually from the Board of Directors by a majority of the Board of Directors at its first meeting. The officers shall serve one year terms and shall remain in office until

their successors are qualified and appointed.

ARTICLE XI

DUTIES AND POWERS OF OFFICERS:

Section 1. "President": The President's duties shall include the following; conduct all Annual and Special Meetings; conduct all meetings of the Board of Directors; call Special Meetings (pursuant to ARTICLE VII, Section 2); serve as ex officio Member of all committees except the Election Committee.

Section 2. "Vice President": The Vice President shall serve in the absence of the President. In the event of the resignation, death, or removal of the President, the Vice President shall serve the remainder of the Presidents term with a new Vice President being elected from the Board of Directors by a majority vote of the Board of Directors.

Section 3. "Secretary": The Secretary shall record the minutes of all Meetings of the Board of Directors; receive and record all Committee reports; assist in the maintaining and updating of membership records and such other records and documents as are necessary and important for the existence of the Association; and post all minutes and reports on the Community Building bulletin board. A property management company may assist in the duties of the Secretary.

Section 4. "Treasurer": The Treasurer shall receive and deposit in appropriate bank account all moneys of the Association; disburse such funds as directed by the resolution of the Board of Directors within prescribed limitations of the bylaws; keep proper books of accounts and keep accurate books and records of the fiscal affairs of the Association; make the books and records available for inspection by Members of the Association during normal business hours; prepare and submit a financial statement to the Board of Directors at its monthly meeting; and submit an annual financial statement to be read at the Annual Meeting. A property management company may assist in the duties of the Treasurer.

Section 5. Records: A copy of the most recent minutes of the Board of Directors meeting, and the latest financial report shall be displayed on the bulletin boards inside and outside at the Community Building.

Section 6. All records, books, and annual reports of the financial activity of the corporation shall be kept at the registered office or principle office of the corporation in this state for a least three years after the closing of each fiscal year and shall be available to Members for inspection and copying there during normal business hours. Members may be charged for the reasonable expense of preparing a copy of a record or report.

Section 7. No spouse, in-law, descendant or ancestor of a board member shall be paid for doing the duties of any officer of the Association.

Section 8. Management Company: The Board of Directors may employ the services of a property management company to assist in the management of the Association. The Board of Directors will assign a scope of duties to be performed by the management company, and will regularly verify that the duties are being performed as directed.

ARTICLE XII

BOARD OF DIRECTORS:

Section 1. The Association's business, pursuant to the purposes as stated in ARTICLE II, will be conducted by a Board of Directors elected by the Active Members during the Annual "Election Process".

Section 2. The Board of Directors shall consist of seven (7) persons, one of whom shall be the President. No two members of the same family or in-laws shall be allowed to serve on the Board of Directors at the same time. Only Active Members are eligible to serve on the Board of Directors.

Section 3. Effective for directors elected during or after the November 2009 annual election process, There will be a Board of Directors election every year. A Director shall be elected for a two (2) year term, and shall remain in office until their successors are elected and qualified. Terms begin January 1st following the Annual Meeting in which the Director is elected and he/she may not serve more than one (1) consecutive term. Before being eligible to again serve as a Director, the Director must sit out one (1) year. The Directors will be elected in numbered positions with the odd numbered positions being elected in the even year and the even numbered positions being elected in the odd year. Example- positions 2, 4, and 6 in the year 2009 and positions 1, 3, 5, and 7 in the year 2010.

ARTICLE XIII

CHECKS, NOTES, AND EXPENDITURES:

Section 1. All moneys received by and intended for the Association shall be deposited in the name of the Association in such bank as designated by the Board of Directors.

Section 2. All checks must be signed by two (2) persons, at least one (1) of whom must be the President, Vice President, or Treasurer. Two (2) other Board Members, approved by the majority of the Board Members, shall be authorized to sign.

Section 3. Any notes, contracts, agreements, or other obligations made by the Association shall be signed by the President or other Officer as may be authorized by the affirmative vote of the majority of the Board of Directors. Any notes, contracts, agreements, or other obligations spanning more than 12 months must include a

reasonable cancellation clause. Any contract or agreement entered into by the Association must include a detailed scope of work, a cost summary, and a reasonable cancellation clause.

Section 4. All expenditures of the Association must have the approval of the majority of the Board of Directors.

Section 5. Any facility improvement project in excess of Four Thousand dollars (\$4,000.00) to be approved by the Association requires a minimum of three proposals (bids) be submitted to the Board of Directors. Each proposal must include a detailed scope of work, an estimated timeline, and include the details of county specifications required for each step of the project.

ARTICLE XIV

BYLAWS:

Section 1. **Effective May 2009**, The bylaws of the Lake Conroe Forest Owners Association may be amended or repealed **exclusively** by the affirmative vote of no less than twenty percent (20%) of **All** Active Members. Any proposed amendments to be voted on must first be submitted to the Board of Directors by petition of not less than ten percent (10%) of all Members eligible to cast a vote. Any petition for proposed amendments must have the printed name, property address, telephone number, and the signature of each petitioner recorded on the petition document. Upon receiving said petition the Board of Directors must record the wording of such petition in the minutes of the next regularly scheduled Board of Directors meeting.

Section 2. Any disagreement concerning the interpretation of these bylaws, rules of order, or other matter involving the operations of this Association must be brought before the Active Members at a Special Meeting called for such purpose, pursuant to Article VII section 2 of these Bylaws.

Section 3. The Board of Directors will determine any disagreement concerning the interpretation of these bylaws or rules of order until a Special Meeting is called for such purpose.

ARTICLE XV

GENERAL SECTION:

Section 1. No real property belonging to the Association may be traded, sold, leased, or used for any other purpose than that which is designated without the majority vote of the Active Members attending a Special Meeting called for such purpose, pursuant to Article VII section 2 of these Bylaws.

Section 2. Removal: Any member of the Board of Directors with documented

flagrant violations of these bylaws or rules of order may be removed by the Board of Directors or by a majority vote of Active Members attending a Special Meeting called for such purpose. Any member of the Board of Directors may (at the discretion of the Board) be replaced for failing to attend three (3) consecutive regularly scheduled meetings. In the event of death, resignation, or removal of a Board Member or a Committee Member, the successor shall be selected by the remaining members of the Board of Directors, and shall serve for the unexpired term of their predecessor.

Section 3. The Board of Directors reserves the right to obtain an attorney for Association business. The purpose for which the attorney is to be attained will be reflected in the minutes of the meeting determining such action.

Section 4. The Board of Directors reserves the right to hire special security for the Annual Meeting or any Special Meeting. The purpose for which security is to be attained will be reflected in the minutes of the meeting determining such action.

Section 5. Code of Conduct:

Section 5A. Meetings: Any meeting of the Board of Directors and/or the Members of the Lake Conroe Forest Owners Association will be conducted in a professional and civil manner. The Board of Directors reserves the right to remove Members or guests from Association proceedings for verbal utterance and/or threatening behavior. If necessary, local law enforcement will be called to remove the violator at the request of the Board of Directors.

Section 5B. Any person or persons using the recreational facilities of the Association should not be harassed for any reason. If a member or guest is suspected of violations of park rules, the Board of Directors should be contacted. If local laws are being violated or destruction of Association property is suspected, it should be reported to local law enforcement.

ARTICLE XVI

ELECTION PROCEDURES

Section 1. The Election Committee will oversee the Election procedure for the Board of Directors.

Step 1. The ballots will be printed with names of candidates for the Board of Directors and instructions for one (1) vote for each Director's position. The exact number of ballots will be verified and recorded.

Step 2. The ballots will be mailed to all Active Members and will be pre-folded so the printed side will not be visible. It will then be placed in a small envelope marked BALLOT. The ballot envelope will also have a place for the Active Member to record his printed name, signature, and telephone number.

Step 3. Each of the ballot envelopes will be placed in a self-addressed envelope from the Association included with the notification of the Annual Meeting to Active Members.

Step 4. Each printed ballot must be accounted for. Any ballots not mailed out must be retained by the Election Committee for records only.

Step 5. After the ballot is completed by the Active Member, it will be refolded and returned to the small ballot envelope. The ballot envelope will then be sealed, signed, and have a telephone number and the members printed name placed on it. It will then be placed into the self-addressed envelope and mailed or otherwise delivered to the Association post office box.

Step 6. Upon receipt by the Association, the self-addressed envelopes will be turned over to the Election Committee. Ballots may be presented at the Annual Meeting to the Election Committee, but they must be in the self-addressed envelopes, with the required printed name, signature, and telephone number.

Step 7. At a time during the Annual Meeting as designated by the Agenda and in view of Active Members present, the Election Committee will open the self addressed envelopes and remove the ballot envelopes. Any ballot envelope that does not have the Member's printed name, signature, and telephone number will be retained but not counted. The ballot envelopes will then be opened and the folded ballots placed in one receptacle and the ballot envelopes placed in another receptacle. If an envelope contains more than one (1) ballot, the envelope and ballots will be retained but not counted.

Step 8. A count of the number of envelopes and the number of ballots will be taken and recorded.

Step 9. The ballots will then be removed from the receptacle in the view of the Active Members, and the votes counted and recorded.

Step 10. The Chairperson of the Election Committee will then fill out the Teller's Report (in the form set forth below).

TELLERSR'S REPORT (Form)
Number of ballots cast
Votes for Board Candidate one
Votes for Board Candidate two
(etc.)

Step 11. Candidates for Board of Directors receiving the greatest number of votes will be elected.

Step 12. Should the election of a candidate not be determined because of a tie, the

tie will be broken by a show of hands by the Active Members present.

Step 13. After the elections are completed and the Teller's report is executed, the election is concluded by the reading of the Teller's Report by the Chairperson of the Election Committee.

Step 14. All Election records will be retained for one (1) year.

Attestation

Adopted by the Board of Directors on this 20 day of May, 2009.

STATE OF TEXAS
COUNTY OF MONTGOMERY
I hereby certify this instrument was filed in
File Number Sequence on the date and at the time
stamped herein by me and was duly RECORDED in
the Official Public Records of Real Property at
Montgomery County, Texas.

MAY 22 2009



Mark Turnbull
County Clerk
Montgomery County, Texas

FILED FOR RECORD

2009 MAY 22 PM 3: 38

Mark Turnbull
COUNTY CLERK
MONTGOMERY COUNTY, TEXAS

ATTEST:

Larry Lynn Hale
Secretary

Wmmy [Signature]
Director

[Signature]
Director

[Signature]
Director

Claudia M Bonds
Director

Edgar Stephens (cotton)
Director

Larry Lynn Hale
Director

Director

Director

Director