

BY-LAWS
OF
WESTGATE TOWNHOUSES HOME OWNERS ASSOCIATION, INC.

ARTICLE I
NAME AND LOCATION

The name of the corporation is WESTGATE TOWNHOUSES HOME OWNERS ASSOCIATION, INC., hereinafter referred to as the "Corporation". The principal office of the Corporation shall be located in Tarrant County, Texas, but meetings of Members and Directors may be held at such places within the State of Texas, as may be designated by the Board of Directors.

ARTICLE II
DEFINITIONS

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

Section 1. "Corporation" shall mean and refer to Westgate Townhouses Home Owners Association, Inc., a Texas non-profit corporation, its successors and assigns.

Section 2. "Articles" shall mean and refer to the Articles of Incorporation of the Corporation.

First Amendment amended Section 3 (Page 1)

Section 3. "Properties" shall mean and refer to the land and premises described in the Declaration (as hereinafter defined), and such additions thereto as may hereafter be brought

within the jurisdiction of this Corporation by annexation as provided in the Declaration.

Section 4. "Common Properties" shall mean and refer to those areas of land designated as Common Properties on any recorded subdivision plat of the Properties, and intended to be devoted to the common use and enjoyment of the Members of the Corporation, together with any and all improvements that are now or may hereafter be constructed thereon.

Section 5. "Lot" shall mean and refer to any plot or tract of land shown upon any recorded subdivision map of the Properties, together with any and all improvements that are now or may hereafter be constructed thereon, with the exception of the Common Properties and other areas reserved by the developer on such recorded plat of the Properties.

Section 6. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot situated upon the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 7. "Declarant" shall mean and refer to Lifetime Community Builders, Inc., a Texas corporation, its successors and assigns if such successor or assigns should acquire more than one undeveloped Lot from the Declarant for the purpose of development.

First Amendment amended Section 8 (Page 1)

← Section 8. "Declaration" shall mean and refer to the Declaration of Covenants and Restrictions, dated August 10, 1972, recorded in Volume 5296, Page 23 of the Records of Tarrant County, Texas, and that certain Amendment of Declaration of Covenants and Restrictions, dated May __, 1973 and recorded in Volume __, page __ of the Records of Tarrant County, Texas as the same may hereafter be amended or supplemented from time to time as therein specifically provided.

Section 9. "Member" shall mean and refer to each Owner as provided herein in Article III.

Section 10. Other words and phrases used herein shall have the same meaning and definition as used and provided in the Declaration.

ARTICLE III

MEMBERSHIP

Section 1. Every person or entity who is now or hereafter becomes an Owner shall automatically be a Member of the Corporation.

First Amendment amended Section 2 (Page 1)

← Section 2. The Corporation shall have two classes of voting membership:

CLASS A. Class A Members shall be all Members with the exception of Declarant. Class A Members shall be entitled to one vote for each Lot in which they hold the interest required for membership. When more than

one person holds such interest or interests in any Lot, all such persons shall be Members, and the vote for such Lot shall be exercised as they, among themselves, determine, but in no event shall more than one vote be cast with respect to any such Lot.

CLASS B. The Class B Member(s) shall be Declarant. The Class B Member(s) shall be entitled to three (3) votes for each Lot in which it holds the interest required for membership. When the total votes outstanding in the Class A membership equals the total votes outstanding in the Class B membership, then the Class B membership shall cease and be converted into Class A membership. Notwithstanding any other provision of this Article, from and after August 21, 1975, the Class B Member(s) shall be entitled to only one vote for each Lot in which it holds the interest required for membership.

Section 3. The rights of membership are subject to the payment of annual and special assessments levied by the Corporation, the obligation of which assessments is imposed against the Owner of and becomes a lien upon each Lot against which such assessments are made as provided by Article IV of the Declaration which is hereby incorporated herein and made a part hereof for all purposes.

Section 4. The membership rights of any person whose interest in a Lot is subject to the assessments referred to hereinabove in Article III, Section 3, whether or not he be person-

ally obligated to pay such assessments, may be suspended by action of the directors during the period when such assessments remain unpaid; but, upon payment of such assessments, his rights and privileges shall be automatically restored. If, at any time, the directors shall have adopted and published rules and regulations governing the use of the Common Properties and facilities, and the personal conduct of Members, their families and their guests thereon, as provided in Article V, Section 3, they may, in their discretion, for violation of such rules and regulations by a Member or by his family or guests, suspend the rights of such Member and/or the person committing the violation, such suspension to continue for a period not to exceed sixty (60) days.

ARTICLE IV

PROPERTY RIGHTS AND RIGHTS OF ENJOYMENT OF THE COMMON PROPERTIES

Section 1. Each Member shall be entitled to the use and enjoyment of the Common Properties and facilities in accordance with and subject to the terms and conditions set forth in the Declaration.

First Amendment amended Section 2 (Page 2)

Section 2. Any Member may delegate his rights of enjoyment in the Common Properties and facilities to the members of his family who reside upon the Properties. Such Member shall notify the Secretary of the Corporation in writing of the name of any such person and of the relationship of the Member to

such person. The rights and privileges of such person are subject to suspension under Article III, Section 4 hereof, to the same extent as those of the Member. Any Member may also delegate the aforementioned rights of enjoyment to his guests, subject to any applicable rules and regulations that may be adopted from time to time by the board of directors of the Corporation.

← *First Amendment added Section 3 (Page 2)*

DIRECTORS

← *First Amendment amended Section 1 (Page 2)*

Section 1. The number of directors of the Corporation shall be three. The directors shall be elected at the annual meeting of the Members, except as provided in Section 2 of this Article. Each director elected shall hold office until his successor is elected and qualified. Directors need not be residents of the State of Texas or Members of the Corporation.

Section 2. Any vacancy occurring in the board of directors may be filled by the affirmative vote of a majority of the remaining directors though 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 at an annual meeting of the Members or at a special meeting of the Members entitled to vote called for that purpose. Any director may be removed from the board of directors, with or without cause, by a majority vote of

the Members at an annual meeting of the Members or at a special meeting of the Members entitled to vote called for that purpose.

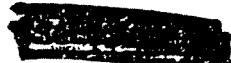
* Section 3. The business and affairs of the Corporation shall be managed by its board of directors which may exercise all such powers of the Corporation and do all such lawful acts and things as are not by statute or by the Articles or by these By-Laws or by the Declaration directed or required to be exercised and done by the Members. The power and authority of the board of directors shall include, but shall not be limited to, the power and authority:

(a) to establish, levy and assess, and collect the assessments referred to in Article III, Section 3 hereof;

(b) to adopt and publish or cause to be published rules and regulations governing the use of the Common Properties and facilities and the personal conduct of the Members, their families and their guests thereon;

(c) to declare the office of a member of the board of directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the board of directors;

(d) to employ managers, independent contractors, or such other employees of the Corporation as it may deem necessary, and to prescribe their duties.

 It shall be the duty of the board of directors:

(a) to 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 such statement is requested in writing by one-fourth (1/4) of the entire voting membership or by one-fourth (1/4) of the Class A Members who are entitled to vote;

(b) to supervise all officers, agents and employees of this Corporation, and to see that their duties are properly performed;

(c) as more fully provided herein and in the Declaration:

(1) to fix the amount of the annual assessment against each Lot; and

(2) to cause written notice of each assessment to be sent to every Owner subject thereto;

(d) to issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether any assessment has been paid. A reasonable charge may be made by the board for the issuance of these certificates. Such certificate shall be conclusive evidence of any assessment therein stated to have been paid;

(e) to procure and maintain adequate liability and hazard insurance on property owned by the Corporation;

(f) to cause the assessment proceeds to be expended for

maintenance of the Common Properties and related activities consistent with the purpose of the assessments as described in Article V, Section 2 of the Declaration;

(g) to cause all officers or employees of the Corporation having fiscal responsibilities to be bonded, as it may deem appropriate;

(h) to perform or cause to be performed the duties of the Architectural Control Committee in accordance with and subject to the terms and conditions set forth in the Declaration;

(i) to cause the common areas to be maintained; and

(j) to cause the exterior of the Townhouses to be maintained, as provided in the Declaration.

ARTICLE VI

MEETINGS OF THE BOARD OF DIRECTORS

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

Section 2. The first meeting of each newly elected board of directors shall be held at such time and place as shall be fixed by the vote of the Members at the annual meeting of the Members and no notice of such meeting shall be necessary to the newly elected directors in order legally to constitute the meeting, providing a quorum shall be present. In the event of the failure of the Members to fix the time and place of such

first meeting of the newly elected board of directors, or in the event such meeting is not held at the time and place so fixed by the Members, the meeting may be held at such time and place as shall be specified in a notice given as hereinafter provided for special meetings of the board of directors, or as shall be specified in a written waiver signed by all of the directors.

First Amendment amended Section 3 (Page 3)

← Section 3. Regular meetings of the board of directors shall be held monthly without notice, at such place and hour as may be fixed from time to time by resolution of the board. Should the meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.

* Section 4. Special meetings of the board of directors shall be held when called by the president, or by any two directors. Written notice of special meetings of the board of directors shall be given to each director at least three days before the date of the meeting. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the board of directors need be specified in the notice or waiver of notice of such meeting.

Section 5. A majority of the directors shall constitute a quorum for the transaction of business and the act of the

majority of the directors present at a meeting at which a quorum is present shall be the act of the board of directors, unless a greater number is required by the Articles. If a quorum shall not be present at any meeting of the board of directors, the directors present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present.

ARTICLE VII

NOMINATION AND ELECTION OF DIRECTORS

First Amendment amended Section 1 (Page 3)

← Section 1. Nomination 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 Nominating Committee shall consist of a chairman, and two or more Members of the Corporation. The Nominating Committee shall be appointed by the board of directors prior to each annual meeting of the Members, to serve from the close of such annual meeting until the close of the next annual meeting and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the board of directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations may be made from among Members or non-members.

Section 2. Election to the board of directors shall be

by secret written ballot. At such 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 persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

ARTICLE VIII

First Amendment amended Section 1 (Page 3 + 4)

COMMITTEES

← Section 1. The board of directors, by resolution adopted by a majority of the whole board (i) shall appoint a Nominating Committee, as provided in these By-Laws; and (ii) shall designate representatives to perform the duties and exercise the authority of the Architectural Control Committee, as provided in the Declaration. In addition, the board of directors may appoint other committees, whose members need not be directors, as deemed appropriate in carrying out its purposes, such as:

1. A Recreation Committee which shall advise the board of directors on all matters pertaining to the recreational program and activities of the Corporation and shall perform such other functions as the board, in its discretion, determines;
2. A Maintenance Committee which shall advise the board of directors on all matters pertaining to the maintenance, repair or improvement of the Common Properties, and shall

perform such other functions as the board in its discretion, determines;

3. A Publicity Committee which shall inform the Members of all activities and functions of the Corporation and may, after consulting with the board of directors, make such public releases and announcements as are in the best interest of the Corporation.

First Amendment amended Section 2 (Page 4)

← Section 2. Vacancies in the membership of any committee appointed by the board of directors, shall be filled by the board of directors at a regular or special meeting of the board of directors. Each committee shall keep regular minutes of its proceedings and report the same to the board when required. The designation of an executive committee, if any, and the delegation thereto of authority shall not operate to relieve the board of directors, or any member thereof, of any responsibility imposed upon it or him by law.

First Amendment amended Section 3 (Page 4)

← Section 3. Members of committees shall hold office until their successors are chosen and qualify. Any officer or agent or member of any committee elected or appointed by the board of directors may be removed by the board of directors with or without notice, whenever in its judgment the best interest of the Corporation will be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person removed.

ARTICLE IX

COMPENSATION OF DIRECTORS

Section 1. The directors of the Corporation and committee members shall serve without compensation. However, any director may be reimbursed for actual expenses incurred in the performance of his duties.

ARTICLE X

NOTICES

Section 1. Notices to directors and Members shall be in writing and delivered personally or mailed to the directors or Members at their addresses appearing on the books of the Corporation. Notice by mail shall be deemed to be given at the time when deposited in the United States Mail addressed to the Member or director at his address as it appears on the books of the Corporation, with postage thereon prepaid. Notice to directors may also be given by telegram and shall be deemed to be given when given to the telegraph company.

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

Section 3. Attendance of any Member or director at a

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

~~CONFIDENTIAL~~

OFFICERS

Section 1. The officers of the Corporation shall consist of a president, and a vice president, who shall at all times be members of the board of directors, and a secretary and a treasurer, each of whom shall be elected by the board of directors. The offices of secretary and treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices.

Second Amendment amended Section 2 (Page 1)

← Section 2. The board of directors at its first meeting after each annual meeting of Members shall elect the officers of the Corporation.

Section 3. Such other officers and assistant officers and agents as may be deemed necessary may be elected or appointed by the board of directors.

First Amendment amended Section 4 (Page 4)

← Section 4. All officers of the Corporation shall serve without compensation.

Section 5. The officers of the Corporation shall hold office for one (1) year unless he shall sooner resign, or

shall be removed, or otherwise disqualified to serve. Any officer elected or appointed by the board of directors may be removed by the board of directors with or without notice whenever in its judgment the best interests of the Corporation will be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed. Any vacancy occurring in any office of the Corporation by death, resignation, removal or otherwise shall be filled by the board of directors.

THE PRESIDENT

Section 6. The president shall be the chief executive officer of the Corporation, shall preside at all meetings of the Members and the board of directors, shall have general and active management of the business of the Corporation, and shall see that all orders and resolutions of the board of directors are carried into effect.

Section 7. He shall execute all leases, bonds, mortgages, deeds and other written instruments and shall co-sign all checks and promissory notes, except where required by law to be otherwise signed and executed.

THE VICE-PRESIDENTS

Section 8. The vice-presidents in the order of their seniority, 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. They shall perform such other duties and have such other powers as the board of directors shall prescribe.

THE SECRETARY AND ASSISTANT SECRETARY

Section 9. The secretary shall attend all meetings of the board of directors and all meetings of the Members and record all the votes and proceedings of the meeting of the Members of the Corporation 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 president, under whose supervision he shall be. He shall keep in safe custody the seal of the Corporation and, when authorized by the board of directors, affix the same to any instrument requiring it and, when so affixed, it shall be attested by his signature or by the signature of the treasurer or an assistant secretary.

Section 10. The assistant secretaries in the order of their seniority, unless otherwise determined by the board of directors, shall, in the absence or disability of the secretary,

perform the duties and exercise the powers of the secretary. They shall perform such other duties and have such other powers as the board of directors may from time to time prescribe.

THE TREASURER AND ASSISTANT TREASURERS

Section 11. The treasurer shall have the custody of the corporate funds and securities and shall keep full and accurate accounts of receipts and disbursements in books belonging to the Corporation and shall receive and deposit all moneys and other valuable effects in the name and to the credit of the Corporation in such depositories as may be designated by the board of directors.

Section 12. He shall disburse the funds of the Corporation as may be authorized by the board of directors, taking proper vouchers for such disbursements, and shall render to the president and the board of directors at its regular meetings or when the board of directors so requires an account of all his transactions as treasurer and of the financial condition of the Corporation.

~~Section 13.~~ He shall sign all checks and promissory notes of the Corporation 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. He shall cause an annual audit of the

Corporation's books to be made by a public accountant at the completion of each fiscal year.

Section 14. If required by the board of directors he shall, at the expense of the Corporation, give the Corporation a bond in such sum and with such surety or sureties as shall be satisfactory to the board of directors for the faithful performance of the duties of his office and for the restoration to the Corporation, in case of his death, resignation, retirement or removal from office, of all books, papers, vouchers, money and other property of whatever kind in his possession or under his control belonging to the Corporation.

Section 15. The assistant treasurers in the order of their seniority, unless otherwise determined by the board of directors, shall, in the absence or disability of the treasurer, perform the duties and exercise the powers of the treasurer. They shall perform such other duties and have such other powers as the board of directors may from time to time prescribe.

ARTICLE XII

Second Amendment amended Section 1 (Page 4)
First Amendment amended Section 1 (Page 5)

MEETINGS OF MEMBERS

← Section 1. Meetings of the Members for the election of directors shall be held at the offices of the Corporation in the County of Tarrant, State of Texas, or at such other location or Dallas within the County of Tarrant, State of Texas, as shall be stated

in the notice of the meeting or in a duly executed waiver of notice thereof. Meetings of Members for any other purpose may be held at such place, within or without the State of Texas, and at such time as shall be stated in the notice of the meeting, or in a duly executed waiver of notice thereof.

First Amendment amended Section 2 (Page 5)

← Section 2. Annual meetings of Members, commencing with the *Second Amendment amended Section 2 (Page 1 + 2)* year 1973, shall be held on the fourth Thursday of May if not a

legal holiday, and if a legal holiday, then on the next secular day following at 7:30 o'clock P.M., at which they shall elect by a plurality vote, which shall be by secret written ballot, a board of directors, and transact such other business as may properly be brought before the meeting.

Section 3. Special meetings of the Members may be called by the president, the board of directors and shall be called by the secretary upon written request of Members entitled to cast one-fourth (1/4) of all of the votes of the entire membership or who are entitled to cast one-fourth (1/4) of the votes of the Class A membership.

First Amendment amended Section 4 (Page 5)

← Section 4. 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 fifteen nor more than fifty days before the day of 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.

Section 5. Business transacted at any special meeting shall be confined to the purposes stated in the notice thereof.

Section 6. The presence at any meeting of Members entitled to cast one-tenth (1/10) of the votes of each class of membership, represented in person or by proxy, shall constitute a quorum at meetings of Members except as otherwise provided in the Declaration, the Articles or these By-Laws. 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.

Section 7. Other than for the election of directors, the vote of Members entitled to cast a majority of the votes thus represented at a meeting at which a quorum is present shall be the act of the Members meeting, unless the vote of a greater number is required by law, the Declaration, the Articles or these By-Laws.

Section 8. Each Member may cast as many votes as he is entitled to exercise under the terms and provisions of the Articles on each matter submitted to a vote at a meeting of Members, except to the extent that the voting rights of any Member have been suspended in accordance with these By-Laws or the Declaration. At each election for directors every Member entitled to vote at such election shall have the right to cast as many votes as he is entitled to exercise under the terms and provisions of the Articles, in person or by proxy, for as many persons as there are directors to be elected and for whose election he has a right to vote, and Members of the Corporation are expressly prohibited from cumulating their votes in any election for directors of the Corporation.

Section 8 Amendment amended Section 9 (Page 2)

← Section 9. A Member may vote in person or 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 it remain irrevocable for a period of more than eleven (11) months from the date of its execution.

Section 10. The officer or agent having charge of the corporate books shall make, at least ten days before each

meeting of Members, a complete list of the Members entitled to vote at such meeting or any adjournment thereof, arranged in alphabetical order, with the address of each, which list, for a period of ten days prior to such meeting, shall be kept on file at the principal office of the Corporation and shall be subject to inspection by any Member at any time during the usual business hours. Such list shall also be produced and kept open at the time and place of the meeting and shall be subject to the inspection of any Member during the whole time of the meeting.

Section 11. 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 Corporation after any such record date fixed as aforesaid.

Section 12. Any action required by the statutes to be taken at a meeting of the Members, or any action which may be taken at a meeting of the Members, may be taken without a meeting

if a consent in writing, setting forth the action so taken, shall be signed by all of the Members required to vote affirmatively with respect to the subject matter thereof, and such consent shall have the same force and effect as the required affirmative vote of Members.

Section 13. Any conflict between one or more provisions of these By-Laws and one or more provisions of the Articles shall be resolved in favor of the provision(s) set forth in the Articles. Any conflict between one or more provisions of these By-Laws and one or more provisions of the Declaration shall be resolved in favor of the provision(s) set forth in the Declaration.

ARTICLE XIII

GENERAL PROVISIONS

REPORT TO SHAREHOLDERS

Section 1. The board of directors must, when requested by Members entitled to cast at least one-third ($1/3$) of all of the votes of the entire membership or who are entitled to cast one-third ($1/3$) of the votes of the Class A Members, present written reports of the business and condition of the Corporation.

First Amendment amended Section 2 (Page 5)
← Section 2. ^{FISCAL YEAR} The fiscal year of the Corporation shall be fixed by the resolution of the board of directors.

SEAL

Section 3. The Corporation shall not have a seal.

ARTICLE XIV

← *First Amendment amended Article XIV (Page 5 + 6)*
ASSESSMENTS

The rights of membership in the Corporation are subject to the payment of annual and special assessments levied by the Corporation, the obligation of which assessments is imposed against the Owner of and becomes a lien upon each Lot against which such assessments are made as provided in Article IV of the Declaration, which is incorporated herein by reference and made a part hereof for all purposes.

ARTICLE XV

BOOKS AND RECORDS

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

ARTICLE XVI

INDEMNIFICATION

Section 1. The Corporation shall have the power to indemnify any director or officer or former director or officer of

the Corporation for expenses and costs (including attorneys' fees) actually and necessarily incurred by him in connection with any claim asserted against him, by action in court or otherwise, by reason of his being or having been such director or officer, except in relation to matters as to which he shall have been guilty of negligence or misconduct in respect of the matter in which indemnity is sought.

Section 2. If the Corporation has not fully indemnified him, the court in the proceeding in which any claim against such director or officer has been asserted, or any court having the requisite jurisdiction of an action instituted by such director or officer on his claim for indemnity, may assess indemnity against the Corporation, its receiver, or trustee, for the amount paid by such director or officer in satisfaction of any judgment or in compromise of any such claim (exclusive in either case of any amount paid to the corporation), and any expenses and costs (including attorneys' fees) actually and necessarily incurred by him in connection therewith to the extent that the court shall deem reasonable and equitable, provided, nevertheless, that indemnity may be assessed under this Section only if the court finds that the person indemnified was not guilty of negligence or misconduct in respect of the matter in which indemnity is sought.

ARTICLE XVII

AMENDMENTS.

Section 1. These By-Laws may be altered, amended or repealed at any regular meeting of the Members or at any special meeting of the Members if notice of such proposed action be contained in the notice of such special meeting provided that no such amendment shall be contrary to the provisions of the Declaration.

IN WITNESS WHEREOF, we, being all of the directors of the WESTGATE TOWNHOUSES HOME OWNERS ASSOCIATION, INC., have hereunto set our hands this ____ day of _____, 1973.

CERTIFICATION

I, the undersigned, do hereby certify:

THAT I am the duly elected and acting Secretary of
WESTGATE TOWNHOUSES HOME OWNERS ASSOCIATION, INC., a Texas
non-profit corporation, and,

THAT the foregoing By-Laws constitute the original
By-Laws of said Corporation, as duly adopted at a meeting of
the Board of Directors thereof, held on the ____ day of
_____, 1973.

IN WITNESS WHEREOF, I have hereunto subscribed my name
and affixed the seal of said Corporation this ____ day of
_____, 1973.

Secretary

FIRST AMENDMENT TO BY-LAWS

WESTGAGE TOWNHOUSES HOME OWNERS ASSOCIATION, INC.,
D/B/A TURLEROCK HOMEOWNERS ASSOCIATION

Article II, Section 3 is hereby amended and restated to read as follows:

"Properties" shall mean and refer to the land and premises described in the Declaration (as hereinafter defined), and such additions or deletions thereto as may hereafter be brought within the jurisdiction of this Corporation, or omitted therefrom, by annexation or deannexation as provided in the Declaration."

Article II, Section 8 is hereby amended and restated to read as follows:

"Declaration" shall mean and refer to the Declaration of Covenants and Restrictions, dated August 10, 1972, recorded in Volume 5296, Page 23, of the Deed Records of Tarrant County, Texas, and that certain Amendment of Declaration of Covenants and Restrictions, dated May 5, 1973, and recorded in Volume 5460, Page 300, of the Deed Records of Tarrant County, Texas and that certain Amendment of Declaration of Covenants and Restrictions dated , 1976, and recorded in Volume , Page , of the Deed Records of Tarrant County, Texas as the same may hereinafter be amended or supplemented from time to time as therein specifically provided."

Article III, Section 2 is hereby amended and restated to read as follows:

"The Corporation shall have one class of voting membership, entitled Class A Membership. Class A Members shall be all members, including Declarant. Class A Members shall be entitled to one (1) vote for each Lot in which they hold the interest required for membership. When more than one (1) person holds such interest or interests in any Lot, all such persons shall be Members, and the vote for such Lot shall be exercised as they, among themselves, determine, but in no event shall more than one (1) vote be cast with respect to any such Lot. There shall be no Class B Membership."

Article IV, Section 2 is hereby amended and restated to read as follows:

"Any Member may delegate his rights of enjoyment in the Common Properties and facilities to the members of his family or to others who reside upon the Properties. Such Member shall notify the Secretary of the Corporation in writing of the name of any such person and of the relationship of the Member to such person. The rights and privileges of such person are subject to suspension under Article III, Section 4 hereof, to the same extent as those of the Member. Any Member may also delegate the aforementioned rights of enjoyment to his guests, subject to any applicable rules and regulations that may be adopted from time to time by the board of directors of the Corporation. Should the premises owned by any Member become occupied by a tenant, the rights of such Member to the use of the Common Properties shall be temporarily suspended until the premises cease to be tenant-occupied. At all times any tenant shall have the full delegated rights that his landlord would have owned to the use and enjoyment of the Common Properties and facilities. All lease agreements must include any and all rules and negotiations of Turtlerock Homeowners Association."

Article IV, Section 3:

"After Lifetime Communities, Inc. has sold all of its units, no individual, entity or corporation other than Lifetime Communities, Inc. may own more than three (3) units or Lots located on the Properties."

Article V, Section 1 is hereby amended and restated to read as follows:

"The number of directors of the Corporation shall be five (5). The directors shall be elected at the annual meeting of the members, except as provided in Section 2 of this Article. Each director elected shall hold office until his successor is elected and qualified. Directors need not be residents of the State of Texas. However, three (3) of the five (5) directors shall be Members currently residing on the Properties as defined in Article II, Section 3."

Article VI, Section 3, is hereby amended and restated to read as follows:

"Regular meetings of the Board of Directors shall be held on the last Sunday of each month at such place and hour as may be fixed from time to time by resolution of the Board and notice of such meeting shall not be required. Should the meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday."

Article VII, Section 1, is hereby amended and restated to read as follows:

"Nomination for election to the Board of Directors shall be made from the floor at the annual meeting."

Article VIII, Section 1, is hereby amended and restated to read as follows:

"The Board of Directors, by resolution adopted by majority of the whole Board shall designate representatives to perform the duties and exercise the authority of the Architectural Control Committee as provided in the Declaration. In addition, the Board of Directors may appoint other committees, whose members need not be directors, as deemed appropriate in carrying out it's purposes, such as:

- (a) Social or Recreation Committee which shall advise the Board of Directors on all matters pertaining to the recreational program and activities of the Corporation and shall perform such other functions as the Board in it's discretion, determines:
- (b) Architectural Control Committee which may also be referred to as Building and Grounds Committee which shall maintain architectural control of the Existing Properties and which may in addition advise the Board of Directors on all matters pertaining to the maintenance, repair or improvements of the Common Properties, and perform such other functions as the Board in it's discretion, determines:
- (c) Finance Committee which shall advise the Board of Directors on all matters pertaining to the income, cash flow, expenses and other financial matters of the Corporation, and shall perform such other functions as the Board, in it's discretion determines:

- (d) Publicity Committee which shall inform the members of all activities and functions of the Corporation and may, after consulting with the Board of Directors, make such public releases and announcements as are in the best interest of the Corporation."

Article VIII, Section 2, is hereby amended and restated to read as follows:

"Vacancies in the membership of any committee appointed by the Board of Directors, may be filled by the President of the Corporation, to be approved by the Members at the next regular meeting. In the event that the President of the Corporation shall decline to fill the vacancy of any committee appointed by the Board of Directors, then the Board of Directors shall fill such vacancy. Each committee shall keep regular minutes of its proceedings and report same to the President and to the Board of Directors when required. The designation of an executive committee, if any, and delegation thereto of authority shall not operate to relieve the Board of Directors, or any Member thereof, of any responsibility imposed upon him by law."

Article VIII, Section 3, is hereby amended and restated to read as follows:

"Members of committees shall hold office until their successors are chosen and qualified. Any officer, agent or member of any committee elected or appointed by the President or the Board of Directors may be removed by the Board of Directors with or without notice, whenever in its judgment, the best interest of the Corporation will be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person removed."

Article XI, Section 4, is hereby amended and restated to read as follows:

"All officers of the Corporation shall serve without compensation. However, any officer may be reimbursed for actual expenses incurred in the performance of his duties, subject to the approval of the Board of Directors at the next regular meeting."

Article XII, Section 1, is hereby amended and restated to read as follows:

"Meetings of the Members for the election of Directors shall be held at the offices of the Corporation at the recreation building located on the Common Properties, or at such other location within the County of Tarrant or Dallas, State of Texas, as shall be stated in the notice of the meeting or in a duly executed waiver of notice thereof."

Article XII, Section 2, is hereby amended and restated to read as follows:

"Annual meetings of Members, commencing with the year 1976, shall be held on the last Sunday in September, if not a legal holiday, and if a legal holiday, then on the next secular day following, at which they shall elect by a plurality vote, which shall be by secret ballot, the Board of Directors and transact such other business as may properly be brought before the meeting."

Article XII, Section 4, is hereby amended and restated to read as follows:

"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 nor 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."

Article XIII, Section 2, is hereby amended and restated to read as follows:

"The fiscal year of the Corporation shall end on June 30 of each year."

Article XIV is hereby amended and restated to read as follows:

"ASSESSMENTS"

"The rights of membership in the Corporation are subject to the payment of annual and special assessments levied by the Corporation and any delinquency charges which may be established from time to time by the Board of Directors, the obligation of which assessments and delinquency charges is imposed against the Owner of and becomes a lien upon each Lot against which such assessments and delinquency

charges is imposed against the Owner of and becomes a lien upon each Lot against which such assessments and delinquency charges are made as provided in Article IV of the Declaration, which is incorporated herein by reference and made a part hereof for all purposes."

I CERTIFY that the foregoing is a true and correct copy of Amendments to By-Laws enacted at a Special Meeting of the Members of Westgate Townhouses Home Owners Association, Inc., d/b/a Turtlerock Homeowners Association held on January 25, 1976.

Therese McBride
Secretary

SECOND AMENDMENTS TO BYLAWS
WESTGATE TOWNHOUSES HOMEOWNERS ASSOCIATION, INC.
D/B/A TURLEROCK HOMEOWNERS ASSOCIATION

Article XI, Section 2, is hereby amended and restated to read as follows:

"The board of directors at its first meeting after each annual meeting of Members shall elect the officers of the Corporation as recommended by the Members at the annual meeting."

Article XII, Section 1, is hereby amended and restated to read as follows:

"Meetings of the Members for the nomination of Directors shall be held at the offices of the Corporation at the recreation building located on the Common Properties, or at such other location within the County of Tarrant or Dallas, State of Texas, as shall be stated in the notice of the meeting or in a duly executed waiver of notice thereof."

Article XII, Section 2, is hereby amended and restated to read as follows:

"Annual meetings of Members, commencing with November 1, 1977, shall be held on the third Sunday in November, if not a legal holiday, and if a legal holiday, then on the next secular day following, at which they shall make nominations for election to the board of directors and transact such other business as may properly be brought before the meeting.

- (a) It shall be the duty of the board of directors to cause written ballots, including the names of these nominated in the paragraph above, to be delivered by mail or in person to all Members eligible to vote within seven (7) days of the annual meeting.
- (b) Ballots may be returned:
 - (1) by mail to the legal mailing address of the association
 - (2) through the association drop box at the recreational building located on the common properties
 - (3) in person to the secretary,
- (c) It shall be the duty of the board of directors, at the annual meeting and after the close of nominations, to select at least three (3) and no more than five (5) election judges whose responsibility it will be to qualify and tabulate all ballots and announce the official results to all Members eligible to vote at the annual meeting.

SECOND AMENDMENTS TO BYLAWS

WESTGATE TOWNHOUSES HOMEOWNERS ASSOCIATION, INC.
D/B/A TURTLE ROCK HOMEOWNERS ASSOCIATION

- (d) Ballots may be cast from the time of receipt until 12:00 p.m. December 15. Any ballots received after this date and time will be declared null and void.
- (e) The board of directors, elected by this section, will take office January 2 of the following year."

Article XII, Section 9, is hereby amended and restated to read as follows:

"A Member may vote in person or 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 it remain irrevocable for a period of more than eleven (11) months from the date of its execution. All proxies provided for in this section shall be filed with the secretary at least ten (10) days prior to any meeting of the Members."