

BYLAWS OF 4-D ESTATES PROPERTY OWNERS ASSOCIATION

ARTICLE I

NAME AND LOCATION

The name of the corporation is 4-D ESTATES PROPERTY OWNERS ASSOCIATION. The principal office of the Association shall be located at the 4-D Clubhouse or such other location as the Board of Directors may from time to time designate, 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 Bylaws, unless a different meaning or intent clearly appears from the context, shall have the following meanings:

Section 1. Articles. "Articles" means articles of incorporation of the corporation, as from time to time amended.

Section 2. Association Rules. "Association Rules" or "Rules" means the rules and regulations regulating the use and enjoyment of the Development adopted by the Board of Directors.

Section 3. Common Expenses. "Common Expenses" means the expenses of, or reasonable reserves for:

- a. Maintenance, management, operation, repair and replacement of those portions of the Development which it is in the responsibility of the Association to maintain, manage, operate, repair and replace.
- b. The costs of capital improvements which the Association may authorize;
- c. The expenses of management and administration of the Association;
- d. The cost of enforcing the Protective Covenants, including without limitation, attorney fees and court costs;
- e. Any other item or items designated by or in accordance with other provisions of the Protective Covenants or the Easement or the Bylaws (referred to as Common Expenses); and
- f. Any other expenses reasonably incurred by the Association on behalf of the Owners.

Section 4. Other. Other words and phrases used herein shall have the same meaning and definition as used and provided in the Articles.

ARTICLE III MEMBERSHIP

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

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Section 2. The Association shall have the classes of voting membership with the voting rights indicated in the Articles.

ARTICLE IV

PROPERTY RIGHTS AND RIGHTS OF ENJOYMENT OF THE COMMON AREAS

Section 1. Each Member shall be entitled to the use and enjoyment of the Common Areas in accordance with and subject to the terms and conditions set forth in the Protective Covenants, the Easement, these Bylaws, and the tariffs, rules and regulations adopted pursuant thereto.

Section 2. Any Member may delegate his rights of enjoyment in the Common Areas to the members of his family or his guests, subject to any applicable tariffs, rules and regulations that may be adopted from time to time by the Board of Directors. Such Member shall notify the Secretary of the Association 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.

ARTICLE V

DIRECTORS

Section 1. The Board of Directors shall be not less than three (3) nor more than six (6) in number. The Directors shall be divided into three (3) classes, each class to be as near as equal in number as possible. The terms of the directors of the first class shall expire at the first annual meeting of the members, the terms of the directors of the second class shall expire at the second annual meeting of the members, and the terms of the directors of the third class shall expire at the third annual meeting of the members. At each annual meeting, the number of Directors equal to the number of the class whose term expires at the time of such meeting shall be elected to hold office until the third succeeding annual meeting. The initial Board of Directors pursuant to the Articles shall have the following six (6) members:

Name	First, Second or Third Class
Donald R. Brown	Second Class
Bill Chadwick	First Class
Gene P. Anderson	Second Class
Duane Bull	First Class
Daryl Tyree	Third Class
Stephanie McCormick	Third Class

Who shall commence to serve at the time of the organizational meeting of the Association and shall serve until their successors are elected. Directors shall be elected at the annual meeting of

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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 Association.

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 of the vote of those who are voting in person or by proxy 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 Association shall be managed by the Board of Directors which may exercise all such powers of the Association and do all such lawful acts and things as are not be statute or by the Articles or by these Bylaws or by Protective Covenants or the Easement 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 these Bylaws or in the Protective Covenants or the Easement;
- b) to adopt and publish r cause to be published tariffs, rules and regulations governing the use of the Common Areas 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 such managers, employees or independent contractors of the Association as it may deem necessary and to prescribe their duties; and
- e) to do and perform such other acts on behalf of the Association as are set forth in these Bylaws or the Protective Covenants or the Easement.

Section 4. 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.
- b) To supervise all officers, agents and employees of the Association and to see that their duties are properly performed.
- c) As more fully provided herein and in the Protective Covenants or the Easement:
 - a. To fix the amount of regular assessments against each Lot at least thirty (30) days in advance of each affected assessment; and
 - b. To cause written notice of each non-recurring assessment and of each increase in the amount of the regular assessment to be sent to every Owner subject thereto at least thirty (30) days in advance of the effective date of such assessment or increase.
- 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

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may be made by the board for the issuance of these certificates. Such certificate shall be conclusive evidence of the payment of any assessment therein stated to have been paid.

- e) To procure and maintain adequate liability and hazard insurance on property owned by the Association.
- f) To cause the assessment proceeds to be expended for maintenance of the Common Areas and related activities consistent with the purposes of the assessments as described in the Protective Covenants or the Easement.
- g) To cause all officers or employees of the Association having fiscal responsibilities to be bonded as it may deem appropriate.
- h) To cause the Common Areas to be maintained.
- i) To collect all fees and assessments from the Owners.
- j) To fulfill the duties of the Association as are set forth in the Protective Covenants and the Easement.

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. Regular meetings of the Board of Directors shall be held annually without notice immediately following each annual meeting of the Members.

Section 3. Special meetings of the Board of Directors shall be held when called by the president or by any two (2) 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. 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 4. 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.

Section 5. Any action required by the Bylaws or the Protective Covenants or the Easement to be taken at a meeting of the Board of Directors of the Association or any action which may be taken at a meeting of the directors or of any committee appointed by the directors may be taken without a meeting if a consent in writing, setting forth the action to be taken, shall be signed by all of the directors or all of the members of the committee, as the case may be. Such consent shall have the same force and effect as a unanimous vote by the Board of Directors or the members of the committee, as the case may be.

Section 6. Developer shall be an advisory member of the Board of Directors, with the right to receive notice of and to attend meetings of the Board of Directors, but without the right to vote on matters requiring a vote of the Board of Directors, and except with leave of the Board of Directors, without the right to participate in the deliberations of the Board of Directors.

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ARTICLE VII

NOMINATION AND ELECTION OF DIRECTORS

Section 1. The Board of Directors may appoint a nominating committee and propose a slate of director nominees at elections to the Board of Directors. Nomination for election to the Board of Directors may also be made from the floor at the annual meeting, providing the person nominated has affirms his or her willingness to serve either in person at the meeting or in writing filed with the Secretary of the Corporation at the time of such election.

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 Protective Covenants or the Easement. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

ARTICLE VIII

COMMITTEES

Section 1. The Board of Directors may appoint committees whose members need not be directors as deemed appropriate in carrying out its purposes, such as a maintenance committee which shall advise the Board of Directors on all matters pertaining to the maintenance or repair of Common Areas and perform such other functions as the Board in its discretion determines.

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.

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

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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 Association. 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 Association with postage prepaid thereon. Notice to directors may also be given by telegram and shall be deemed to be given when given to the telegram company.

Section 2. Whenever any notice is required to be given to any Member or director or other person under the provisions of the Protective Covenants or the Easement, any statute or the Articles or these Bylaws, 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.

ARTICLE XI

OFFICERS

Section 1. The officers of the Association shall consist of a President who shall at all times be a member of the Board of Directors, a vice president and a secretary-treasurer, all of whom shall be elected by the Board of Directors.

Section 2. The Board of Directors at its first meeting after each annual meeting of Members shall elect the officers of the Association.

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.

Section 4. All officers of the Association shall serve without compensation.

Section 5. The officers of the Association shall hold office until their respective successors are elected and qualified unless they 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 without notice or cause wherever in its judgment the best interest of the Association will be served thereby. Any vacancy occurring in any office of the Association 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 Association, shall preside at all meetings of the Members and the Board of Directors, shall have general and active management of the business of the Association, and shall see that all orders and resolutions of the Board of Directors are carried into effect.

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

THE SECRETARY

Section 8. 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 meetings of the Members 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 president under whose supervision he shall be.

THE VICE PRESIDENT

Section 9. The vice president shall, in the absence or disability of the president, perform the duties and exercise the powers of the president. He or she shall perform such other duties and have such other powers as the Board of Directors shall prescribe.

THE TREASURER

Section 10. 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 Association and shall receive and deposit all monies 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.

Section 11. The Treasurer shall disburse the funds of the Association as may be authorized by the Board of Directors, making 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 Association.

Section 12. The Treasurer shall sign all checks and promissory notes of the Association 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.

Section 13. If required by the Board of Directors, the Treasurer shall, at the expense of the Association, give the Association 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 Association, 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 Association.

DELEGATION OF DUTIES

Section 14. If in carrying out the duties of the Association hereunder and under the Protective Covenants and the Easement, the directors contract for the services of a professional

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person or management firm to manage the Association, the officers shall have the power to delegate to such person or firm, or an employee thereof, the authority to sign and endorse checks on behalf of the Association, subject to such reasonable limitations as the officers may in their discretion deem necessary or appropriate.

ARTICLE XII

MEETINGS OR MEMBERS

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

Section 2. Annual meetings of Members commencing with the year following the calendar year in which these Bylaws are adopted shall be held at 7:30 o'clock pm on the 4th day of July, at 9:00 o'clock am, at which they shall elect by a plurality vote, which shall be by secret written ballot, the class members of the Board of Directors up for election at such meeting, 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 of the Board of Directors and shall be called by the secretary upon written request of Members entitled to case one-fourth (1/4) of the votes of the Class A Membership.

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 thirty (30) nor more than sixty (60) 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 Class A Members entitled to cast ten percent (10%) of the votes of Class A Members, represented in person or by proxy, shall constitute a quorum at meetings of Members.

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 Protective Covenants, the Easement, the Articles or other provisions of these Bylaws.

Section 8. Each Member may cast as many votes as he is entitled to exercises under the terms and provisions of the Articles, the Protective Covenants or the Easement 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 Bylaws, the Protective Covenants or the Easement. 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, the Protective Covenants or the Easement, 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. Members of the Association are expressly prohibited from cumulating their votes in any election for directors of the Association.

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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 (10) 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 (10) days prior to such meeting, shall be kept on file at the principal office of the Association 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 Association after any such record date fixed as aforesaid.

Section 12. Any action required by law to be taken at a meeting of the Members or any action which may be taken at a meeting of 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.

ARTICLE XIII

GENERAL PROVISIONS

CONFLICTS OF PROVISIONS

Section 1. Any conflict between one or more provision of these Bylaws 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 Bylaws and one or more provisions of the Protective Covenants or the Easement shall be resolved in favor of the provision(s) set forth in the Protective Covenants or the Easement.

FISCAL YEAR

Section 2. The fiscal year of the Association shall end on December 31, unless changed by resolution of the Board of Directors.

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BOOKS AND RECORDS

Section 1. The Protective Covenants, the Easement, Articles, these Bylaws, and other books, records and papers of the Association shall at all times during reasonable business hours be subject to inspection by any Member. The Protective Covenants, Easement, Articles and Bylaws of the Association shall be available for inspection by any Member at the principal office of the Association where copies may be purchased at reasonable cost.

ARTICLE XV

INDEMNIFICATION

Section 1. The Association shall have the power to indemnify any director or officer or former director or officer of the Association 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 gross negligence or misconduct in respect of the matter in which indemnity is sought.

Section 2. If the Association 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 Association, 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 Association) 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 gross negligence or misconduct in respect of the matter in which indemnity is sought.

ARTICLE XVI

AMENDMENTS

Section 1. These Bylaws 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.

April 12, 2003, 4D POA Board Meeting
Finance Committee Report:

The second item discussed with the attorney was regarding the payment for services rendered to the Secretary/Treasurer. Stephanie McCormick, Secretary/Treasurer, was excused from the discussion and voting on this issue. Daryl Tyree next discussed the need to obtain clerical help to accomplish the various tasks necessary in the day-to-day conduct of the business of the Corporation. He explained that the amount of work necessary in the day to day conduct of the Corporation's business, particularly its routine clerical aspects, were more time consuming than the uncompensated officers of the Corporation could be expected to perform. The Chairman described the steps taken by the officers to determine the various alternatives for obtaining such services. Proposals were solicited from Fisher and Russell Accountants and Clara Ziegler, Bookkeeping and J&S Service. The Chairman stated that the most economical alternative was to hire J&S Service. Ms. McCormick left the meeting and did not participate in the discussion or vote upon the following resolutions. After discussion, the following motions were made by Don Brown, and seconded by Bill Chadwick and adopted by a vote of 4 FOR and 0 AGAINST. Duane Bull absent at the time of vote. Stephanie McCormick abstained.

RESOLVED, that Corporation contract with Stephanie McCormick, doing business as J&S Service, to provide clerical services at the rate of \$10.00 per hour to aid the officers of the Corporation:

- a. to continue the reconstruction of the financial records relating to the business of the Corporation as it was conducted by the Corporation's predecessors;
- b. to prepare, send and collect the Company's monthly bills to property owners in 4D Country Estates and 4D Big Woods Estates;
- c. to manage the accounts payable and accounts receivable of the Corporation;
- d. to prepare agendas and minutes of the meetings of the Corporation's directors and members;
- e. to communicate with members of the Corporation regarding meetings and other business of the Corporation; and
- f. to accomplish the other business of the Corporation in which clerical help is necessary or appropriate.

RESOLVED FURTHER, that the actions of the officers of the Corporation previous to the date of this resolution utilizing and paying for the services of J&S Service to provide clerical services similar to those described in the preceding resolution be and hereby are ratified and approved.

Director Stephanie McCormick then returned to the meeting.

AMENDMENT TO BYLAWS

July 5, 2003 4D POA Annual Meeting

1. Daryl Tyree began a discussion regarding the issue of collecting Pre-POA Assessments.

MOTION made by Gene Anderson for a vote by the membership to determine whether these assessments should be collected or not. Motion seconded and all approved.

A discussion began with the membership.

Dee Hinds commented that the assessment prior to the formation of the POA is between the property owner and T. R. Denver.

Carol Coon stated that a letter from the property developer, T. R. Denver should be given to the POA to insure that no future claim could be made to the assessments by him or his estate. Daryl Tyree assured the membership that a letter has been procured and is on file in the Corporate Notebook. Carol Coon requested that this letter be provided to the membership for review.

Daryl Tyree commented that the balance of \$9,000 of past due assessments would go a long way toward improvements of the roads and common grounds.

A question was raised regarding the responsibility of the purchaser of property with a past due amount owed on it.

Daryl Tyree replied that this should be taken care of at closing. We will not hold a new owner responsible for past due amounts of a previous owner. The Board is working toward beginning a procedure of placing lien's on properties that are delinquent on assessments. This will handle that problem.

MOTION made by Gene Anderson for the collection of Maintenance Fees

Whereas: All property owners are aware of, and agreed to pay monthly maintenance fees when they purchased property, either in 4D Estates, or Big Woods sections of the 4D Estates.

Whereas: Rayburn and Hazel Denver agreed when transferring property management to 4D Estates Property Owners Association that all past due maintenance fees would become the property of 4D Estates Property Owners Association.

Whereas: The 4D Estates Property Owners Association Board of Directors decided to pursue collection of only those fees that were due in the period of January 2001 to July 2002.

Whereas: Many of the property owners agreed these fees were in fact due and have paid these fees.

This motion is made to continue the process of collecting these past due fees from January 2001 to July 2002. This motion in no way affects the fee collection from July 2002 forward. This motion further states that these unpaid fees will not affect the voting rights of Property Owners for July 2003, but if passed, these past due fees would affect any future voting rights.

A show of hands vote was held to determine the wishes of the membership. The vote reflected 7 against and 18 for the Motion.

Motion passed with a vote of 18 for and 7 against.

AMENDMENT TO BYLAWS

July 3, 2004 4D POA Annual Meeting

AMEND BYLAWS FOR SHAREHOLDER APPROVAL

RESOLVED, that, in the judgment of the Board of Directors, it is deemed advisable to amend the Bylaws to provide up to three (3) additional Directors to the Board of Directors, and for that purpose to change Section One (1) of Article V of the said Bylaws to read as follows:

Section 1. The Board of Directors shall be not less than three (3) nor more than nine (9) in number. The Directors shall be divided into three (3) classes, each class to be as near as equal in number as possible. The terms of the directors of the first class shall expire at the first Annual meeting of the members, the terms of the directors of the second class shall expire at the second Annual meeting of the members, and the terms of the directors of the third class shall expire at the third Annual meeting of the members. At each Annual meeting, the number of Directors equal to the number of the class whose term expires at the time of such meeting shall be elected to hold office until the third succeeding Annual meeting. The Board of Directors pursuant to the Articles shall have up to the following (9) members:

New Director	Third Class
New Director	Third Class
New Director	Third Class
New Director	Second Class
Marion Coon	Second Class
Pat Williams	Second Class
New Director	First Class
Daryl Tyree	First Class
Stephanie McCormick	First Class

RESOLVED FURTHER, that this amendment will be implemented at the discretion of the duly elected Board of Directors no sooner than 90 days after this amendment goes into effect.

RESOLVED FURTHER, that a special meeting of the stockholders of this Corporation is hereby called at the office of the Corporation at 198 Private Rd. 8577 on July 3, 2004, at 2:00 p.m., to take action upon the foregoing resolution, and that the Secretary of the Corporation is hereby directed to give written notice of the said meeting to all stockholders of the Corporation.

The undersigned hereby certifies that he/she is the duly elected and qualified Secretary and the custodian of the books and records and seal of 4D Estates Property Owners Association, a corporation duly formed pursuant to the laws of the state of Texas, and that the foregoing is a true record of a resolution duly adopted at a meeting of the Board of Directors and that said meeting was held in accordance with state law and the Bylaws of the above-named Corporation on July 3, 2004, and that said resolution is now in full force and effect without modification or rescission.

IN WITNESS WHEREOF, I have executed my name as Secretary and have hereunto affixed the corporate seal of the above-named Corporation this 3rd of July, 2004.

A TRUE RECORD.

ATTEST.

Stephanie McCormick, Secretary

b. Don Brown further explained that this amendment will allow votes on issues to be held without the problem of a tie vote. Also it will help in keeping a quorum present at the meetings. We have had several meetings where we could not vote due to lack of quorum present. If approved, one additional Director will probably be added to the board through the normal election process in 90 days to be retroactive to this date. A question was raised if the Board would appoint the additional Board Member. Don Brown clarified that an election would be held to select the new Board Member. A question was asked how it would be determined whether 1, 2 or 3 directors would be added. Don Brown noted that the Board would determine how many would be added but that only one additional director would be added.

AMENDMENT TO BYLAWS

October 25, 2004 4D POA Meeting

1. Approval to change Annual Meeting to April of each year was unanimously approved. Elected Directors would begin terms beginning in July of each year.