

BYLAWS
OF
EDWARD'S MOUNTAIN OWNERS ASSOCIATION, INC.
A TEXAS NON-PROFIT CORPORATION

ARTICLE I
NAME AND PURPOSE

Section 1.01 Name. The name of the corporation is Edward's Mountain Owner's Association, Inc.

Section 1.02 Purpose. The purpose for which this non-profit corporation is formed is to administer and enforce the covenants, conditions, restrictions, liens and charges created in that certain Covenants, Conditions and Restrictions for Edward's Mountain dated December 21, 1993 and recorded in Volume 12124, Page 1252 of the Real Property Records of Travis County, Texas, applicable to certain real property located in Austin, Travis County, Texas.

ARTICLE II
DIRECTORS

Section 2.01 Management. The powers of the corporation shall be exercised by or under the authority of, and the business and affairs of the corporation shall be managed under the direction of 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 law or by the articles of incorporation or by these bylaws directed or required to be exercised and done by the members.

Section 2.02 Number; Election; Term; Qualification; Removal. The number of directors of the corporation shall not be less than three (3) and may be increased from time to

time specified by resolution of the board of directors; and further provided that the number of directors constituting the initial board of directors shall be three (3), and shall remain at such number unless and until changed by resolution of the board of directors as aforesaid. The directors shall be elected at the annual election of directors, except as provided in Section 3.03, and each director elected shall hold office for the term for which he is elected and until his successor is elected and qualified. Directors need not be residents of the State of Texas. Any director may be removed at any time, with or without cause, by the members of the corporation entitled to cast a majority of the number of eligible votes of the corporation.

Section 2.03 Resignations; Vacancies. A director may resign at any time by giving written notice to the board of directors or the chairman of the board. Such resignation shall take effect at the date of receipt of such notice or at any later time specified therein; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. Any vacancy occurring in the board of directors may be filled by the affirmative vote of a majority of the remaining directors (or by the sole remaining director) though less than a quorum of the board of directors, provided; however, that if the vacancy is caused by reason of an increase in the number of directors, the board of directors may vote to fill not more than two directorships during the period between any two successive annual meetings of the election of directors. A director elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office, or until the next election of directors and until his successor shall be duly elected and qualified.

Section 2.04 Location of Meetings. Meetings of the board of directors, regular or special, may be held either within or without the State of Texas.

Section 2.05 First Meeting of New Board. 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, and no notice of such meeting shall be necessary to the newly elected directors in order legally to constitute the meeting, provided 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.

Section 2.06 Regular Meetings. Regular meetings of the board of directors may be held without notice at such time and at such place as shall from time to time be determined by the board of directors.

Section 2.07 Special Meetings. Special meetings of the board of directors may be called by the chairman of the board or the president and shall be called by the secretary on the written request of one (1) director. Written notice of special meetings of the board of directors shall be given to each director at least one (1) day 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 2.08 Quorum; Votes Required. 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 law or the articles of incorporation. 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. At such adjourned meeting at which a quorum shall be present, any business may be transacted that might have been transacted at the meeting as originally notified and called.

Section 2.09 Action Without Meeting. Any action required or permitted to be taken at a meeting of the board of directors or any committee may be taken without a meeting if a consent in writing, setting forth the action taken, is signed by all of the members of the board of directors or the committee, as the case may be, and such consent shall have the same force and effect as a unanimous vote at a meeting of the board of directors or the committee, as the case may be, duly called and held.

Section 2.10 Telephone Meetings. Directors and committee members may participate in and hold a meeting by means of conference telephone or similar communication equipment by means of which all persons participating in the meeting can hear each other. Participation in such a meeting shall constitute presence in person at the meeting, except where a person participates in the 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.

Section 2.11 Committees of Directors. The board of directors, by resolution adopted by a majority of the whole board, may designate from among the board one or more committees, each of which shall be comprised of one or more directors, and may designate one or more of its directors as alternate members of any committee, who may, subject to any limitations imposed by the board of directors, replace absent or disqualified committee members at any meeting of that committee. Any such committee, to the extent provided in such

resolution, shall have and may exercise all of the authority of the board of directors in the business and affairs of the corporation except where the action of the board of directors is required, or the authority of such committee is limited, by statute. The number of committee members on each committee may be increased or decreased from time to time by resolution of the board of directors. Any committee member of any committee may be removed from such committee at any time by resolution of the board of directors. Vacancies in the membership of a committee (whether by death, resignation, removal or otherwise) may be filled by resolution of the board of directors. The time, place and notice (if any) of meetings of any committee shall be determined by such committee. At meetings of any committee, a majority of the number of committee members of such committee shall constitute a quorum for the transaction of business, and the act of a majority of the committee members present at any meeting at which a quorum is present shall be the act of such committee, except as otherwise specifically provided by statute, the articles of incorporation, or these bylaws. If a quorum is not present at a meeting of any committee, the committee members present may adjourn the meeting from time to time, without notice other than an announcement at the meeting, until a quorum is present. Each committee shall keep regular minutes of its proceedings and report the same to the board when required. The designation of any such committee of the board of directors 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 2.12 Compensation of Directors. The directors may be paid their expenses, if any, of attendance at each meeting of the board of directors and may be paid a fixed sum for attendance at each meeting of the board of directors or a stated salary as director. No such

payment shall preclude any director from serving the corporation in any other capacity and receiving compensation therefor. Members of committees of the board may be allowed like compensation for attending committee meetings.

Section 2.13 Minutes. The board of directors shall keep regular minutes of its proceedings, and such minutes shall be placed in the minute book of the corporation.

ARTICLE III

NOTICES

Section 3.01 General. Notices to members, directors and committee members shall be in writing and may be delivered personally or mailed by U.S. mail, postage prepaid, to the members, directors or committee members, respectively, at their addresses appearing on the books and share transfer records of the corporation. Notice to members shall be deemed to be given at the time when the same shall be so delivered or mailed. Notice to directors and committee members may also be given by nationally recognized overnight delivery or courier service, facsimile transmission or telegram, and shall be deemed given when such notice shall be received by the proper recipient or, if earlier, (i) in the case of an overnight delivery or courier service, one (1) day after such notice is sent by such overnight delivery or courier service; (ii) in the case of telegraph, when deposited at a telegraph office for transmission and all appropriate fees therefor have been paid; and (iii) in the case of mailing by U.S. mail, three (3) days after such notice is mailed as described above.

Section 3.02 Waivers. Whenever any notice is required to be given to any member, director or committee member under the provisions of law or of the articles of incorporation or of 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 3.03 Attendance as Waiver. Attendance of a director or member of a committee at a meeting shall constitute a waiver of notice of such meeting, except where a director or committee member 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 IV

OFFICERS

Section 4.01 General. The officers of the corporation shall consist of a president and a secretary and may also include a chairman of the board, a vice-chairman of the board, one or more vice presidents, one or more assistant secretaries, and a treasurer and one or more assistant treasurers, each of whom shall be elected by the board of directors. The chairman and vice-chairman of the board, if any, shall each be members of the board of directors, but no other officers of the corporation need be a director. Any two or more offices may be held by the same person.

Section 4.02 Election of Officers; Salaries. At the first meeting of the board of directors after each annual meeting of members, the board of directors shall choose a president and a secretary. Such other officers and assistant officers and agents as may be deemed necessary may also be elected or appointed by the board of directors. The salaries of all officers and agents of the corporation shall be fixed by the board of directors.

Section 4.03 Term of Office. The officers of the corporation shall hold office until their respective successors are chosen and qualify. Any officer or agent who is elected or

appointed by the board of directors may be removed by the board of directors at any time, if, in the judgment of the board of directors, the best interests of the corporation will be served thereby; provided, that 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 (whether by death, resignation, removal or otherwise) shall be filled by resolution of the board of directors.

Section 4.04 Chairman of the Board. The board of directors may, in its discretion, choose a director to serve as chairman of the board. The chairman of the board, if any, shall be the chief executive officer of the corporation, shall preside at meetings of the members and of the board of directors, shall be an ex officio member of all committees, and shall have such other powers and perform such other duties as the board of directors may from time to time prescribe. In addition, the chairman of the board, if any, may sign and execute contracts, agreements, instruments and other documents on behalf of the corporation, and may sign and execute bonds, mortgages and other contracts requiring a seal, under the seal of the corporation, except where required or permitted by law to be otherwise signed and executed and except where the signing and execution thereof shall be expressly delegated by the board of directors to some other officer or agent of the corporation.

Section 4.05 Vice-Chairman of the Board. The board of directors may, in its discretion, choose a director to serve as vice-chairman of the board. The vice-chairman of the board, if any, shall in the absence of the chairman of the board perform the duties and exercise the powers of the chairman of the board, and shall perform such other duties and exercise such other powers as the board of directors may from time to time prescribe.

Section 4.06 President. The president shall be the chief operating officer of the corporation, 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. In the event the board of directors shall not have designated a chairman of the board, the president shall also be chief executive officer of the corporation, and in such event or in the absence of the chairman of the board, the president shall preside at meetings of the members and the board of directors. The president may sign and execute contracts, agreements and other documents on behalf of the corporation, and may sign and execute bonds, mortgages and other contracts requiring a seal, under the seal of the corporation, except where required or permitted by law to be otherwise signed and executed and except where the signing and execution thereof shall be expressly delegated by the board of directors to some other officer or agent of the corporation. In addition, the president shall have such other powers and perform such other duties as shall be designed by the board of directors from time to time.

Section 4.07 Vice Presidents. The vice presidents, if any, 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 exercise such other powers as the board of directors may from time to time prescribe.

Section 4.08 Secretary. The secretary shall attend all meetings of the board of directors and all meetings of the members and record all the proceedings of the meetings of the corporation and of the board of directors in a book to be kept for that purpose and shall perform like duties for any committees when required. The secretary 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 secretary 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 an assistant secretary, the treasurer or an assistant treasurer.

Section 4.09 Assistant Secretaries. The assistant secretaries, if any, 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 exercise such other powers as the board of directors may from time to time prescribe.

Section 4.10 Treasurer. The treasurer, if any, 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 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. In the absence of the election or appointment of a treasurer or any assistant treasurers by the board of directors, the duties of the office of treasurer shall be performed by the secretary of the Corporation. The treasurer shall disburse the funds of the corporation as may be ordered 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. If required by the board of directors, he shall 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 4.11 Assistant Treasurers. The assistant treasurers, if any, 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 exercise such other powers as the board of directors may from time to time prescribe.

ARTICLE V

INDEMNIFICATION; INSURANCE

Section 5.01 Persons; Scope; Advancement of Expenses. The corporation shall indemnify a person to the full extent permitted under Article 1396-2.22A of the Texas Non-Profit Corporation Act and any other applicable laws, and may, at the discretion of the Board of Directors, advance reasonable expenses to such persons to the full extent and according to the procedures and standards of Article 1396-2.22A of the Texas Non-Profit Corporation Act and any other applicable law.

Section 5.02 Insurance. The corporation may purchase and maintain insurance on behalf of any person who is or was a director, officer, employee, or agent of the corporation or who is or was serving at the request of the corporation as a director, officer, employee, or agent of the corporation or who is or was serving at the request of the corporation as a director,

officer, partner, venturer, proprietor, trustee, employee, agent, or similar functionary of another foreign or domestic corporation, partnership, joint venture, sole proprietorship, trust, other enterprise, or employee benefit plan, against any liability asserted against him and incurred by him in such a capacity or arising out of his status as such a person, whether or not the corporation would have the power to indemnify him against that liability under this bylaw.

Section 5.03 Nonexclusive. The indemnification provided by these Bylaws shall not be exclusive of any other rights to which a person may be entitled by law, articles of incorporation, bylaw, agreement, vote of members or disinterested directors, or otherwise. Indemnification shall continue and inure to the benefit of the heirs, executors and administrators of any person entitled to indemnification under the provisions of this Article V.

ARTICLE VI

GENERAL PROVISIONS

Section 6.01 Books and Records. The corporation shall keep books and records of account and shall keep minutes of the proceedings of all meetings of the members, the board of directors and each committee of the board of directors.

Section 6.02 Checks. All checks or demands for money of the corporation shall be signed by such officer or officers or such other person or persons as the board of directors may from time to time designate.

Section 6.03 Fiscal Year. The fiscal year of the corporation shall be fixed by the resolution of the board of directors.

Section 6.04 Construction. Whenever the context or circumstances so require, for all terms used herein the masculine shall include the feminine and neuter, and the singular shall

include the plural, and vice versa. If any provision of these Bylaws shall be held illegal, invalid or inoperative, then, so far as is reasonable and possible (1) the remainder of the Bylaws shall be and remain legal, valid and operative and (2) effect shall be given the intent manifested by the provision held illegal, invalid or inoperative and to that end, such illegal, invalid or inoperative provision shall be deemed to have been replaced by a provision that is as similar to such illegal, invalid or inoperative provision as possible and still be legal, valid and operative.

Section 6.05 Headings. Headings used in these Bylaws have been inserted for administrative convenience only and do not constitute matter to be construed in interpretation of the substantive provisions of these Bylaws.

Section 6.06 Emergencies. Notwithstanding any other provision of these Bylaws to the contrary, during an emergency period following major catastrophe resulting in the loss by death, mental or physical incapacity or otherwise, or the isolation of members of the board of directors or officers of the corporation, a majority of the remaining directors (who have not been rendered incapable of acting by death, physical or mental incapacity, isolation or otherwise) shall constitute a quorum of the board of directors and shall have the power, by majority vote, (1) to fill vacancies on the board of directors and to elect and appoint officers of the corporation; (2) to call special meetings of the members; and (3) to carry on any and all other corporate business. During such emergency period reasonable attempts shall be made to give notice to directors, but actions taken at a meeting held during such period shall not be rendered invalid solely because of failure to give notice as otherwise required.

ARTICLE XII

AMENDMENT OF BYLAWS

Section 7.01 General. These Bylaws may be altered, amended or repealed or new bylaws may be adopted at any meeting of the board of directors at which a quorum is present, by the affirmative vote of a majority of the directors present at such meeting (provided notice of the proposed alteration, amendment or repeal is contained in the notice of the meeting), subject to repeal or change at any meeting of the members at which a quorum is present, by the affirmative vote of a majority of the members present at such meeting (provided notice of the proposed alteration, amendment or repeal is contained in the notice of the meeting).