BYLAWS
OF
LAKESIDE AT MILLICAN RESERVE COMMUNITY FOUNDATION, INC.
(A Texas Nonprofit Corporation)

ARTICLE 1
INTRODUCTION

1.1 PURPOSE OF BYLAWS. These Bylaws ("**Bylaws**") provide for the governance of LAKESIDE AT MILLICAN RESERVE COMMUNITY FOUNDATION, INC. (the "**Foundation**"), a Property Owners Association, as that term is defined in Texas Property Code §209.002(7), whose Members consist of the owners of Lots within Lakeside at Millican Reserve (the "**Subdivision**"), a subdivision in Brazos County, Texas, covered by a dedicatory instrument entitled Supplemental Declaration of Covenants, Conditions, Restrictions, Reservations, Easements, and Rights for Millican Reserve to Create the Village of Lakeside at Millican Reserve recorded at Instrument No. _____, Official Public Records of Brazos County, Texas (as amended or restated from time to time, the "**Supplemental Declaration**").

1.2 DEFINITIONS. Words and phrases defined in the Supplemental Declaration shall have the same meanings when used in these Bylaws. Unless defined otherwise in the Supplemental Declaration or in these Bylaws, words and phrases defined in Texas Property Code §209.002 shall have the same meaning when used in these Bylaws. The following words and phrases shall have specified meanings when used in these Bylaws:

a. "Board Meeting" means a deliberation between a quorum of the voting Board, or between a quorum of the voting Board and another person, during which Foundation business is considered and the Board takes formal action; and does not include the gathering of a quorum of the Board at a social function unrelated to the business of the Foundation or the attendance of the Board at a regional, state, or national convention or ceremonial event, or press conference, if formal action is not taken and any discussion of Foundation business is incidental to the social function, convention, ceremonial event, or conference.

b. "Board of Directors" or "Board" means the Board of Directors of LAKESIDE AT MILLICAN RESERVE COMMUNITY FOUNDATION, INC., the group of persons vested with the management of the affairs of the Foundation.

c. "Director" means a member of the Board of Directors of the Foundation.

d. "Majority" means more than fifty percent (50%).

e. "Management Certificate" means the instrument required to be recorded pursuant to Section 209.004 of the Texas Residential Property Owners Protection Act.

f. "Managing Agent" means the Foundation's designated representative as it appears on the Foundation's Management Certificate.

g. "Member" means a member of the Foundation, each Member being an Owner of a Lakeside Lot in Lakeside at Millican Reserve, unless the context indicates that a Member means a member of the Board of Directors or a member of a committee of the Foundation.

h. "Officer" means an officer of the Foundation.

i. "President," "Vice-President," "Secretary," and "Treasurer" mean, respectively, the President, Vice-President, Secretary, and Treasurer of the Foundation.

j. "Ordinary care" means the care that an ordinarily prudent person in a similar position would exercise under similar circumstances.

k. "Texas Residential Owners Protection Act" or "The Act" shall refer to Texas Property Code Chapter 209, as the same may be amended or repealed in whole or in part.

Other definitions contained in the Supplemental Declaration are incorporated herein by reference, as if fully set forth.

1.3 NONPROFIT PURPOSE. The Foundation is not organized for profit and is governed by Chapter 22 of the Business Organizations Code.

1.4 COMPENSATION. A Director, Officer, or Member shall not be entitled to receive any pecuniary profit for the operation of the Foundation, and no dividend or assets of the Foundation shall be distributed to, or inure to the benefit of a Director, Officer, or Member, provided, however:

a. That reasonable compensation may be paid to a Director, Officer, or Member, for services rendered to the Foundation;

b. That a Director, Officer, or Member may, from time to time, be reimbursed for his or her actual and reasonable expenses incurred on behalf of the Foundation in connection with the administration of the affairs of the Foundation, provided such expense has been approved by the Board.

1.5 GENERAL POWERS AND DUTIES. The Foundation, acting through the Directors, shall have the powers and duties necessary for the administration of the affairs of the Foundation and for the operation and maintenance of the Subdivision as may be required or permitted by the Lakeside Restrictions and state law. The Foundation may do any and all things that are lawful and which are necessary, proper, or desirable in operating for the best interests of its Members, subject only to the limitations upon the exercise of such powers as are expressly set forth in the Lakeside Restrictions.

ARTICLE 2
MEMBERSHIP

2.1 MEMBERSHIP. Every Person who is a record Owner of any Lakeside Lot shall be a Member of the Foundation, as more particularly provided in the Supplemental Declaration. All present or future Members are subject to the Certificate of Formation, Supplemental Declaration, these Bylaws, and other Lakeside Restrictions. Membership in the Foundation will signify that each Lakeside Owner appoints the Board of Directors of the Foundation to manage or regulate the Subdivision in accordance with the provisions set forth in the Lakeside Restrictions and that such Lakeside Restrictions are accepted, ratified, and will be strictly followed. Further, membership in the Foundation will signify that the Lakeside Owner has designated the Foundation as its representative to initiate, defend or intervene in litigation or an administrative proceeding affecting the enforcement of the Supplemental Declaration or the protection, preservation, or operation of the Subdivision. Voting rights of Members shall be pursuant to Section 4.03 of the Supplemental Declaration.

ARTICLE 3
GOVERNING BODY

3.1 BOARD OF DIRECTORS. The Board of Directors shall govern the Foundation, each of whom shall have one (1) vote. The Board shall initially consist of three (3) Directors, being those Directors named in the Foundation's Certificate of Formation. The initial Directors shall serve until their successors are elected and qualified. A Director takes office upon the adjournment of the meeting or balloting at which he is elected or appointed and, absent, death, ineligibility, resignation, or removal, will hold office until his successor is elected or appointed. The number of Directors may be changed by resolution of the Board from time to time, but shall not be less than three (3); provided, however, a decrease in the number of Directors may not shorten the term of an incumbent Director. Notwithstanding anything contained herein to the contrary, during the Lakeside Development Period, the Lakeside Initial Owner is entitled to appoint and remove

Directors from the Board, except with respect to Directors appointed at the Initial Lakeside Member Election Meeting pursuant to Section 4.04 of the Supplemental Declaration.

3.2 QUALIFICATION AND TERM. In accordance with Section 4.04 of the Supplemental Declaration and Section 209.00591 of the Act, on or before the 10th anniversary of the date that the Supplemental Declaration is recorded in the Official Public Records of Brazos County, Texas, or sooner, as determined by the Lakeside Initial Owner, the Board will call a meeting of the Lakeside Members (the "**Initial Lakeside Member Election Meeting**") for the purpose of electing one-third (1/3) of the Board, which Board member(s) (the "**Initial Member Elected Director(s)**") must be elected by the Lakeside Owners other than the Lakeside Initial Owner. The Lakeside Initial Owner shall continue to have the sole right to appoint and remove two-thirds (2/3) of the Board from and after the Initial Lakeside Member Election Meeting until the expiration of the Lakeside Development Period. Following the expiration of the Lakeside Development Period, the Board will call a meeting of the Lakeside Members (the "**Lakeside Member Election Meeting**") where all existing Directors will resign and the Members, which may include the Lakeside Initial Owner, will elect new Directors (to replace the Initial Member Elected Director(s), as well as all Directors appointed by the Lakeside Initial Owner). At the Lakeside Member Election Meeting, the Members shall elect one (1) Director to a three (3) year term, one (1) Director to a two (2) year term, and one (1) Director to a one (1) year term. At each annual meeting thereafter, the Members shall elect a single Director to fill the then-expiring term of a Director, which new Director may be the same Director whose term is expiring.

3.2.1 Co-Owners. Co-Owners of a single Lakeside Lot may not serve on the Board at the same time. Co-Owners of more than one Lakeside Lot may serve on the Board at the same time, provided the number of Co-Owners serving at one time does not exceed the number of Lakeside Lots they co-own. Notwithstanding the foregoing, an Owner may not serve on the Board if the Owner cohabits at the same primary residence with a Director; provided, this sentence shall not apply during the Declarant Control Period.

3.3 ELECTION. Directors shall be elected by the Members by written ballot. The election of Directors shall be conducted at the annual meeting of the Foundation, at any special meeting called for that purpose, or by mail, facsimile transmission, electronic transmission, or a combination of mail, facsimile, and electronic transmission. Any Director whose term has expired must be elected by the Members in accordance with the voting rights of the Members set forth in the Declaration.

3.4 VACANCIES. A Director may be appointed by a majority of the remaining Directors only to fill a vacancy caused by resignation, death, or disability. Each Director so elected shall serve out the remaining term of his or her predecessor. Notwithstanding the foregoing, this Section shall not apply to the appointment of a Director during the Declarant Control Period.

3.5 REMOVAL OF DIRECTORS. Following the expiration of the Lakeside Development Period or, with respect to Directors appointed pursuant to Section 4.04 of the Supplemental Declaration, at any annual or special meeting of the Foundation, any one or more of the Directors may be removed with or without cause by Members representing a majority of the votes present in person or by proxy at such meeting, and a successor shall then and there be elected to fill the vacancy thus created. Any Director whose removal has been proposed by the Members shall be given an opportunity to be heard at the meeting. However, if the Board is presented with written, documentary evidence from a database or other record maintained by a governmental law enforcement authority that a Director has been convicted of a crime of moral turpitude, that Director is immediately ineligible to serve on the Board, is automatically considered removed from the Board, and is prohibited from future service on the Board. During the Development Period, the Lakeside Initial Owner may, in its sole discretion, remove a Director with or without cause, except with respect to Directors appointed pursuant to Section 4.04 of the Supplemental Declaration.

3.6 MEETINGS OF THE BOARD.

3.6.1 Development Period. The provisions of this Section 3.6 do not apply to Board meetings during the Lakeside Development Period during which period the Board may take action by written consent in lieu of a meeting pursuant to Section 3.6.12 below, except with respect to a meeting conducted for the

purpose of: (a) adopting or amending the Lakeside Restrictions; (b) increasing the amount of Lakeside Annual Assessments or adopting or increasing a Lakeside Special Assessment; (c) electing non-Lakeside Initial Owner Board members or establishing a process by which those members are elected, or (d) changing the voting rights of Members.

3.6.2 Regular Meetings. Subject to the Act and other provisions of the Lakeside Restrictions, regular meetings of the Board shall be held annually at such time as may be fixed from time to time by resolution of the Board.

3.6.3 Special Meetings. Special meetings of the Board may be called by the President or, if he or she is absent or refuses to act, by any two (2) Directors. At least three (3) days' notice shall be given to each Director, personally or by telephone or written communication, which notice shall state the place, time, and purpose of such meeting.

3.6.4 Quorum. At all meetings of the Board, a majority of Directors shall constitute a quorum for the transaction of business, and the acts of the majority of the Directors present at a meeting at which a quorum is present shall be the acts of the Board. If less than a quorum is present at any meeting of the Board, the majority of those present may adjourn the meeting from time to time. At any such reconvened meeting at which a quorum is present, any business which might have been transacted at the meeting as originally called may be transacted without further notice. A Director present by proxy at a meeting may not be counted toward a quorum.

3.6.5 Open Meetings of the Board. Regular and special board meetings must be open to Owners, subject to the right of the Board to adjourn a board meeting and reconvene in a closed executive session to consider actions involving personnel, pending or threatened litigation, contract negotiations, enforcement actions, confidential communications with the Foundation's attorney, matters involving the invasion of privacy of individual Owners, or matters that are to remain confidential by request of the affected parties and agreement of the Board. Following an executive session, any decision made in the executive session must be summarized orally and placed in the minutes, in general terms, without breaching the privacy of individual Owners, violating any privilege, or disclosing information that was to remain confidential at the request of the affected parties. The oral summary must include a general explanation of expenditures approved in an executive session.

3.6.6 Conduct of Meetings. The President shall preside over all meetings of the Board and the Secretary shall keep, or cause to be kept, a record of all resolutions adopted by the Board and a record of all transactions and proceedings occurring at such meetings. When not in conflict with law or the Lakeside Restrictions, the then current edition of Robert's Rules of Order shall govern the conduct of the meetings of the Board.

3.6.7 Proxy. A Director may vote in person or by proxy executed in writing by the Director. A proxy expires three (3) months after the date the proxy is executed.

3.6.8 Dissent to Action. A Director who is present at a meeting of the Board of Directors at which action is taken on a Foundation matter is presumed to have assented to the action unless the Director's dissent has been entered in the minutes of the meeting, the Director has filed a written dissent to the action with the person acting as the secretary of the meeting before the meeting is adjourned, or the Director has sent a written dissent by registered mail to the Secretary of the Foundation immediately after the meeting has been adjourned. The right to dissent under this Section does not apply to a Director who voted in favor of the action.

3.6.9 Location. Except for a meeting held by electronic or telephonic means, a Board meeting must be held in a county in which all or part of the property in the Subdivision is located or in a county adjacent to that county, as determined in the discretion of the Board.

3.6.10 Minutes. The Board shall keep a record of each regular or special Board meeting in the form of written minutes of the meeting. The Board shall make meeting records, including approved minutes,

available to a Member for inspection and copying on the Member's written request to the Foundation's Managing Agent at the address appearing on the most recently filed Management Certificate or, if there is not a Managing Agent, to the Board.

3.6.11 Notice of Board Meetings. Members shall be given notice of the date, hour, place, and general subject of a regular or special Board meeting, including a general description of any matter to be brought up for deliberation in an executive session. Except for any portion of a meeting conducted in executive session, if a meeting is held by telephone conference or other electronic communication, notice will include instructions for how Members will access any telephonic or electronic communication. The notice shall be mailed or transmitted electronically to each Member not later than the tenth (10^{th}) day or earlier than the sixtieth (60^{th}) day before the date of the meeting; or provided at least one hundred forty-four (144) hours before the start of a regular meeting or seventy-two (72) hours before the start of a special meeting by posting the notice in a conspicuous manner reasonably designed to provide notice to Members in a place located in the Lakeside Common Property or, with the property Owner's consent, on other conspicuously located privately owned property within the Subdivision; or on any Internet website maintained by the Foundation or other Internet media; and sending the notice by email to each Member who has registered an email address with the Foundation. It is a Members duty to keep an updated email address registered with the Foundation. If the Board recesses a regular or special meeting of the Board to continue the following regular business day, the Board is not required to post notice of the continued meeting if the recess is taken in good faith and not to circumvent the notice requirements of this Section. If a regular or special meeting of the Board is continued to the following regular business day, and on that following day the Board continues the meeting to another day, the Board will give notice of the continuation in at least one manner prescribed by this Section within two (2) hours after adjourning the meeting being continued.

3.6.12 Actions Without a Meeting. Except as otherwise provided in Section 3.6.1, during the Development Period, any action that may be taken at a meeting of the Directors may be taken without holding a meeting, providing prior notice, or taking a vote if a consent in writing, setting forth the action so taken, is signed by the requisite number or voting power of the Directors and filed with the Secretary of the Foundation.

3.6.13 Meeting without Prior Notice. The Board may meet and take action by any method of communication, including electronic and telephonic, without prior notice to the Members, if each Director may hear and be heard by every other Director. A remote electronic communications system, including videoconferencing technology or the Internet, may be used only if each person entitled to participate in the meeting consents to the meeting being held by means of that system, and the system provides access to the meeting in a manner or using a method by which each person participating in the meeting can communicate concurrently with each other participant. Any action taken without notice to the Members must be summarized orally, including an explanation of any known actual or estimated expenditures approved at the meeting, and documented in the minutes of the next regular or special Board meeting. Following the expiration of earlier termination of the Lakeside Development Period, the Board may not, without prior notice to the Members, consider or vote on: (a) fines, (b) damage assessments, (c) initiation of foreclosure actions, (d) initiation of enforcement actions, excluding temporary restraining orders or violations involving a threat to health or safety, (e) increases in Lakeside Assessments, (f) levying of Lakeside Special Assessments, (g) appeals from a denial of ARC approval, (h) a suspension of a right of a particular Owner before the Owner has an opportunity to attend a meeting of the Board to present the Owner's position, including any defense, on the issue, (i) lending or borrowing money, (j) the adoption or amendment of a dedicatory instrument, (k) the approval of an annual budget or the approval of an amendment of an annual budget, (l) the sale or purchase of real property, (m) the filling of a vacancy on the Board, (n) the construction of capital improvements other than the repair, replacement, or enhancement of existing capital improvements, or (o) the election of an officer.

3.7 LIABILITIES AND STANDARD OF CARE. A Director shall discharge the Director's duties, including duties as a committee member, in good faith, with ordinary care, and in a manner the Director reasonably believes to be in the best interest of the Foundation. A Director is not liable to the Foundation, a Member, or another person for an action taken or not taken as a Director if the Director acted in compliance with this

section. A person seeking to establish the liability of a Director must prove that the Director did not act in good faith, with ordinary care, in a manner the Director reasonably believed to be in the best interest of the Foundation. A Director is not considered to have the duties of a trustee of a trust with respect to the Foundation or with respect to property held or administered by the Foundation. A Director shall not be liable under this Section if, in the exercise of ordinary care, the Director acted in good faith and in reliance on the written opinion of an attorney for the Foundation.

3.8 POWERS AND DUTIES. The Board shall have all the powers and duties necessary for the administration of the Foundation and for the operation and maintenance of the Subdivision. The Board may do all such acts and things except those which, by law or the Governing Documents are reserved to the Members and may not be delegated to the Board. The act of a majority of the Directors present in person or by proxy at a meeting at which a quorum is present is the act of the Board of Directors. Without prejudice to the general and specific powers and duties set forth in laws or the Governing Documents, or such powers and duties as may hereafter be imposed on the Board by resolution of the Foundation, the powers and duties of the Board shall include, but shall not be limited to, the following:

a. Lakeside Rules. The Board, by resolution may from time to time adopt and publish Lakeside Rules governing use of the Lakeside Common Property and the personal conduct of the Members and their guests, and may suspend the right to use of the Lakeside Common Property, after notice and hearing, pursuant to Sections 209.006 and 209.007 of the Act and Section 3.10 of these Bylaws.

b. Guests. The Board may limit the number of guests of Lakeside Owners with respect to the use of the Lakeside Common Property.

c. Delinquent Accounts. The Board may establish, levy, and collect reasonable late charges for Members' delinquent accounts. The Board may also establish a rate of interest to be charged on Members' delinquent accounts, provided the rate of interest does not exceed eighteen percent (18%) or the maximum rate permitted by state law, whichever is the lesser.

d. Fidelity Bonds. The Board shall require that all Officers, agents, and employees of the Foundation handling or responsible for Foundation funds shall furnish adequate fidelity bonds. The premiums on such bonds may be an expense of the Foundation.

e. Independent Contractors and Employees. The Board may employ independent contractors or employees as deemed necessary, and may prescribe their duties.

f. Appointment of Committees. The Board, by resolution, may from time-to-time designate standing or *ad hoc* committees to advise or assist the Board with its responsibilities. The resolution shall establish the purposes and powers of each committee created, provide for the appointment of its members, as well as chairman, and shall provide for reports, termination, and other administrative matters deemed appropriate by the Board. Committees may be appointed from among the Members or professionals in the area of expertise for which the committee is formed.

g. Fines. In accordance with Sections 209.006 and 209.007 of the Act, and in addition to, or in lieu of, other remedies as provided by law, the Board may levy fines for each day or occurrence that a violation of the Lakeside Restrictions persists after notice and hearing, provided the amount of the fine does not exceed the amount necessary to ensure compliance with the Lakeside Restrictions.

h. Contracts for Services. The Board may enter into contracts for services on behalf of the Foundation, and, when appropriate, shall solicit competitive bids based on a standard statement of work prepared or approved by the Board.

l. Professional Association Management Services. The Board may employ a Managing Agent for the Foundation, at a compensation established by the Board, to perform duties and services authorized by the Board. The Board shall execute and file Management Certificates in accordance with Section 209.004 of the Act.

3.9 FINANCIAL RECORDS AND ANNUAL REPORTS. The Board shall maintain current and accurate financial records with complete entries as to each financial transaction of the Foundation, including income and expenditures, in accordance with generally accepted accounting principles. The Board shall annually prepare or approve a financial report for the Foundation for the preceding year. The report must conform to accounting standards as adopted by the American Institute of Certified Public Accountants and must include: a statement of support, revenue and expenses, a statement of changes in fund balances, a statement of functional expenses, and a balance sheet for each fund.

3.10 ENFORCEMENT.

a. Notice. Before the Board may (i) suspend a Lakeside Owner's right to use the Lakeside Common Property, (ii) file a suit against a Lakeside Owner other than a suit to collect any Lakeside Assessment, (iii) foreclose the Foundation's lien, (iv) charge a Lakeside Owner for property damage, (v) levy a fine for a violation of the Lakeside Restrictions, or (vi) report any delinquency of an Owner to a credit reporting service, the Foundation or its agent must give written notice to the Lakeside Owner as required or permitted by law. The notice must describe the violation or property damage that is the basis for the suspension action, charge, or fine and state any amount due the Foundation from the Lakeside Owner. The notice must also (i) inform the Lakeside Owner that if the violation is curable and does not pose a threat to public health or safety, which means it could not materially affect the health or safety of an ordinary resident, the Lakeside Owner is entitled to a reasonable period to cure the violation and avoid the fine or suspension unless the Lakeside Owner was given notice and a reasonable opportunity to cure a similar violation within the preceding six (6) months; (ii) indicate that the Lakeside Owner may request a hearing in accordance with Section 209.007 of the Act on or before the thirtieth (30th) day after the date the notice was mailed to the Lakeside Owner, (iii) state that the Lakeside Owner may have special rights if the Lakeside Owner is serving on active military duty, and (iv) state the date by which the Lakeside Owner must cure a curable violation that does not pose a threat to public health and safety.

b. Hearing. If the Lakeside Owner is entitled to an opportunity to cure the violation, the Lakeside Owner has the right to submit a written request for a hearing to discuss and verify facts and resolve the matter in issue before the Board. The Foundation must hold a hearing under this Section not later than the thirtieth (30th) day after the date the Board receives the Lakeside Owner's request for a hearing and must notify the Lakeside Owner of the date, time, and place of the hearing not later than the tenth (10th) day before the date of the hearing. The Board or the Lakeside Owner may request a postponement, and, if requested, a postponement will be granted for a period of not more than ten (10) days. Additional postponements may be granted by agreement of the parties. The Lakeside Owner or the Foundation may make an audio recording of the meeting. The hearing will be held in executive session affording the alleged violator a reasonable opportunity to be heard. Before any sanction hereunder becomes effective, proof of proper notice will be placed in the minutes of the meeting. Such proof will be deemed adequate if a copy of the notice, together with a statement of the date and manner of delivery, is entered by the Officer, Director, or agent who delivered the notice. The notice requirement will be satisfied if the alleged violator appears at the meeting. The minutes of the meeting will contain a written statement of the results of the hearing and the sanction, if any, imposed. The Board may, but will not be obligated to, suspend any proposed sanction if the violation is cured within a fifteen (15) day period. Such suspension will not constitute a waiver of the right to sanction violations of the same or other provisions and rules by any person.

c. Appeal. Following the hearing before the Board, the violator will have the right to appeal the decision to the Board. To perfect this right, a written notice of appeal must be received by the Managing Agent, if any, President, or Secretary within fifteen (15) days after the hearing date.

d. Changes in Law. The Board may change the enforcement procedures set out in this Section to comply with changes in law.

3.11 LARGE CONTRACTS. In the event that the Foundation intends to enter into a contract to expend an amount equal to or in excess of $50,000.00, the Board shall solicit bids for such contracted item and review all bids in a meeting prior to selecting the winning bid. Notwithstanding the foregoing, the provisions of this Section shall not apply during the Lakeside Development Period.

3.12 INDEMNIFICATION OF OFFICERS AND DIRECTORS. To the full extent permitted by the Texas Business Organizations Code and other applicable law, but without duplication (and subject to) any rights or benefits arising under the Supplemental Declaration or Certificate of Formation, the Foundation shall indemnify any Director, Officer, or member of a committee duly appointed pursuant to the Certificate of Formation or these Bylaws who, by reason of the fact that such person is or was a Director, Officer or member of such a committee of the Foundation was, is, or is threatened to be made, a named defendant or respondent in (a) any threatened, pending, or completed action, suit or proceeding, whether civil, criminal, administrative, arbitrative, or investigative, (b) any appeal in such an action, suit, or proceeding, and (c) any inquiry or investigation that could lead to such an action, suit, or proceeding (hereinafter a "**Proceeding**"), and against all judgments, penalties, fines, settlements, and reasonable expenses (including attorneys' fees) incurred by the person in connection with any such Proceeding. This right of indemnification shall be deemed to be mandatory and will include the right to be paid or reimbursed by the Foundation for expenses incurred in defending any Proceeding to the fullest extent permitted by the Texas Business Organizations Code, as amended and in effect from time to time. Additionally, the Foundation shall indemnify any person who was, is, or is threatened to be made a named defendant or respondent in any Proceeding by reason of the fact such person is or was an employee, agent, or similar functionary of the Foundation, against reasonable expenses (including reasonable attorneys' fees) actually incurred by such person in any such Proceeding, if it is found and determined by the Board or a court of competent jurisdiction that such person: (i) acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interests of the Foundation; or (ii) with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful.

ARTICLE 4
OFFICERS

4.1 DESIGNATION. The principal Officers of the Foundation shall be the President and the Secretary, and may include one or more Vice Presidents, a Treasurer, and such other Officers and assistant Officers as the Board deems necessary. Any two offices may be held by the same person, except the offices of President and Secretary. If an Officer is absent or unable to act, the Board may appoint a Director to perform the duties of that Officer and to act in place of that Officer, on an interim basis.

4.2 ELECTION OF OFFICERS. The Officers shall be elected no less than annually by the Directors at the annual meeting of the Board and shall hold office at the pleasure of the Board. Except for resignation or removal, Officers shall hold office until their respective successors have been designated by the Board.

4.3 REMOVAL AND RESIGNATION OF OFFICERS. A majority of Directors may remove any Officer, with or without cause, at any regular meeting of the Board or at any special meeting of the Board called for that purpose. A successor may be elected at any regular or special meeting of the Board called for that purpose. An Officer may resign at any time by giving written notice of resignation to the Board. Unless the notice of resignation states otherwise, it is effective when received by the Board and does not require acceptance by the Board. The resignation or removal of an Officer who is also a Director does not constitute resignation or removal from the Board.

4.4 STANDARD OF CARE. An Officer is not liable to the Foundation or to any other person for an action taken or omission made by the Officer in the person's capacity as an Officer unless the Officer's conduct was not exercised in good faith with ordinary care and in a manner the Officer reasonably believes to be in the best interest of the Foundation. This Section shall not affect the liability of the Foundation for an act or omission of the Officer.

4.5 DESCRIPTION OF PRINCIPAL OFFICES.

4.5.1 President. As the chief executive officer of the Foundation, the President shall: (i) preside at all meetings of the Foundation and of the Board; (ii) have all the general powers and duties which are usually vested in the office of President of a corporation organized under the laws of the State of Texas; (iii) have general supervision, direction, and control of the business of the Foundation, subject to the control of the Board; and (iv) see that all orders and resolutions of the Board are carried into effect.

4.5.2 Vice-President. The Vice-President, if any, shall generally assist the President and, in the absence of the President or in the event of the President's inability or refusal to act, shall perform the duties of the President. The Vice-President shall perform such duties as are assigned by the President and Board.

4.5.3 Secretary. The Secretary shall: (i) be responsible for taking minutes at all meetings; (ii) maintain a record of the names and addresses of the Members for the mailing of notices; (iii) prepare and give all notices in accordance with the Texas Business Organizations Code and the Governing Documents; (iv) act as the custodian of records of the Foundation; (v) review all mail on behalf of the Foundation; and (vi) in general, perform all duties incident to the office of Secretary.

4.5.4 Treasurer. The Treasurer shall: (i) be responsible for Foundation funds; (ii) keep full and accurate financial records and books of account showing all receipts and disbursements; (iii) prepare all required financial data and tax returns; (iv) deposit all monies or other valuable effects in the name of the Foundation in such depositories as may from time to time be designated by the Board; (v) prepare the annual and supplemental budgets of the Foundation; (vi) review the accounts of the Managing Agent on a monthly basis in the event such Managing Agent is responsible for collecting and disbursing Association funds; and (vii) perform all the duties incident to the office of Treasurer.

4.6 AUTHORIZED AGENTS. Except when the Lakeside Restrictions require execution of certain instruments by certain individuals, the Board may authorize any person to execute instruments on behalf of the Foundation, by written resolution. In the absence of Board designation, the President and the Secretary shall be the only persons authorized to execute instruments on behalf of the Foundation.

ARTICLE 5
MEETINGS OF THE MEMBERS

5.1 ANNUAL MEETING. Unless otherwise determined by the Board or required by applicable law, the first meeting of the Members of the Foundation will be the Initial Lakeside Member Election Meeting. Annual meetings of the Members of the Foundation shall be called by the Board. After the Initial Lakeside Member Election Meeting, annual meetings will be held at 7:00 p.m. on the first Tuesday in April of each year, or within thirty (30) days thereafter, weather permitting, unless otherwise determined by the Board. At the annual meeting the Members shall elect Directors in accordance with these Bylaws. The Members may also transact such other business of the Foundation as may properly come before them. If the day for the annual meeting of the Members is a legal holiday, the meeting will be held at the same hour on the first day following that is not a legal holiday.

5.3 SPECIAL MEETINGS. It shall be the duty of the President to call a special meeting of the Foundation if directed to do so by majority of the Board or by a petition signed by Members representing at least twenty percent (20%) of the eligible votes in the Foundation, unless otherwise required by law. Such meeting shall be held within thirty (30) days after the Board resolution or receipt of the petition. The notice of any special meeting shall state the time, place, and purpose of such meeting. No business, except the purpose stated in the notice of the meeting, shall be transacted at a special meeting.

5.4 PLACE OF MEETINGS. Meetings of the Members will be held within the Subdivision or at a meeting place as close to the Subdivision as possible, as permitted by law and specified by the Board in the notice of the meeting.

5.5 NOTICE OF MEETINGS. Written notice of all Member meetings will be given by or at the direction of the Secretary of the Foundation or such other Persons as may be authorized to call the meeting, by mailing, e-mailing, or personally delivering a copy of the notice at least ten (10) but no more than sixty (60) days before the meeting to each Member entitled to vote at the meeting. The notice must be addressed to the Member's address or e-mail address last appearing on the books of the Foundation or supplied by the Member to the Foundation for the purpose of notice. The notice must specify the place, day, time, and, for special meetings, general subject of the meeting.

5.6 ELIGIBILITY. All Members of the Foundation may receive notice of meetings of the Members, vote at meetings of the Members, or be elected to serve as a Director.

5.7 RECORD DATES.

5.7.1 Determining Notice Eligibility. The Board shall fix a date as the record date for determining the Members entitled to notice of a meeting of the Members. The record date may not be more than sixty (60) days before the date of a meeting of the Foundation at which Members will vote.

5.7.2 Determining Voting Eligibility. The Board shall fix a date as the record date for determining the Members entitled to vote at a meeting of the Members. The record date may not be more than sixty (60) days before the date of a meeting of the Members at which Members will vote.

5.7.3 Determining Rights Eligibility. The Board shall fix a date as the record date for determining the Members entitled to exercise any rights other than those described in the preceding two paragraphs. The record date may not be more than sixty (60) days before the date of the action for which eligibility is required, such as a nomination to the Board.

5.7.4 Adjournments. A determination of Members entitled to notice of or to vote at a meeting of the Foundation is effective for any adjournment of the meeting unless the Board fixes a new date for determining the right to notice or the right to vote. The Board must fix a new date for determining the right to notice or the right to vote if the meeting is adjourned to a date more than ninety (90) days after the record date for determining Members entitled to notice of the original meeting.

5.8 VOTING MEMBERS LIST. The Board shall prepare and make available a list of the Foundation's voting Members in accordance with Business Organizations Code Section 22.158. After setting a record date for the notice of a meeting, the Foundation shall prepare an alphabetical list of the names of all its voting Members. The list must identify the Members who are entitled to notice, the address of each voting Member, and the number of votes each voting Member is entitled to cast at the meeting. Not later than the second (2nd) business day after the date notice is given of a meeting for which a list was prepared in accordance with this Section, and continuing through the meeting, the list of voting Members must be available at the office of the Foundation's Managing Agent, according to the most recent Management Certificate recorded, as identified in the notice of the meeting, for inspection by Members entitled to vote at the meeting for the purpose of communications with other Members concerning the meeting. A voting Member or voting Member's agent or attorney is entitled on written demand to inspect any list of voting Members and, at the Member's expense and subject to Section 209.005 of the Act, copy the list at a reasonable time during the period the list is available for inspection. The Foundation shall make the list of voting Members available at the meeting. A voting Member or voting Member's agent or attorney is entitled to inspect the list at any time during the meeting or an adjournment of the meeting.

5.9 QUORUM. At any meeting of the Foundation, the presence in person or by proxy of Members entitled to cast at least ten percent (10%) of the votes that may be cast for election of the Board shall constitute a quorum. Members present at a meeting at which a quorum is present may continue to transact

business until adjournment, notwithstanding the withdrawal, during the course of the meeting, of Members constituting a quorum.

5.10 LACK OF QUORUM. If a quorum shall not be present or represented at any meeting, the Members entitled to vote shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum is present and represented.

5.11 VOTES. Members of the Foundation shall have one (1) vote for each Lakeside Lot owned in the Subdivision. The vote of Members representing at least a majority of the votes cast at any meeting at which a quorum is present shall be binding upon all Members for all purposes, except when a higher percentage is required by the Supplemental Declaration or these Bylaws. There shall be no cumulative voting. The voting rights of a Member may be cast or given in person or by proxy at a meeting of the Members, by absentee ballot, or by electronic ballot in accordance with these Bylaws.

5.12 PROXIES. Unless otherwise provided by the proxy, a proxy is revocable and expires eleven (11) months after the date of its execution. A proxy may not be irrevocable for longer than eleven (11) months.

5.13 BALLOTS. Any vote cast in an election or vote by a Member of the Foundation must be in writing and signed by the Member. In a Foundation-wide election, written and signed ballots are not required for uncontested races. Electronic votes cast as provided below constitute written and signed ballots. An absentee or electronic ballot may be counted as a Member present and voting for the purpose of establishing a quorum only for items appearing on the ballot, and may not be counted for the purpose of establishing a quorum only for items appearing on a ballot even if properly delivered, if the Member attends any meeting to vote in person. Any vote cast at a meeting by a Member supersedes any vote submitted by absentee or electronic ballot previously submitted for that proposal, and may not be counted on the final absentee or electronic ballot. A solicitation for votes by absentee ballot must include: an absentee ballot that contains each proposed action and provides an opportunity to vote for or against each proposed action; instructions for delivery of the completed absentee ballot, including the delivery location; and the following language: "By casting your vote via absentee ballot you will forgo the opportunity to consider and vote on any action from the floor on these proposals, if a meeting is held. This means that if there are amendments to these proposals your votes will not be counted on the final vote on these measures. If you desire to retain this ability, please attend any meeting in person. You may submit an absentee ballot and later choose to attend any meeting in person, in which case any in-person vote will prevail." For the purposes of this Section, "electronic ballot" means a ballot, given by email, facsimile, or posting on an Internet website for which the identity of the Member submitting the ballot can be confirmed and for which the property owner may receive a receipt of the electronic transmission and receipt of the Member's ballot. If an electronic ballot is posted on the Foundation's Internet website, a notice of the posting shall be sent to each Member that contains instructions on obtaining access to the posting on the website.

5.13.1 Co-Owned Lots. If a Lakeside Lot is owned by more than one Owner and only one is present at a meeting of the Foundation, that person may cast the vote allocated to that Lakeside Lot. If more than one of the multiple Lakeside Co-Owners is present, the vote allocated to that Lakeside Lot may be cast only in accordance with the Lakeside Co-Owners' unanimous agreement. Co-Owners are in unanimous agreement if one of the multiple owners casts the vote allocated to the Lakeside Lot and none of the other Co-Owners makes prompt protest to the person presiding over the meeting.

5.13.2 Entity-Owned Lots. If a Lakeside Lot is owned by a corporation, the vote appurtenant to that Lakeside Lot may be cast by an officer of the corporation in the absence of express notice of the designation of a specific person by the Board of Directors or bylaws of the owning corporation. The vote of a partnership may be cast by any general partner of the owning partnership in the absence of express notice of the designation of a specific person by the owning partnership. The person presiding over a meeting or vote may require reasonable evidence that a person voting on behalf of a corporation or partnership is qualified to vote.

5.14 TABULATION AND ACCESS TO BALLOTS. A person who is a candidate in the Foundation's Board election or who is otherwise the subject of a Foundation vote, or a person related to that person

within the third degree by consanguinity of affinity, as determined under Chapter 573 of the Texas Government Code, may not tabulate or otherwise be given access to the ballots cast in that election or vote except as provided by this Section. A person, other than a person described above, may tabulate votes in a Foundation election or vote, but may not disclose to any other person how an individual voted. Notwithstanding any other provision these Bylaws or any other law, a person, other than a person who tabulates votes, may be given access to the ballots cast in the election or vote only as part of a recount process authorized by law.

5.15 RECOUNT OF VOTES. Any Lakeside Owner may, not later than the fifteenth (15th) day after the date of the meeting at which the election was held, require a recount of the votes. A demand for a recount must be submitted in writing by certified mail, return receipt requested, or by delivery by the United States Postal Service with signature confirmation services to the Foundation's mailing address or in person as reflected on the latest Management Certificate, or to the address to which absentee and proxy ballots are mailed. The Foundation shall, at the expense of the Lakeside Owner requesting the recount, retain for the purpose of performing the recount, the services of a person qualified to tabulate votes under this Section. The Foundation shall enter into a contract for the services of a person who is not a Member of the Foundation or related to a Director of the Board within the third degree by consanguinity or affinity, as determined under Chapter 573 of the Texas Government Code, who is a current or former county judge, county elections administrator, justice of the peace, county voter registrar, or a person agreed on by the Foundation and the persons requesting the recount. Any recount under this Section must be performed on or before the thirtieth (30th) day after the date of receipt of a request. If the recount changes the results of the election, the Foundation shall reimburse the requesting Lakeside Owner for the cost of the recount. The Foundation shall provide the results of the recount to each Owner who requested the recount. Any action taken by the Board in the period between the initial election vote tally and the completion of the recount is not affected by any recount.

5.16 CONDUCT OF MEETINGS. Unless the notice of meeting state otherwise, the order of business at annual meetings of the Members shall be as follows:

a. Determine votes present by roll call or check-in procedure
b. Announcement of a quorum
c. Proof of notice of meeting
d. Reading and approval of minutes of preceding meeting
e. Reports
f. Election of Directors
g. Unfinished or old business
h. New business
i. Adjournment

5.17 ADJOURNMENT OF MEETING. At any meeting of the Members, a majority of the Members present at that meeting, either in person or by proxy, may adjourn the meeting to another time.

ARTICLE 6
COMMITTEES

6.1 NOMINATING COMMITTEE. After the expiration of the Lakeside Development Period, nominations for the election of the Board of Directors may be made by a nominating committee. The nominating committee shall make as many nominations to the Board as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Nominations may also be made from the floor at the annual meeting.

6.2 OTHER COMMITTEES. The Board of Directors may appoint other committees as the Board deems appropriate to carry out its purposes.

ARTICLE 7
LAKESIDE RULES

7.1 RULES. The Board shall have the right to establish and amend, from time to time, Lakeside Rules for: (i) the administration of the Foundation and the Lakeside Restrictions; (ii) the maintenance, management, operation, use, conservation, and beautification of the Subdivision: and (iii) the health, comfort, and general welfare of the residents. The Board shall, at all times, maintain the then current and complete Lakeside Rules in a written form which can be copied and distributed to the Members, and shall be recorded in the Official Records of Brazos County, Texas.

7.2 ADOPTION AND AMENDMENT. Except as otherwise provided in the Supplemental Declaration, any Lakeside Rule may be adopted, amended, or terminated by the Board, provided that the Lakeside Rule and the requisite Board approval are properly recorded as a resolution in the minutes of the meeting of the Board.

7.3 NOTICE AND COMMENT. The Board shall give written notice to the Owner of each Lakeside Lot of any amendment, termination, or adoption of a Lakeside Rule, or shall publish same in a newsletter or similar publication which is circulated to the Members, at least ten (10) days before the Lakeside Rule's effective date. Any Member so notified shall have the right to comment orally or in writing to the Board on the proposed action.

7.4 DISTRIBUTION. Upon written request from any Member or resident, the Board shall provide a current and complete copy of the Lakeside Rules.

ARTICLE 8
OBLIGATIONS OF THE LAKESIDE OWNERS

8.1 PROOF OF OWNERSHIP. Any Person, on becoming a Member of the Foundation, shall furnish to the Board evidence of ownership of the Lakeside Lot, which copy shall remain in the files of the Foundation. A Member shall not be deemed to be in good standing nor be entitled to vote at any annual or special meeting of the Foundation unless this requirement is first met.

8.2 OWNERS' ADDRESSES. The Lakeside Owner or the several Co-Owners of a Lakeside Lot shall register and maintain one mailing address to be used by the Foundation for mailing of statements, notices, and all other communications. The Lakeside Owner shall keep the Foundation informed of the Member's current mailing address. If an Lakeside Owner fails to maintain a current mailing address with the Foundation, the address of that Lakeside Owner's Lot shall be deemed to be his mailing address. A Lakeside Owner who Mortgages his or her Lakeside Lot shall furnish the Board with the name and mailing address of the Mortgagee.

8.3 ASSESSMENTS. All Lakeside Owners shall be obligated to pay Lakeside Assessments and other charges imposed under the Supplemental Declaration and other Lakeside Restrictions.

8.4 COMPLIANCE WITH LAKESIDE RESTRICTIONS. Each Lakeside Owner shall comply with the provisions and terms of the Lakeside Restrictions, and any amendments thereto. Further, each Owner shall always endeavor to observe and promote the cooperative purposes for which the Foundation was established.

ARTICLE 9
NOTICES

9.1 CO-OWNERS. If a Lot is owned by more than one person, notice to one Co-Owner shall be deemed notice to all Co-Owners.

9.2 DELIVERY OF NOTICES. Unless otherwise permitted by these Bylaws, all notices required or permitted hereunder shall be in writing and given personally, by mail, or by facsimile transmission. If mailed,

the notice is deemed delivered when deposited in the U.S. Mail addressed to the Member at the address shown on the Foundation's records or, if no such address is shown, at the address of the Lakeside Lot of such Member. If transmitted by facsimile, the notice is deemed delivered on successful transmission of the facsimile.

9.3 WAIVER OF NOTICE. Whenever any notice is required to be given to an Owner, Member, or Director, a written waiver of the notice, signed by the person entitled to such notice, whether before or after the time stated in the notice, shall be equivalent to the giving of such notice. Attendance by a Member or Director at any meeting of the Foundation or the Board, respectively, shall constitute a waiver of notice by such Member or Director of the time, place, and purpose of such meeting. If all Members or Directors are present at any meeting of the Foundation or the Board, respectively, no notice shall be required and any business may be transacted at such meeting.

ARTICLE 10
AMENDMENTS TO BYLAWS

10.1 AMENDMENT. These Bylaws may be amended by the Lakeside Initial Owner during the Lakeside Development Period or by a majority vote of the Directors; provided, however, that any amendment to these Bylaws by a majority vote of the Directors must be approved in advance and in writing by the Lakeside Initial Owner. The Foundation shall provide each Member with a detailed description of any such amendment.

ARTICLE 11
GENERAL PROVISIONS

11.1 CONFLICTING PROVISIONS. If any provision of these Bylaws conflicts with any provision of the laws of the State of Texas, such conflicting Bylaws provision shall be null and void, but all other provisions of these Bylaws shall remain in full force and effect. In the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

11.2 SEVERABILITY. Invalidation of any provision of these Bylaws, by judgment or court order, shall in no way affect any other provision which shall remain in full force and effect. The effect of a general statement shall not be limited by the enumerations of specific matters similar to the general.

11.3 FISCAL YEAR. The fiscal year of the Foundation shall be the calendar year.

11.4 WAIVER. No restriction, condition, obligation, or covenant in the Declaration or these Bylaws shall be deemed to have been abrogated or waived by reason of failure to enforce the same, irrespective of the number of violations or breaches thereof which may occur.

The undersigned members of the Board of Directors have executed and adopted these Bylaws as of September 24, 2025.

BOARD OF DIRECTORS:

Jesse Durden

Mark Schinzler

Shea Abbott