

**BY-LAWS
OF
MERIDIANA COMMUNITY ASSOCIATION**

**ARTICLE I
Name, Principal Office, and Definitions**

Section 1. Name. The name of the corporation is Meridiana Community Association (the "Association").

Section 2. Principal Office. The principal office of the Association shall be located in either Brazoria County, Texas. The Association may have such other offices, either within or outside the State of Texas, as the Board of Directors may determine or as the Association's affairs may require.

Section 3. Definitions. The words used in these By-Laws shall be given their normal, commonly understood definitions. Capitalized terms shall have the same meaning as set forth in that certain recorded Declaration of Covenants, Conditions, and Restrictions for Meridiana (as it may be amended and supplemented from time to time, the "Declaration"), unless the context indicates otherwise.

**ARTICLE II
Members, Meetings, and Voting**

Section 1. Eligibility. Membership in the Association shall be as set forth in the Declaration.

Section 2. Regular Meetings. The first meeting of the Members shall be held within one (1) year after the date of formation of the Association or sooner at the option of Declarant; thereafter, annual meetings of Members shall be held by October 1 of each year. All such meetings of Members shall be held at such place in Brazoria County, Texas, and at such time as specified in the written notice of such meeting which shall be given to all Members at least ten (10) days, but not more than sixty (60) days, prior to the date of such meeting. At such meetings, the Members shall transact such other business of the Association as may properly come before them and, after the expiration of the Development Period (or sooner as provided below), the Members shall elect, by written and signed ballots, a Board of Directors in accordance with the requirement of Article III, Section 1, of these By-Laws.

Section 3. Special Meetings. Special meetings of the Members may be called by the President as directed by a resolution of the Directors of the Board, or upon petition signed by a majority of Members and having been presented to the Secretary or Assistant Secretary of the Association. Said special meetings shall be called by delivering written notice to all Members not less than ten (10) days or more than sixty (60) days prior to the date of said meeting stating the date, time and place of said special meeting and the matters to be considered. Any such meetings shall be held after the first annual meeting and shall be held within thirty (30) days of receipt by the President of such resolution or petition.

Section 4. Delivery of Notice of Meetings. Notices of meetings may be delivered either personally or by mail, facsimile or email to a Member at the address given to the Board by said Member for such purpose.

Section 5. Voting. Voting by the membership shall be as set forth in the Declaration. Methods of voting shall be all methods allowed by law and as authorized by the Board of Directors of the Association (the "Board").

Section 6. Quorum. A quorum of Members for any meeting shall be constituted by Members represented in person or by proxy and holding at least ten percent (10%) of the votes entitled to be cast at said meeting.

Section 7. Rules of Meetings. The Board may prescribe reasonable rules for the conduct of all meetings of the Board and Members.

Section 8. Proxies. Votes may be cast in person or by written proxy. No proxy shall be valid after eleven (11) months from the date of its execution. All proxies must be filed with the Secretary of the Association before the appointed time of such meeting.

Section 9. Definitions. The words used in these By-Laws shall have the same meaning as set forth in the Declaration.

ARTICLE III **Board of Directors**

Section 1. Number, Election and Term of Office. The Board shall initially consist of three (3) Members ("Directors"). Until the expiration of the Development Period (however such right to appoint may be subject to earlier termination according to the terms hereof), the Board governing the affairs of the Association shall be appointed by the Declarant acting in its sole discretion and shall serve at the pleasure of the Declarant, unless the Declarant shall earlier surrender this right to appoint the Directors. The names of the initial Directors appointed by Declarant are set forth in the Certificate of Formation of the Association. At the first meeting of the Association after the expiration of the Development Period (or earlier as set forth below), there shall be elected to the Board by vote of the Members any seven (7) Members of the Association, who shall thereafter govern the affairs of the Association until their successors have been duly elected and qualified. Those candidates for election as Director receiving the greatest percentage of the votes cast either in person or by proxy at the meeting shall be elected.

Notwithstanding anything to the contrary above, even though the Development Period may not yet have terminated, at least one-third of the members of the Board of Directors must be elected by the Class A Members on or before the earlier of: (i) 120 days after 75% of the lots that may be created and made subject to the Declaration are conveyed to Class A Members (this includes all additional lots that are anticipated by the Declarant to be annexed into the Properties and into the jurisdiction of the Association); or (ii) ten years from the date the Declaration is recorded.

At the first meeting of the Association after the expiration of the Development Period (or earlier as set forth above), the term of office of four (4) Directors shall be fixed at two (2) years and the term of office of three (3) Directors shall be fixed at one (1) year, and all Directors shall hold office for such term and until the Director's successor shall be elected and qualified; and at each annual meeting thereafter, the Members shall elect a Director for a term of two (2) years to fill each expiring term.

The number of Directors may be increased or decreased by resolution of the Board; provided however, that the number of Directors shall not be reduced to less than three (3) nor increased to more than seven (7).

Section 2. Qualifications. Each Director (except a Director appointed by the Declarant) shall be a Member (or, if a Member is a trustee of a trust, a Director may be a beneficiary of such trust, and if a Member or such beneficiary is a corporation or partnership, a Director may be an officer, partner or employee of such Member or beneficiary). If a Director shall cease to meet such qualifications during his or her term, he or she shall thereupon cease to be a Director and be deemed to have resigned and his or her place on the Board shall be deemed vacant.

Section 3. Vacancies. Any vacancy occurring on the Board caused by death, disability or resignation shall be filled by majority vote of the remaining Directors thereof, even though they may constitute less than a quorum. Any Director so elected or appointed to fill a vacancy shall hold office for a term equal to the unexpired term of the Director whom he or she succeeds.

Section 4. Meetings. A regular annual meeting of the Board shall be held within ten (10) days following the regular annual meeting of Members. Special meetings of the Board shall be held upon a call by the President or by a majority of the Board on not less than seventy-two (72) hours notice in writing to each Director, delivered personally or by mail or telegram. Any Director may waive notice of a meeting, or consent to the holding of a meeting without notice, or consent to any action proposed to be taken by the Board without a meeting. A Director's attendance at a meeting shall constitute his or her waiver of notice of said meeting. If required by law, Board meetings shall be open to the Members and notice shall be given to all Members as required.

Section 5. Removal. Any Director (except a Director appointed by the Declarant) may be removed from office for cause by a majority vote of Members entitled to vote at any annual or special meeting of the Association, duly called, if allowed by law. If removed, then a replacement shall be elected as Director at such annual or special meeting by majority vote of Members entitled to vote, after nominations from the floor.

Section 6. Compensation. Directors shall receive no compensation for their services as Directors, unless expressly provided for in resolutions duly adopted by a majority of the Members.

Section 7. Board of Directors' Quorum. At all meetings of the Board, a majority of the Directors shall constitute a quorum for the transaction of business, and, except as herein set out, 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 at any meeting of the Board, there be less than a quorum present, the majority of those present may adjourn the meeting from time to time for periods of no longer than 30 days until a quorum is obtained or until a conclusion can be reached. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

Section 8. Voting. An affirmative vote of a majority of those Directors present at a meeting at which a quorum is in attendance shall be necessary to transact business.

Section 9. Powers and Duties. The Board shall have the following powers and duties:

- (a) to elect and remove the officers of the Association as hereinafter provided;
- (b) to administer the affairs of the Association and the Property, and to change the name of the Association, if appropriate;
- (c) to formulate policies for the administration, management and operation of the property held for the use and benefit of all Members ("Common Area");
- (d) to adopt rules and regulations, with written notice thereof to all Members, governing the administration, management, operation and use of the Common Area, and to amend such rules and regulations from time to time;
- (e) to provide for the maintenance, repair and replacement of the Common Area and payments therefor, and to approve payment vouchers or delegate such approval to the officers or a managing agent;
- (f) to provide for the designation, hiring and removal of employees and other personnel, including accountants and attorneys, and to engage or contract for the services of others, and to make purchases for the maintenance, repair, replacement, administration, management and operation of the Common Area and to delegate any such powers to a managing agent (and any such employees or other personnel who may be the employees of a managing agent);
- (g) to appoint committees of the Board and to delegate to such committees the Board's authority to carry out certain duties of the Board;
- (h) to determine the fiscal year of the Association and to change said fiscal year from time to time as the Board deems advisable;
- (i) to collect all assessments, fees and charges provided for in any covenants and restrictions imposed in the Meridiana Subdivision and to use the proceeds therefrom for the purposes set forth in such covenants and restrictions and in the Certificate of Formation of the Association.
- (j) to establish bank accounts which are interest bearing or non-interest bearing, and to otherwise invest the funds of the Association, as may be deemed advisable by the Board;

(k) to borrow money, including but not limited to borrowing money from the Declarant to fund and operate the Association, execute and deliver promissory notes and execute and deliver any and all other documentation necessary to properly document such borrowing, except that no mortgages shall be granted that encumber the Common Area;

(l) to enter such contracts and agreements relating to the providing of maintenance, management and operational services as the Board may deem advisable;

(m) to enter such leases and easements of portions of the Common Area as the Board may deem advisable; and

(n) to exercise all powers and duties of the Members as a group referred to in Chapter 22, Nonprofit Corporations, of the Texas Business Organizations Code, and all powers and duties of the Board referred to in these By-Laws; and

(o) in general, to carry on the administration of the Association and to do all of those things necessary and/or desirable in order to carry out the governing and operating of the Association.

Section 10. Non-Delegation. Nothing in this Article or elsewhere in these By-Laws shall be considered to grant to the Board, the Association or to the officers of the Association any powers or duties which, by law, have been delegated to the Members.

Section 11. Telephone Attendance. At any meeting of the Board, a Director may attend by telephone, radio, television or other similar means of communication, provided the means permit the Director personally to participate in the meeting such that all Directors can hear and be heard. A Director so attending shall be deemed to be present at the meeting for all purposes, including a determination as to whether a quorum is present.

ARTICLE IV **Officers**

Section 1. Designation. At each regular annual meeting of the Board, the Directors present at said meeting shall elect the following officers of the Association by a majority vote:

(a) a President who shall be a Director and who shall preside over the meetings of the Board and of the Members, and who shall be the chief executive officer of the Association;

(b) a Secretary, who shall keep the minutes of all meeting of the Board and of the Members, and who shall, in general, perform all the duties incident to the office of Secretary, and who may be a representative of the Managing Agent and who may also be Treasurer;

(c) a Treasurer, who shall be responsible for financial records and books of account and the manner in which such records and books are kept and reported;

(d) such additional officers as the Board shall see fit to elect.

Section 2. Powers. The respective officers shall have the general powers usually vested in such officers; provided that the Board may delegate any specific powers to any other officer or impose such limitations or restrictions upon the powers of any officer as the Board may see fit.

Section 3. Term of Office. Each officer shall hold office for the term of one year and until his successor shall have been appointed or elected and qualified.

Section 4. Vacancies. Vacancies in any office shall be filled by the Board by a majority vote of the Board at a special meeting of said Board. Any officer so elected to fill a vacancy shall hold office for a term equal to the unexpired term of the officer he succeeds. Any officer may be removed for cause at any time by vote of a majority of the total membership of the Board at a special meeting thereof.

Section 5. Compensation. The officers shall receive no compensation for their services as officers, unless expressly provided for in a resolution duly adopted by a majority of the Members.

ARTICLE V **Amendments**

The By-Laws may be altered, amended, or repealed and new By-Laws may be adopted by the vote of at least seventy percent (70%) of all of the members of the Board of Directors; and the provisions of these By-Laws which are covered by the Certificate of Formation of the Association may not be amended except as provided in the Certificate of Formation or applicable law.

ARTICLE VI **Fiscal Year**

The fiscal year of the Association shall be the calendar year unless otherwise fixed by the Board from time-to-time.

ARTICLE VII **Indemnification**

Section 1. When Indemnification is Required, Permitted and Prohibited.

(a) The Association shall indemnify a Director, officer, committee member, employee, or agent of the Association who was, is, or may be named defendant or respondent in any proceeding as a result of his or her actions or omissions within the scope of his or her official capacity in the Association. For the purposes of this article, an agent includes one who is or was serving at the request of the Association as a Director, officer, partner, venturer, proprietor, trustee, partnership,

joint venture, sole proprietorship, trust, employee benefit plan, or other enterprise. However, the Association shall indemnify a person only if he or she acted in good faith and reasonably believed that the conduct was in the Association's best interests. In a case of a criminal proceeding, the person may be indemnified only if he or she had no reasonable cause to believe that the conduct was unlawful. The Association shall not indemnify a person who is found liable to the Association or is found liable to another on the basis of improperly receiving a personal benefit. A person is conclusively considered to have been found liable in relation to any claim, issue, or matter if the person has been adjudged liable by a court of competent jurisdiction and all appeals have been exhausted.

(b) The termination of a proceeding by judgment, order, settlement, conviction or on a plea of nolo contendere or its equivalent does not necessarily preclude indemnification by the corporation.

(c) The Association shall pay or reimburse expenses incurred by a Director, officer, Member, committee member, employee, or agent of the Association in connection with the person's appearance as a witness or other participation in a proceeding involving or affecting the Association when the person is not a named defendant or respondent in the proceeding.

(d) In addition to the situations otherwise described in this paragraph, the Association may indemnify a Director, officer, Member, committee member, employee, or agent of the Association to the extent permitted by law. However, the Association shall not indemnify any person in any situation in which indemnification is prohibited by the terms of Section 1(a) above.

(e) Before the final disposition of a proceeding, the Association may pay indemnification expenses permitted by the By-Laws and authorized by the Association. However, the Association shall not pay indemnification expenses to a person before the final disposition of a proceeding if the person is a named defendant or respondent in a proceeding brought by the Association or one or more Members, or the person is alleged to have improperly received a personal benefit or committed other willful or intentional misconduct.

(f) If the Association may indemnify a person under the By-Laws, the person may be indemnified against judgments, penalties, including excise and similar taxes, fines, settlements, and reasonable expenses (including attorney's fees) actually incurred in connection with the proceeding. However, if the proceeding was brought by or on behalf of the Association, the indemnification is limited to reasonable expenses actually incurred by the person in connection with the proceeding.

Section 2. Procedure Relating to Indemnification Payments.

(a) Before the Association may pay any indemnification expenses (including attorney's fees), the Association shall specifically determine that indemnification is permissible, authorize

indemnification, and determine that expenses to be reimbursed are reasonable, except as provided in Section 2(c) below. The Association may make these determinations and decisions by any one of the following procedures:

(i) Majority vote of a quorum consisting of Directors who, at the time of the vote, are not named defendants or respondents in the proceeding.

(ii) If such a quorum cannot be obtained, by a majority vote of a committee of the Board of Directors, designated to act in the matter by a majority vote of all Directors, consisting solely of two or more Directors who at the time of the vote are not named defendants or respondents in the proceeding.

(iii) Determination by special legal counsel selected by the Board of Directors by vote as provided in Section 2(a)(i) or 2(a)(ii) or if such a quorum cannot be obtained and such a committee cannot be established, by a majority vote of all Directors.

(iv) Majority vote of Members, excluding Directors who are named defendants or respondents in the proceeding.

(b) The Association shall authorize indemnification and determine that expenses to be reimbursed are reasonable in the same manner that it determines whether indemnification is permissible. If the determination that indemnification is permissible is made by special legal counsel, authorization of indemnification and determination of reasonableness of expenses shall be made in the manner specified by Section 2(a)(iii) above, governing the selection of special legal counsel. A provision contained in the articles of incorporation, the By-Laws, or a resolution of Members or the Board of Directors that requires the indemnification permitted by Section 1, above, constitutes sufficient authorization of indemnification even though the provision may not have been adopted or authorized in the same manner as the determination that indemnification is permissible.

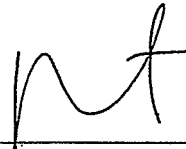
(c) The Association shall pay indemnification expenses before final disposition of a proceeding only after the Association determines that the facts then known would not preclude indemnification and the Association receives a written affirmation and undertaking from the person to be indemnified. The determination that the facts then known to those making the determination would not preclude indemnification and authorization of payment shall be made in the same manner as a determination that indemnification is permissible under Section 2(a) above. The person's written affirmation shall state that he or she has met the standard of conduct necessary for indemnification under the By-Laws. The written undertaking shall provide for repayment of the amount paid or reimbursed by the Association if it is ultimately determined that the person has not met the requirements for indemnification. The undertaking shall be an unlimited general obligation of the person, but it need not be secured and it may be accepted without reference to financial ability to make repayment.

(d) Any indemnification or advance of expenses shall be reported in writing to the Members of the Association. The report shall be made with or before the notice or waiver of notice of the next membership meeting, or with or before the next submission to Members of a consent to

action without a meeting. In any case, the report shall be sent within the 12-month period immediately following the date of the indemnification or advance.

ARTICLE VIII
Conflicts

In case of any conflict between the Certificate of Formation and these By-Laws, the Certificate shall control. Should all or part of any Article of these By-Laws be in conflict with the provisions of Chapter 22, Nonprofit Corporations, of the Texas Business Organizations Code or any other Texas law, such act or law shall control.



Mathew K. Lawson,
Secretary of the Association
Effective Date: October 30, 2015

