

FIRST AMENDMENT  
TO THE BYLAWS  
OF MOUND EMERALD BAY HOMEOWNERS ASSOCIATION

The Bylaws of Mound Emerald Bay Homeowners Association adopted as of March 22, 1999, are hereby amended as follows pursuant to this First Amendment to the Bylaws of Mound Emerald Bay Homeowners Association (“First Amendment”), such amendment being effective as of the “Adoption Date” set forth on the signature page to this First Amendment:

Article 2  
Board of Directors

Section 2.01. General Powers. Section 2.01 is hereby deleted and replaced in its entirety by the following:

- 2.01 The affairs of the Corporation shall be managed by its Board of Directors. Directors need not be residents of Texas, but shall be members of the Corporation.

Section 2.02. Number, Election, Tenure and Qualification. Section 2.02 is hereby deleted and replaced in its entirety by the following:

- 2.02(a) The number of Directors shall be fixed by the Board of Directors. The number of Directors shall be at least three (3).

- 2.02(b) Except as provided by Section 2.08 of this Article, the Directors shall be elected, by class, at the annual meeting of the members of the Corporation to a term of two (2) years. Each Director shall hold office until his or her successor shall have been elected and qualified, or until his or her earlier death, resignation or removal. The terms of office of the Directors shall be staggered as follows:

- (1) Class A Directors (such class consisting of two (2) Directors) shall be elected at the first annual meeting of the members of the Corporation following the Adoption Date. For purposes of conducting the first election of the Class A Directors following the Adoption Date, the Class A Directors as of the Adoption Date are Directors Condon and Summers.
- (2) Class B Directors (such class consisting of all non Class A Directors) shall be elected at the second annual meeting of the members of the Corporation following the Adoption Date. For purposes of conducting the first election of the Class B Directors following the Adoption Date, the Class B Directors as of the Adoption Date are all Directors other than Directors Condon and Summers.