

AMENDED AND RESTATED BYLAWS
OF
BARTON CREEK NORTH PROPERTY OWNERS ASSOCIATION, INC.

These Amended and Restated Bylaws include all amendments approved by the Members of the Association, as defined below, at a meeting held May 2, 2005 in accordance with Article XIII, Section 13.1 of the "Bylaws of Barton Creek North Property Owners Association, Inc." ("Original Bylaws"), as previously amended by the Board of Directors as of February 25, 2002 and all amendments approved by the Board of Directors of the Association at its meeting on September 13, 2005. The Original Bylaws, including any amendments thereto, are hereby superseded by the terms and provisions set forth below.

ARTICLE I
NAME, LOCATION AND APPLICABILITY

Section 1.1. Name and Location. The name of the corporation is Barton Creek North Property Owners Association, Inc. The principal office of the Association shall be located in the County of Travis, State of Texas, but meetings of members and directors may be held at such places within the State of Texas, County of Travis, as may be designated by the Board of Directors. The Certificate of Incorporation was filed in the Office of the Secretary of State of the State of Texas on June 2, 1993. The Association was organized for the purpose of administering the affairs of the Association.

Section 1.2. Applicability of Bylaws. The provisions of these Bylaws are applicable to the affairs of the Association, the Association Property and the use thereof.

ARTICLE II
DEFINITIONS

Unless the context otherwise specifies or requires, the following words and phrases when used in these Bylaws shall have the meanings hereinafter specified:

Section 2.1. Articles. "Articles" shall mean the Articles of Incorporation of Barton Creek North Property Owners Association, Inc. which are filed in the office of the Secretary of State of the State of Texas, as the same may be amended from time to time.

Section 2.2. Assessment. "Assessment" or "Assessments" shall mean assessment(s) levied by the Association under the terms and provisions of the Declaration.

Section 2.3. Association. "Association" shall mean and refer to Barton Creek North Property Owners Association, Inc, a Texas non-profit corporation.

Section 2.4. Association Property. "Association Property" shall mean all real or personal property now or hereafter owned by the Association, including without limitation, all easement estates,

licenses, leasehold estates and other interests of any kind, in and to real or personal property which are now are hereafter owned or held by the Association.

Section 2.5. Association Restrictions. “Association Restrictions” shall mean the Declaration as the same may be amended from time to time, together with the Articles, Bylaws, and Association Rules from time to time in effect.

Section 2.6. Association Rules. “Association Rules” shall mean the rules and regulations adopted by the Board, as the same may be amended from time to time.

Section 2.7. Board. “Board” shall mean the Board of Directors of the Association.

Section 2.8. Bylaws. “Bylaws” shall mean the Bylaws of the Association which may be approved and adopted as provided herein, and as may be amended from time to time.

Section 2.9 Club Owner. “Club Owner” shall mean Barton Creek Resort and Clubs, Inc., the owner of the Barton Creek Country Club, its successors or assigns; provided that any assignment(s) of the rights of Club Owner under these Bylaws must be expressly set forth in writing and a copy of such assignment delivered to the Association.

Section 2.10. Declaration. “Declaration” shall mean the "Master Declaration of Covenants, Conditions and Restrictions" recorded in Volume 11324, Page 707, Official Public Records of Travis County, Texas, as amended.

Section 2.11. Developer. “Developer” shall mean Stratus Properties Operating Co., L.P., a Delaware limited partnership, its successors or assigns; provided that any assignment(s) of the rights of Developer under these Bylaws must be expressly set forth in writing and a copy of such assignment delivered to the Association.

Section 2.12. Development Area Association. “Development Area Association” shall have the meaning specified in the Declaration.

Section 2.13. Lot. “Lot” shall have the meaning specified in the Declaration.

Section 2.14. Manager. “Manager” shall mean the person, firm, or corporation, if any, employed by the Association pursuant to the Declaration and delegated certain duties, powers, or functions of the Association.

Section 2.15. Member. “Member” or “Members” shall mean any person(s), entity or entities holding membership privileges in the Association as provided in the Declaration.

Section 2.16. Owner. “Owner” or “Owners” shall have the meaning specified in the Declaration.

Section 2.17. Property. “Property” shall mean and refer to that tract or parcel of land situated in Travis County, Texas which is more fully described in the Declaration.

Section 2.18. Residential Director. “Residential Director” shall mean a Director elected by the Members, excluding the Developer and the Club Owner.

ARTICLE III MEETINGS OF MEMBERS

Section 3.1. Annual Meetings. An annual meeting of the Members shall be held during the last quarter of each calendar year.

Section 3.2. Special Meetings. Special meetings of the Members may be called at any time by the President or the Board, or upon written request of the Members who are entitled to vote 20% or more of the votes of the Association.

Section 3.3. Notice of Meetings. Written notice of each meeting of the Members shall be given by, or at the direction of, the Secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least 10 and no more than 50 days before such meeting to each Member entitled to vote at the meeting, addressed to the Member's address last appearing on the books of the Association, or supplied by such Member to the Association for the purpose of notice. Such notice shall specify the place, day, and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting.

Section 3.4. Quorum. The presence at the meeting of Members entitled to cast, or of proxies entitled to cast, 25% of the total votes of the membership shall constitute a quorum for any action, except as otherwise provided in these Bylaws. If, however, a quorum is not present or represented at a meeting of Members, the Board shall call another meeting of Members and written notice of the meeting shall be given to each Member in accordance with Section 3.3. In the event a meeting is called pursuant to the previous sentence, the presence at such meeting of Members entitled to cast, or of proxies entitled to cast, 12½% of the total votes of the membership shall constitute a quorum for any action taken at such meeting, except as otherwise provided in these Bylaws.

Section 3.5. Order of Business at Annual Meetings. The order of business at all annual meetings of the Members shall be as follows:

- (a) Call to Order and confirm presence of a quorum;
- (b) Proof of Notice of Meeting;
- (c) Approve Minutes of Preceding Meeting;
- (d) Reports of Officers;
- (e) Reports of the Board;
- (f) Reports of Committees;
- (g) Appointment of Inspectors of Election (when so required unless previously appointed by the Board);
- (h) Election of Directors (when so required);
- (i) Unfinished Business; and
- (j) New Business.

ARTICLE IV
BOARD OF DIRECTORS; SELECTION; TERM OF OFFICE

Section 4.1. Qualifications. Director qualifications are as follows:

(a) Neither a Director nor any immediate family member (spouse, parent, sibling or child) shall have any employment relationship or significant financial interest (an investment of more than \$5,000) in any principal supplier or vendor of the Association; i.e., a supplier or vendor having a contract or contracts with the Association having a term exceeding one year or involving an annual expenditure in excess of \$50,000; provided, however, (i) such requirement shall be waived if the relationship or investment is disclosed to the Members prior to election, or (ii) if serving as a Director when this provision is adopted or if the employment relationship or investment occurs after election, such requirement shall be waived if disclosed to the Board and approved by a majority of disinterested members of the Board. Such disclosure to the Board must be made within 30 days after the employment relationship commences or investment is made or within 30 days after this provision is adopted. A majority of disinterested members of the Board shall approve or deny the request for a waiver at the next regular meeting of the Board thereafter. Investments in publicly traded companies are excluded from this requirement. Directors representing the Developer and the Club Owner are excluded from this requirement with respect to their employers.

(b) Each Residential Director must be a Member in good standing. After the date this provision is adopted, no Residential Director may be elected to serve more than two consecutive terms, whether two year or three year, but may serve an unexpired term by appointment consecutively with two elected terms.

Section 4.2. Number. The affairs of this Association shall be managed by a Board of nine Directors. Seven Directors shall be Residential Directors. No current Board shall include two or more Residential Directors who are members of the same Development Area Association. One Director shall be appointed by the Developer, until such time as the Developer terminates such right of appointment by written notice to the Board, at which time the total number of Directors shall be reduced accordingly. One Director shall be appointed by the Club Owner, until such time as the Club Owner terminates such right of appointment by written notice to the Board, at which time the total number of Directors shall be reduced accordingly. The number of members of the Board may not be changed without the written consent of the Developer and the Club Owner. *(Note: The foregoing section was amended by a vote of the Membership on May 2, 2005 and has been approved by the Developer and Club Owner).*

Section 4.3. Term of Office. At the first annual meeting of Members held after the date these Bylaws are approved by the Members, the Members shall elect five Residential Directors, three of whom shall serve three year terms and two shall serve two year terms. The five newly elected Residential Directors shall agree, or draw straws to determine, which three shall serve three year terms and which two shall serve two year terms. At each subsequent annual meeting the Members shall elect the number of Residential Directors whose terms expire at that meeting to serve for a term of three years. The Director appointed by the Developer shall hold office until removed or replaced by the Developer. The Director appointed by the Club Owner shall hold office until removed or replaced by the Club Owner.

Section 4.4. Removal. Any Residential Director may be removed from the Board, with or without cause, by the persons entitled to elect, designate or appoint the director; i.e., by a majority vote of a quorum of the Members or if appointed to fulfill an unexpired term, by a majority of the remaining Residential Directors. Any Residential Director may resign at any time by giving a manually signed written notice, delivered in person, by mail or facsimile transmission, to the Board, the President, or the

Secretary. Such resignation shall take effect on 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. In the event of death, resignation, or removal of a Residential Director, his successor shall be selected by a majority of the remaining Residential Directors and shall serve for the remainder of the unexpired term. The Director appointed by the Developer shall hold office until removed or replaced by the Developer. The Director appointed by the Club Owner shall hold office until removed or replaced by the Club Owner.

Section 4.5. Compensation No Director shall receive compensation for any service he may render to the Association; however, any Director may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 4.6. Action Taken Without a Meeting. The Directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the Directors. Any action so approved shall have the same effect as though taken at a meeting of the Directors.

ARTICLE V NOMINATION AND ELECTION OF DIRECTORS; VOTING

Section 5.1. Nomination-Residential Directors. Nomination of Residential Directors for election to the Board shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a chairman, who shall be a Residential Director and two Members of the Association. The Nominating Committee shall be appointed by a majority of the Residential Directors prior to each annual meeting of the Members. The Nominating Committee shall make as many nominations of individuals to serve as Residential Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations may be made from among Members and a list of individuals nominated to serve as Residential Directors shall be included in each notice of annual meeting; provided, however, nominations may be made subsequent to the date the annual meeting notice is provided to Members, in which case no further notice to the members need be given. In accordance with Section 4.2, in the event two or more Members are nominated for election to the Board who are also members of the same Development Area Association, and if such Members receive a sufficient number of votes to be elected to the Board, the Member who receives the highest number of votes between such Members shall be elected to the Board.

Section 5.2. Intentionally Omitted

Section 5.3. Voting. Each Owner shall only be entitled to cast the number of votes such Owner is entitled to exercise in accordance with the terms and provisions of the Declaration. In the event one of several Owners of a Lot is present at a meeting of Members, the Owner present at such meeting shall be entitled to cast the votes allocated to such Lot. If more than one of the Owners is present, the votes allocated to such Lot may be cast only in accordance with the agreement of a majority in interest of the Owners of such Lot. An agreement of a majority in interest of such Owners shall be deemed to exist if any one of the Owners casts the votes allocated to such Lot without prompt protest being made by the remaining Owners of such Lot to the person presiding over the meeting.

Section 5.4. Right to Vote. At any meeting of Members, every Owner having a right to vote shall be entitled to vote in person or by a person, who need not be an Owner, designated by such Owner to act as a proxy on such Owner's behalf.

Section 5.5. Proxies. All proxies shall be in writing and shall be filed with the Secretary (or such other person designated by the Board) prior to the call to order of the meeting in which such proxy shall be utilized. Each proxy shall only be valid for such meeting or subsequent adjourned meetings thereof. Each proxy remitted to the Secretary (or such other person designated by the Board) shall be filed with the records of the meeting. General proxies, not naming a specific individual as proxy, shall include a provision to designate by default the Secretary, or in his or her absence, the President, who in either case shall vote as instructed by a majority of the members of the Board of Directors who are present at the meeting of the Members, in accordance with rules established from time to time by the Board. The form of proxy shall also include a special proxy directive, providing optional specific voting instructions for election of directors or any other issue deemed appropriate by the Board.

Section 5.6. Elections Without a Meeting. In lieu of a meeting to elect directors, elections may be held by mail, by facsimile transmission, or by any combination of the two, provided that a quorum, as described in Section 3.4, casts votes.

Section 5.7. Voting Regulations. The Board may make such regulations, consistent with the terms of the Declaration, the Certificate of Incorporation, these Bylaws and the Texas Non-Profit Corporation Act, as it deems advisable for any meeting of the Owners in regard to proof of membership in the Association, evidence of right to vote, the appointment and duties of inspectors of election, registration of Owners for voting purposes, the establishment of representative voting procedures and such other matters concerning the conduct of meetings and voting as it shall deemed appropriate.

Section 5.8. List of Owners. A list of Owners, as of a request date, certified by the corporate officer responsible for its preparation, shall be produced at any meeting of Members upon the request of any Owner. If the right to vote at any meeting is challenged, the inspectors of election, or person presiding over such meeting, shall produce the list of Owners to be produced as evidence of the right of the persons challenged to vote at such meeting. All persons who appear from such list to be Owners entitled to vote, may vote at the meeting.

Section 5.9. Majority Vote. Residential Directors elected at a meeting of Members called for such purpose shall, except as otherwise provided by law, or these Bylaws, be elected by a plurality of votes cast. All other actions, if any, shall be taken by majority of votes of the Owners present at a meeting at which a quorum is present, voting in person or by proxy, except where a higher percentage vote, or other vote, is required by the Declaration, these Bylaws or by law. The term "majority of votes of the Owners" shall mean those Owners having greater than 50% of the total votes cast in person or by proxy and voting at any meeting of Members.

Section 5.10. Inspectors of Election. The Board, in advance of any meeting of Members to which a vote of Members is to occur, may appoint two or more persons, who need not be Owners, to act as inspectors of the election held at such meeting or any adjournment thereof. If inspectors of the election are not so appointed prior to the meeting, the person presiding at such meeting may appoint two or more inspectors of the election. In case any person appointed fails to appear or act as an inspector of the election, the vacancy may be filled in advance of the meeting by the Board or at any meeting by the person presiding at such meeting. The inspectors of election shall: (i) determine the Owners entitled to vote at the meeting; (ii) determine the existence of a quorum and the validity and effect of proxies; (iii) receive ballots or determine votes or consents; (iv) hear and determine any challenges or questions arising in connection with any Owner's right to vote; (v) count and tabulate all votes or consents and determine the result thereof; and (vi) do such other acts as may be proper to conduct an election or vote with fairness to all Owners.

**ARTICLE VI
MEETINGS OF DIRECTORS**

Section 6.1. Regular Meetings. Regular meetings of the Board shall be held annually or such other frequency as determined by the Board, without notice, at such place and hour as may be fixed from time to time by resolution of the Board. Should the meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.

Section 6.2. Special Meetings. Special meetings of the Board shall be held after not less than three days' notice when called by the President of the Association, or if no regular meeting has been held for more than 60 days and the President refuses or is unable to call a meeting, or if an emergency exists which could cause irreparable harm to the Association, Association Property or Property, by any two Directors.

Section 6.3. Quorum. A majority of the number of Directors shall constitute a quorum for the transaction of business. Directors present at a meeting by proxy shall not, however, be counted for purposes of establishing a quorum. Every act or decision done or made by a majority of the Directors present in person or by proxy at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

Section 6.4. Form of Meetings. A meeting of the Board may be held by any method of communication, including electronic and telephonic, so long as all Directors consent to holding the meeting in such manner and so long as all Directors may communicate with or hear each other, provided that a notice of the meeting has been given in accordance with the Bylaws. The Board also may take any action by unanimous written consent of all Directors, without a meeting.

Section 6.5. Right to Vote. At any Board meeting, Directors appointed by the Developer and the Club Owner shall be entitled to participate and vote in person or by a person, who need not be a Director, designated by such Director to act as a proxy on such Director's behalf. Residential Directors may not participate or vote by proxy.

Section 6.6. Attendance at Meetings. Any Member may attend Board meetings, provided that Members who are not Directors or Committee members must give notice to the Manager, or if no Manager has been named, to the Secretary, 72 hours in advance of the meeting. If circumstances warrant, however, the President or any two Directors may invite all Members to attend with 72 hours notice to the Manager or Secretary.

**ARTICLE VII
POWERS AND DUTIES OF THE BOARD**

Section 7.1. Powers. The Board shall have the following powers:

- (a) adopt and publish the Association Rules, including regulations governing the use of the Association Property and facilities, and the personal conduct of the Members and their guests thereon, and to establish penalties and fines for the infraction thereof;
- (b) suspend the voting rights and right to use of the Association Property during any period in which such Member shall be in default in the payment of any Assessment levied by the Association, or after notice and hearing, for any period during which an infraction of the Association Rules exists;
- (c) exercise for the Association all powers, duties and authority vested in or related to this Association and not reserved to the membership by other provisions of the Association Restrictions;
- (d) declare the office of a Residential Director to be vacant in the event such individual shall be absent from three consecutive regularly scheduled meetings of the Board;
- (e) employ such employees as they deem necessary, and to prescribe their duties;
- (f) as more fully provided in the Declaration, to:
 - (1) fix the amount of the Assessments against each Lot in advance of each annual assessment period and any other assessments provided by the Declaration; and
 - (2) foreclose the lien against any property for which Assessments are not paid within 30 days after due date and to bring an action at law against the Owner personally obligated to pay the same;
- (g) issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any Assessment has been paid and to levy a reasonable charge for the issuance of these certificates (it being understood that if a certificate states that an Assessment has been paid, such certificate shall be conclusive evidence of such payment);
- (h) procure and maintain adequate liability and hazard insurance on Association Property and directors and officers liability insurance providing coverage for all Directors, officers, committee members and designated employees, if any, as well as any other insurance deemed appropriate and commonly available;
- (i) cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate; and
- (j) exercise such other and further powers as provided in the Declaration and the Texas Non-Profit Corporation Act.

Section 7.2. Duties. It shall be the duty of each Director, in the discharge of his or her duties as a Director, committee member or officer, to act in good faith, with ordinary care, and in a manner the Director reasonably believes to be in the best interest of the Association. Directors individually have no

authority to act on behalf of the Association unless such authority has been specifically delegated in writing by the Board to such individual.

It shall be the duty of the Board to:

- (a) cause to be kept a complete record of all its acts and corporate affairs of the Association;
- (b) supervise all officers, agents and employees of the Association, and to see that their duties are properly performed; and
- (c) adopt policies, procedures and rules governing conduct of the Association's business and affairs.

Section 7.3. Manager. The Board may engage a Manager for the Association at a compensation established by the Board to perform such duties and services as the Board shall authorize. Any contract entered into with a Manager shall provide that: (i) the Manager shall carry its own liability insurance in such amounts as the Board shall deem adequate and which shall include the Association as an additional insured; (ii) that the Manager shall provide fidelity bonding for itself and its employees in an amount required by the Board; and (iii) provide that such contract may be terminated by the Association without penalty upon not less than 60 days written notice, if without cause, after the initial term of the agreement, and if with cause, upon not more than 30 days notice either during or after the initial term of the agreement. No such management agreement shall be for a term of more than three years.

Section 7.4. Compensation. Directors shall not receive any compensation or salary for their services as Directors; however, any Director may be reimbursed for his actual reasonable expenses incurred in the performance of his duties providing prior approval has been granted by resolution of the Board. A Director who serves the Association in any other capacity, however, may receive compensation there for, if otherwise entitled to compensation, providing prior approval has been granted by resolution of the Board.

Section 7.5. Agreements, Contracts, Deeds, Checks and Other Instruments. All agreements, contracts, deeds, leases, checks and other instruments of the Association shall be executed by any two officers of the Association, or by such other person or persons as may be designated by the Board. The initial term of all contracts for goods or services or both shall be limited to a maximum of three years. In accordance with procedures to be developed from time to time by the Board, the Committee of Community Presidents, established under Article IX, Section 9.2, will be afforded the opportunity to provide its advice with respect to the award of any contract or agreement having a term exceeding one year or involving an expenditure in excess of \$50,000.

ARTICLE VIII OFFICERS AND THEIR DUTIES

Section 8.1. Enumeration of Offices. The officers of this Association shall be a President and one or more Vice-Presidents, who shall at all times be members of the Board, a Secretary and a Treasurer, and such other officers as the Board may from time to time create by resolution.

Section 8.2. Election of Officers. The election of officers shall take place at the first meeting of the Board following each annual meeting of the Members.

Section 8.3. Term. The officers of this Association shall be elected annually by the Board and each shall hold office for one year unless he or she resigns sooner, or shall be removed, or otherwise disqualified to serve.

Section 8.4. Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, not to exceed one year, have such authority, and perform such duties as the Board may, from time to time, determine.

Section 8.5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time by giving a manually signed written notice, delivered in person, by mail or facsimile transmission, to the Board, the President, or the Secretary. Such resignation shall take effect on 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.

Section 8.6. Vacancies. A vacancy in any office may be filled through appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 8.7. Multiple Offices. The offices of Secretary and Treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 8.4.

Section 8.8. Duties. Each officer, in the performance of his or her duties on behalf of the Association, shall act in good faith, with reasonable care, and in a manner such officer reasonably believes to be in the best interest of the Association. Unless such authority has been delegated in writing by the Board or otherwise provided by these Bylaws, no officer is authorized to expend funds of the Association.

The duties of specific officers are as follows:

(a) **President.** The President shall preside at all meetings of the Board; shall see that orders and resolutions of the Board are carried out; and except as otherwise designated in accordance with Section 7.5 of these Bylaws, shall sign all leases, mortgages, deeds and other written instruments and shall co-sign all checks and promissory notes.

(b) **Vice President.** Each Vice President shall generally assist the President and shall have such powers and perform such duties and services as shall from time to time be prescribed or delegated to him by the President or the Board. Each Vice President may also act in the place and stead of the President in the event of his or her absence, inability or refusal to act.

(c) **Secretary.** The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members; serve notice of meetings of the Board and of the Members; keep appropriate current records showing the Members of the Association together with their addresses; and perform such other duties as required by the Board.

(d) **Assistant Secretaries.** Each Assistant Secretary shall generally assist the Secretary and shall have such powers and perform such duties and services as shall from time to time be prescribed or delegated to him or her by the Secretary, the President, the Board or any committee of the Board.

(e) Treasurer. The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board; and except as otherwise designated in accordance with Section 7.5 of these Bylaws, shall sign all checks and promissory notes of the Association; keep proper books of account in appropriate form such that they could be audited by a public accountant whenever ordered by the Board or the membership; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular meeting, and deliver a copy of each to the Members.

Section 8.9. Compensation of Officers. No officer shall receive any compensation from the Association for acting in his capacity as an officer; however, any officer may be reimbursed for his actual reasonable expenses incurred in the performance of his duties as an officer providing prior approval has been granted by resolution of the Board. An officer who serves the Association in any other capacity, however, may receive compensation there for if otherwise entitled to compensation, providing prior approval has been granted by resolution of the Board.

ARTICLE IX COMMITTEES

Section 9.1. Committees of the Board. The Board may, by resolution adopted by affirmative vote of a majority of the number of Directors fixed by these Bylaws, designate two or more Directors (with such alternates, if any, as may be deemed desirable) to constitute another committee or committees for any purpose; provided, that any such other committee or committees shall have and may exercise only the power of recommending action to the Board and of carrying out and implementing any instructions or any policies, plans, programs and rules theretofore approved, authorized and adopted by the Board.

Section 9.2. Committees of Owners. In addition to the Nominating Committee established under these Bylaws, the standing committees of the Association shall be the Architectural Control Committee whose members shall be appointed as provided in the Declaration, the Committee of Community Presidents, the Governance Committee, the Landscape Committee, the Safety and Security Awareness Committee and such other committees as the Board shall deem desirable. The Board shall appoint all members of each committee, other than the Committee of Community Presidents, which members may consist of Members, Directors, officers of the Association, or any combination thereof. Each member of the Committee of Community Presidents shall be designated by the Development Area Association or other constituency represented by such member.

The duties of the foregoing committees are generally as follows, or as otherwise set forth in these Bylaws, and as may be specified in more detail by resolutions adopted from time to time by the Board:

(a) The Architectural Control Committee shall perform the duties set forth in the Declaration.

(b) The Committee of Community Presidents, in addition to the duties described in Article VII, Section 7.5, shall serve as liaison between the Board and the Development Area Associations and other constituencies of the Association and provide advice to the Board with respect to issues of concern to such constituencies.

(c) The Governance Committee shall provide guidance, advice and assistance to the Board with respect to all matters relating to the governance of the Association, including these Bylaws, Association Rules, procedures, delegations of authority, communications and potential conflicts.

(d) The Landscape Committee shall provide oversight and advice with respect to landscape design and maintenance, including bidding procedures and selection and performance review of suppliers and vendors.

(e) The Safety and Security Awareness Committee shall advise the Board with respect to issues of concern involving traffic safety on Barton Creek Boulevard and Lost Creek Boulevard and issues involving security of homeowners and others in the community.

Section 9.3. Rules. Each committee may adopt rules for its own governance not inconsistent with the foregoing or terms of the resolution of the Board of Directors designating the committee, or with Association Rules.

ARTICLE X BOOKS AND RECORDS

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any Member. The Association Restrictions shall be available for inspection by any Member at the principal office of the Association, where copies may be purchased at reasonable cost. The Board may adopt a document retention policy, and a policy for Member review of the books, records and papers of the Association, which policies shall not be contrary to law. All books and records of the Association shall be kept in accordance with generally accepted accounting principles, consistently applied, and shall be audited at least once a year by an independent certified public accountant.

ARTICLE XI ASSESSMENTS

As more fully provided in the Declaration, each Member is obligated to pay to the Association Assessments which are secured by a continuing lien upon the property against which the Assessments are made. Assessments shall be due and payable in accordance with the Declaration.

ARTICLE XII CORPORATE SEAL

The Association may, but shall have no obligation to, have a seal in a form adopted by the Board.

**ARTICLE XIII
AMENDMENTS AND CONFLICTS**

Section 13.1. Amendments. These Bylaws may be amended, at a regular or special meeting of the Members, by a vote of the Members of the Association provided that such amendment has been approved by Members entitled to cast at least 25% of the total number of votes of the Association. In addition, these Bylaws may be amended by a majority vote of the Board of Directors, except that the Board of Directors may not amend Sections 4.1, 4.2, 4.3, 4.4, 6.2, 6.6, 7.5 and 13.1. Notwithstanding the foregoing provision, during the period of time in which the Developer and/or the Club Owner have the right to appoint a Director pursuant to Section 4.2 above, any amendment to Section 4.2 or this Section 13.1 of these Bylaws shall also be approved by the Developer and/or the Club Owner. *(Note: The foregoing Section 13.1 was amended by a vote of the Membership on May 2, 2005 and has been approved by the Developer and Club Owner).*

Section 13.2. Conflicts. In the case of any conflict between the Articles and these Bylaws, the Articles shall control; and in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control. In the case of any conflict between the Texas Non-Profit Corporation Act (the "Act") and these Bylaws, the Act shall control.

**ARTICLE XIV
INDEMNIFICATION OF DIRECTORS, OFFICERS AND COMMITTEE MEMBERS**

The Association shall indemnify every Director, officer and committee member of the Association against, and reimburse and advance to every Director, officer and committee member for, all liabilities, costs and expenses incurred in connection with such directorship, office or membership and any actions taken or omitted in such capacity to the greatest extent permitted under the Texas Non-Profit Corporation Act and all other applicable laws at the time of such indemnification, reimbursement or advance payment.

**ARTICLE XV
MISCELLANEOUS**

The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

SECRETARY'S CERTIFICATION

I, the undersigned, do hereby certify:

THAT, I am the duly elected Secretary of Barton Creek North Property Owners Association, Inc., a Texas non-profit corporation; and

THAT, the foregoing Amended and Restated Bylaws constitute the current Bylaws of said Association and includes all amendments duly approved by the Members of the Association at a meeting held on the 2nd day of May, 2005 and all amendments duly approved by the Board of Directors of the Association at a meeting held on September 13, 2005.

IN WITNESS WHEREOF, I have hereunto subscribed my name in my official capacity of Secretary of said Association this 13th day of September, 2005.

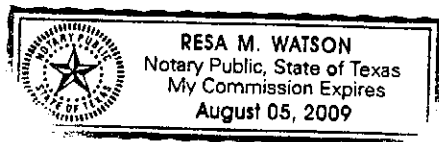
By: Deanna Arnold
Deanna Arnold, Secretary

ACKNOWLEDGMENT

STATE OF TEXAS §
 §
COUNTY OF TRAVIS §

This instrument was acknowledged before me on September 13, 2005, by Deanna Arnold, Secretary of the Board of Directors of Barton Creek North Property Owners Association, Inc., a Texas non-profit corporation, on behalf of said corporation.

[SEAL]



Resa M. Watson
Notary Public, State of Texas

My Commission Expires: 8-05-09