

AMENDED AND RESTATED

BYLAWS

OF

JESTER CLUB, INC.

Under the date of September 6, 1988, the original Bylaws of Jester Club, Inc. were validly adopted. Since such time, the original Bylaws of Jester Club, Inc. were amended and reinstated in their entirety. The directors and members now desire to further amend the Bylaws and restate the Bylaws, as so amended, in their entirety. As a result, the Bylaws of Jester Club, Inc. are hereby amended and restated in their entirety on January 31, 2011 to hereafter be and read as follows:

ARTICLE I.

NAME AND LOCATION

The name of the corporation is **Jester Club, Inc.**, hereinafter referred to as the "**Club**". The principal office of the **Club** is **7809 Jester Blvd., Austin, Texas**, but meetings of Members or Directors may be held at such places within the State of Texas, County of Travis, as may be designated by the Board of Directors.

ARTICLE II.

DEFINITIONS

All terms used herein shall have the meaning given thereto in the Declaration unless expressly stated to the contrary herein.

a. "**Articles of Incorporation**" shall mean the articles of incorporation of the Club, as amended from time to time.

b. "**Bylaws**" shall mean the bylaws of the Club, as amended from time to time.

c. "**Director**" shall mean a member of the Club's Board of Directors.

d. "**Member**" shall mean those persons entitled to membership in the Club as provided herein.

e. "**Owner**" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

f. "**Property**" shall mean that real property described in the Supplemental Restrictions.

ARTICLE III.

MEMBER. MEETINGS. AND VOTING RIGHTS

Section 1. Membership Eligibility. For each Lot in the Jester/Canyon Ridge Developments (which includes that Owner's immediate family residing with that Owner and other persons residing with that Owner on a full-time basis) shall be eligible to designate one Owner to be a Member of the Club. Such designation shall be made by a majority vote of all such Owners, and shall be specified in a written notice to the Board of Directors of the Club by such Owners. Membership conveys Club usage rights (set forth in Section 8) to the Member's immediate family residing on that Lot as well as to others residing on the Member's Lot on a full-time basis. The foregoing is not intended to include persons or entities holding an interest in a Lot merely as security for the performance of an obligation. Membership shall be appurtenant to, and must be concurrent with, the Ownership of any Lot. Any Member may substitute in said Member's place any tenant of that Member's unit so long as said tenant is occupying such unit. In the event of such substitution, such tenant shall be deemed an Owner for such purposes of use of the facilities, so long as such tenant occupies such property. Notwithstanding any such renting of a Lot or use of the facilities by the tenant, the Owner shall have and shall maintain the responsibility to pay all dues due or to become due hereunder. Any substitution shall terminate the Owner's right to use the facilities during the term of such substitution. In the event of any such substitution, the Member shall no longer have membership privileges for himself or his family and all such privileges shall inure to such tenant. Except as otherwise provided in these Bylaws or in the Articles of Incorporation, all action to be taken or authorized by the Members shall be deemed validly taken or authorized upon adoption by vote of a majority of the Members present, in person or by proxy, at any properly called meeting at which a quorum is present.

Temporary memberships with no voting rights may be extended to families residing outside of Jester. These memberships will be allowed limited Club usage rights and privileges for limited periods as determined by the Board of Directors of the Club. These membership options may be terminated by the Board of Directors of the Club at any time.

Except as expressly set out herein, no other party is eligible for membership in the Club.

Section 2. Membership Types. There shall be three (3) types of membership in the Club. The types are as follows:

Class A. Class A membership shall be memberships of Owners admitted to this Club who do not qualify as a Class B member.

Class B. Class B members shall be Owners who are admitted to this Club and who meet two of the following three limitations: (i) one Owner must be at least fifty-five (55) years of age; (ii) such Owner(s) has no children residing on its Lot under the age of nineteen (19); and (iii) the Lot is improved with an in ground commercially constructed swimming pool.

Class C. Class C members shall be temporary memberships available as determined by the Board of Directors of the Club. These are available to family units living inside and outside of Jester as defined in Section 1.

Section 3. Membership Apportionment. There shall never be more than 450 Class A memberships in the Club nor more than 150 Class B memberships in the Club. Class C memberships can be extended by the Board of Directors of the Club to fill the difference available between the number of maximum Class A and Class B memberships in the Club.

Lower yearly limits to Class C memberships can be set than this difference as determined by the Board.

Section 4. Membership Admission. Each eligible Owner shall submit an application for membership in form and content approved by the Board of Directors of the Club. Each application form must be completely filled in and must be signed by such applicant, together with proof of eligibility. The application must be accompanied by cash or check in full payment of the membership fee (discussed below) and one (1) year's dues in advance. The Club shall keep a list of all applicants who have been granted membership and all applicants who have applied, but because of number limitation, have not been granted membership. Any open memberships shall be on a first-come, first-serve basis for eligible Owners.

Section 5. Reinstatement of Membership. If a member drops membership and then desires to reinstate membership within two (2) years, the member may do so by paying a reinstatement fee set by the board but no more than one-half (1/2) of the current initiation fee and that year's dues in advance.

Section 6. Membership Fee and Membership Dues. The Club may charge a membership fee of up to \$1,000.00 for each membership which is issued by the Club itself to any Owner. Class A members shall pay dues (set by the Board of Directors), in advance, in full, no later than January 31st of each year for that year's dues. Class B members shall pay dues (set by Board of Directors), in advance, in full, for any dues not paid by the due date for payment of such dues, there shall be a late fee of \$30.00. Class C members will require no initiation fee, but will be required to pay dues at a fee set by the Board.

The Board of Directors shall have the right, from time to time, to amend, modify, increase or otherwise change dues of Class A, Class B and Class C memberships as the Board may determine.

Section 7. Transfer. If a purchaser declines membership or fails to pay annual dues within one (1) month after such purchaser (or such purchaser's tenant) occupies such single-family dwelling, then the membership of such purchaser automatically reverts to the Ownership of the Club. Any Member shall have the right to transfer or assign its membership in the Club to any other Owner so long as such transferring Owner is not in default with its requirements as a Member, pays a transfer fee, up to a \$1000.00 (as determined by the Board) and the transferee Owner completes a membership application in accordance with the provisions hereof.

Section 8. Membership Rights. Each Member and such Member's immediate family residing on such Member's Lot shall have the right to use the recreational and meeting facilities of the Club in common with all other Members. The Board of Directors may establish such rules and regulations it deems necessary or desirable to provide for the safe and functional use of the facilities. The Board of Directors may allow Members to bring guests and may charge for such guests in an amount as the Board may determine. No other party shall be entitled to the use or benefit of the property of the Club. The Board of Directors may further provide for schedules, appointments, reservations and other means for assuring the enjoyment of the Recreational Lots and each portion of the facilities located thereon.

Section 9. Suspension and Termination of Membership. During any period in which a Member shall be in default in the payment of any dues or assessment levied by the Club, the voting rights and right to use the recreational facilities of such Member shall be suspended and may be terminated by the Board of Directors until such dues or assessment has been paid. If any

such dues or assessment are not paid within fifteen (15) days of their due date, and continue to remain unpaid following ten (10) days after written notice of such failure, then the Board may immediately terminate such Member's membership in the Club. Any reinstatement shall be subject to the approval and consent of the Board and the Board can require the payment of a reinstatement fee or other conditions for reinstatement as the Board shall require. Reinstatement must be requested by the Member in writing within sixty (60) days of notice of termination. Such rights of a Member may also be suspended after notice and hearing, for a period not to exceed sixty (60) days, for violation of any rules and regulations established by the Board of Directors governing the use of the facilities.

Section 10. Annual Meetings. The Board of Directors may schedule the annual meeting for any day in the first quarter of each calendar year. If the Board of Directors schedules such a meeting, they will provide written notice to the Members at least ten (10) days prior to the annual meeting date. If the Board of Directors does not schedule an annual meeting, the annual meeting shall be on the last Tuesday in March of each calendar year unless such day is a legal holiday in which case the meeting will be held on the first day following which is not a legal holiday.

Section 11. Special Meetings. Special meetings of the Members may be called at any time by the President or the Board of Directors, or upon the written request of the Members who are entitled to vote by one-fourth (1/4th) of all members entitled to vote.

Section 12. 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 ten (10) days, but not more than thirty (30) days, before such meeting to each Member entitled to vote at such meeting, addressed to the Member's address last appearing on the books of the club, or supplied in writing by such Member to the Club for the purpose of notice. Such notice shall specify the place, date and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting.

Section 13. Quorum and Adjournment. The presence at any meeting, in person or by proxy, of Members entitled to cast twenty-five percent (25%) of the votes in the Club shall constitute a quorum for any action, except as otherwise provided for in the Articles of Incorporation or these Bylaws. If necessary to continue the business of such meeting, any meeting of the Club, whether annual or special, may be adjourned from time to time by a majority of those present, whether a quorum be present or not, without notice other than the announcement at the meeting, and such adjournment may be to such time, date and place as may be determined by a majority of the votes cast at such meeting. When the meeting is reconvened, the required quorum will be one-half (1/2) of the required quorum at the preceding meeting. The Club may call as many such subsequent meetings as may be required to achieve a quorum. Once a quorum is attained, any business can be transacted which might have transacted at the original meeting, as originally called

Section 14. Proxies. At all meetings of Members, each Member may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the Member of his Lot.

Section 15. Voting. Each Member shall have a vote or votes in the Club according to the Articles of the Club; provided, however, that with respect to memberships shall not be entitled to vote unless and until annual dues for such membership or memberships are paid by the Owner or Owners thereof to the Club.

ARTICLE IV.

BOARD OF DIRECTORS

Section 1. Composition. The affairs of this Club shall be managed by a Board of seven (7) directors, who are all Members of the Club.

Section 2. Term of Office. At the annual meeting, the members shall elect directors for a term of two (2) years. Four (4) directors shall be elected in even numbered years and three (3) directors shall be elected in odd numbered years.

Section 3. Nomination. Nomination for election to the Board of Directors shall be made by the 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 member of the Board of Directors, and two or more other persons who shall be either Directors or Members of the Club, but a majority of which shall be Directors. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the Members, to serve from the close of such annual meeting until the close of the next annual meeting, and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many Nominations for election to the Board of 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.

Section 4. Election. Election to the Board of Directors shall be by secret written ballot cast at the annual meeting, unless unanimous public of the Members present permits otherwise. At such election, the Members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of these Bylaws. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

Section 5. Removal. Any Director may be removed from the Board of Directors, with or without cause, by a majority vote of the Members of the Club represented at a special meeting called for such purpose. In the event of death, resignation, or removal of a Director, his successor shall be elected by the remaining members of the Board of Directors and shall serve for the unexpired term of his predecessor.

Section 6. Compensation. No Director shall receive compensation for any service he may render to the Club; however, any Director may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 7. Quorum. A majority of members of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of such Board of Directors. A vote of the Directors shall be valid if concurred in by a majority present at a meeting.

Section 8. Action Taken without a Meeting. The Directors shall have the right to take any action without a meeting which they could take at a meeting by obtaining the written approval of all of the Directors. Any action so approved shall have the same effect as though taken at a meeting of the Directors.

Section 9. Meetings. Regular meetings of the Board of Directors shall be held at such times and places as the Board of Directors may determine. Special meetings of the Board of Directors shall be held when called by the President of the Club, or by any two (2) Directors,

after not less than three (3) days written notice to each Director, which notice may be waived by attendance at the meeting or by written waiver.

Section 10. Powers. The Board of Directors, for the benefit of the Members, shall have the following powers:

a. To adopt and publish rules and regulations governing the use of the facilities, and the personal conduct of the Members and their guests thereon and to establish penalties for the infraction thereof;

b. To suspend the voting rights and right to use of the facilities of a Member during any period in which such Member shall be in default in the payment of any assessment levied by the Club. Such rights may also be suspended after notice and hearing, for a period not to exceed sixty (60) days for infraction of published rules and regulations;

c. To exercise for the Club all powers, duties and authority vested in or delegated to this Club and not reserved to the membership by other provisions of these Bylaws or the Articles of Incorporation;

d. To declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors without just cause having been furnished and accepted by the Board;

e. To engage the services of a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe the condition, compensation and rules of their work. Such power shall include authority to enter into management agreements with other parties to manage, operate or perform all or any part of the affairs and business of the Club; and

f. To establish, disburse and maintain a petty cash fund, as is necessary for efficiently conducting the Club's business.

Section 11. Duties. It shall be the duty of the Board of Directors:

a. To cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the Members at the annual meeting of the Members, or at any special meeting when such statement is requested in writing by one-fourth (1/4) of the Class A Members who are entitled to vote;

b. To supervise all officers, agents and employees of this Club, and to see that their duties are properly performed;

c. As more fully provided herein and in the Articles of Incorporation, to fix the amount of the dues of each Class of Member;

d. To 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;

e. To procure and maintain adequate liability and hazard insurance on property owned by the Club;

f. To cause all officers, agents or employees having fiscal responsibility to be bonded, as it may deem appropriate; and

g. To cause the Recreational Lots to be maintained repaired, supervised and staffed as it deems appropriate.

ARTICLE V.

OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Officers. The officers of the Club shall be a president, one or more vice presidents, secretary, and treasurer, and such other officers as the Board of Directors may from time to time by resolution create.

Section 2. Election of Officers. All officers shall be elected annually by the Board of Directors following each annual meeting of the membership.

Section 3. Term. All officers shall serve until their successors shall have been elected or until they have been removed or have resigned. Any person may simultaneously hold more than one of any of the offices, except the offices of President and Secretary.

Section 4. Vacancies. The Board of Directors may, in its discretion, elect acting or temporary officers and elect officers to fill vacancies occurring for any reason whatsoever, and may, in its discretion, limit or enlarge the duties and powers of any officer elected by it.

Section 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 notice 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; the acceptance of such resignation shall not be necessary to make it effective.

Section 6. The President. The President shall (i) preside at all meetings of the Board of Directors and the Members, (ii) see that orders and resolutions of the Board of Directors are carried out, and (iii) unless otherwise provided by the Board of Directors, sign all leases, mortgages, deeds, notes and other written instruments that have been approved by the Board of Directors.

Section 7. The Vice Presidents. Each Vice President shall have such power and duties as may be assigned to him by the Board of Directors. If more than one Vice President is elected, the Board of Directors shall designate who is the First Vice President, who is the Second Vice President, etc. In the absence of the President, the First Vice President shall perform the duties of the President. Such authority to act for the President shall vest to the Vice Presidents in order of their numerical designation by the Board of Directors. In addition to any other duties assigned to Vice Presidents, each shall act as chairman to one of the following standing committees. These committees are as follows: (1) Grounds and Maintenance; (2) Activities (pool, tennis, social); (3) Bylaws; and (4) Neighborhood Coordinator (membership, newsletter, liaison to Homeowners Association).

Section 8. The Secretary. The Secretary shall (i) record the votes and keep the minutes of all meetings and proceedings of the Board of Directors and of the Members, (ii) keep the corporate seal of the Club and affix it on all papers requiring said seal, (iii) serve notice of meetings in conformity with these Bylaws, (iv) keep appropriate current records showing the Members of the Club together with their addresses, and (v) perform such other duties as required by the Board of Directors.

Section 9. The Treasurer. The Treasurer shall (i) execute or oversee the receipt and deposit in appropriate bank accounts all money of the Club and shall disburse such funds as directed by resolution of the Board of Directors; provided, however, that a resolution of the Board of Directors shall not be necessary for disbursements made in the ordinary course of business conducted within the limits of a budget adopted by the Board of Directors, (ii) execute or oversee signing all checks of the Club's books to be made at the completion of each fiscal year, (iii) prepare the annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting, and deliver a copy of each to the Members, and (iv) perform all other duties assigned to him by the Board of Directors.

ARTICLE VI.

MISCELLANEOUS

Section 1. Covenant to Obey Laws, Rules and Regulations. Each Member shall be subject to the Supplemental Restrictions and shall abide by the Bylaws and Rules and Regulations as the same are or may from time to time be established by the Board of Directors. Each Member shall observe, comply with, and perform all rules, regulations, ordinances, and laws made by any governmental authority of any municipal, state and federal government having jurisdiction over the Property or any part thereof.

Section 2. Fiscal Year. The fiscal year of the Club shall begin on the 1st day of January and end on the 31st day of December of every year.

Section 3. Amendment. These Bylaws may be amended, at a regular or special meeting of the Members, by a vote of two-thirds (2/3) of the Members present, in person or by proxy, so long as notice of the proposed Bylaw change was given to the Members at least ten (10) days in advance of the Meeting.

Section 4. Conflicts. In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles of Incorporation shall control; and in the case of any conflict between the Supplemental Restrictions and these Bylaws or the Articles of Incorporation, the Supplemental Restrictions shall control.

Section 5. Grammar and Gender. The singular whenever used herein shall be construed to mean the plural when applicable, and the necessary grammatical changes required to make the provisions hereof apply either to corporations or individuals, or to men and women, shall in all cases be assumed as though in each case fully expressed.