

**THE PRESERVE HOMEOWNERS ASSOCIATION, INC.,
A TEXAS NONPROFIT CORPORATION**

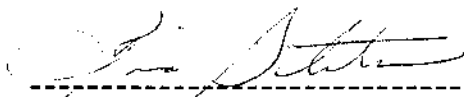
RESOLUTION

This is to document that at the date indicated below, the Board of Directors of the PHOA has adopted the following resolution to amend its Bylaws. The latter will now be revised to incorporate the addition of Section 6.04 after the AGM in 2011 with a view to give homeowners a chance to review the wording.

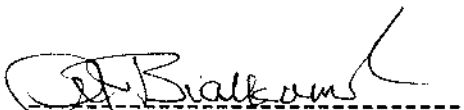
Section 6.04 Delinquency fees. To prevent negligence, and to also minimize the administrative and economic burden on the Association, homeowner fees or assessments in arrears over 90 days from the due date will be automatically subject to a delinquency fee of 25% of the amount due. The Association will then make every reasonable attempt to contact the homeowner, at least once in writing, and warn that the delinquency fee will continue to accumulate at same rate of 25% every 90 days until the account is settled in its totality.

DATE : December 6th, 2010

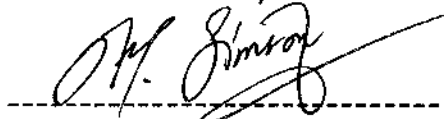
APPROVALS :



Tina Stockton, Vice President – Operations

 6 DEC 2010

A.J. Bialkowski, Vice President – Administration



Moris M. Simson, President