

**WAIVER OF NOTICE AND UNANIMOUS CONSENT
OF THE BOARD OF DIRECTORS IN
LIEU OF ORGANIZATIONAL MEETING**

The undersigned, being the Directors of Hillcrest Lebanon Homeowners Association, Inc., a Texas Corporation, (the "Corporation"), waive any and all requirements for calling, giving notice of and holding an organizational meeting of the initial Board of Directors of the Corporation and, in lieu of such organizational meeting and pursuant to Article 9.10B of the Texas Business Corporation Act consent to the adoption of the following resolutions:

I. DIRECTORS

RESOLVED, that the following persons are hereby elected directors of the Corporation, to serve in such capacity until the first annual meeting of the shareholders and until their successors may be chosen and qualified or until their earlier death, resignation, retirement, disqualification, or removal from office:

Issam Karanouh
Nelda McCroskey
Cary L. Cobb

II. BY-LAWS

RESOLVED, that the form of By-Laws submitted to the undersigned is hereby approved and adopted in all respects as the By-Laws of the Corporation, and the Secretary of the Corporation is instructed to insert the original thereof in the minute book of the Corporation.

III. OFFICER

RESOLVED, that the following persons are hereby elected to the office of offices set forth below opposite his/her respective names, to serve until the first meeting of the Board of Directors of the Corporation following the first annual meeting of shareholders of the Corporation and until their successors are chosen and qualified or until their earlier death, resignation, retirement, disqualification or removal from office:

President: Issam Karanouh
Secretary: Nelda McCroskey
Treasurer: Cary L Cobb

IV. BOOKS AND RECORDS

RESOLVED, that the Secretary of the Corporation is hereby authorized and directed to procure all necessary books and records of the Corporation.

V. ORGANIZATIONAL EXPENSES

RESOLVED, that the Treasurer of the Corporation is hereby authorized and directed to pay all fees, expenses and costs incident to or necessary for the incorporation and organization of the Corporation.

VI. FISCAL YEAR

RESOLVED, that the calendar year is hereby adopted as the fiscal year of the Corporation and the proper officers of the Corporation are authorized and directed to keep the books of account and financial records of the Corporation in accordance with such fiscal year.

VII. REGISTERED OFFICE: REGISTERED AGENT; QUALIFICATION

RESOLVED, that the Corporation appoint Nelda McCroskey as the registered agent of the Corporation with offices at 1401 Burnham Drive, Plano, Texas 75093.

RESOLVED, FURTHER, that for purposes of authorizing the Corporation to do business in any state, territory or dependency of the United States or any foreign county in which it is necessary or expedient for the Corporation to transact business, the proper officers of the Corporation are hereby authorized to appoint and substitute all necessary agents or attorneys for service of process, to designate and change the location of all necessary statutory offices, and under the corporate seal, to make and file all necessary certificates, reports, powers of attorney and other instruments as may be required by the laws of such state, territory, dependency or county to authorize the Corporation to transact business therein, and whenever it is expedient for the Corporation to cease doing business therein and withdraw therefrom, to revoke any appointment of agent or attorney for service of process, and to file such certificates, reports, revocations and appointment or surrender of authority of the Corporation to do business in any such state, territory, dependency or country.

VIII. DEPOSITORY RESOLUTIONS

RESOLVED, that the President of the Corporation is hereby authorized, in the name and on behalf of the Corporation, to establish accounts with such financial institutions located in such cities and states as he, in his sole and absolute discretion, shall deem necessary or desirable, and that such accounts be established in accordance with and governed by the general rules and regulations of such financial institutions.

RESOLVED, FURTHER, that the Board of Directors of the Corporation hereby approves and adopts any and all additional resolutions required by any such financial institution to facilitate the establishment of such accounts.

RESOLVED, FUTURE, that the Secretary or any Assistant Secretary of the Corporation is hereby authorized to certify to any such financial institution that the resolutions in the particular form required by such financial institution were duly adopted and approved by the Board of Directors of the Corporation on the date of this instrument, or any date subsequent thereto, and such office is instructed to retain a copy of such resolutions in the permanent records of the Corporation.

IX. FURTHER AUTHORIZATION

RESOLVED, that the proper officers of the Corporation are hereby authorized and directed to take or cause to be taken all such further action and to sign, execute, acknowledge, certify, deliver, accept, record and file all such further instruments, in the name and on behalf of the Corporation, as in their judgment shall be necessary, desirable or advisable in order to carry out the intent, and to accomplish the purpose, of the foregoing resolutions.

IN WITNESS WHEREOF, the undersigned has executed this instrument dated March 16, 1998.

**WAIVER OF NOTICE OF SPECIAL MEETING
OF THE BOARD OF DIRECTORS AND
UNANIMOUS CONSENT RESOLUTION
OF SPECIAL MEETING FOR
HILLCREST LEBANON HOMEOWNERS ASSOCIATION, INC.**

The undersigned, being all of the Directors of Hillcrest Lebanon Homeowners Association, Inc., a Texas Non-profit Corporation, (the "Corporation"), do hereby waive any and all requirements for giving notice and calling of this special meeting and pursuant to Article 9.10B of the Texas Business Corporation Act and the By-Laws, do hereby consent to the following resolutions:

WHEREAS, the Board has received one or more complaints from Homeowners related to potential violations of the Declaration of Covenants, Conditions and Restrictions for Hillcrest Lebanon (the "Declaration"); and

WHEREAS, the Board desires to clarify the Association's understanding regarding Article IX, Section 21. Accordingly, it is hereby

RESOLVED, that to clarify the Association's understanding regarding the definition of a "small building", the Covenant's Committee shall be advised that the Board, through its enforcement power and power to make rules and regulations, deems that so long as the type of relocated structure referenced in Article IX, Section 21, is not greater than 8 feet in height from the floor of the building to the peak of the roof and measures no more than 80 square feet in floor area; that such building shall qualify as "small"; however, the building must also be of "low visibility". "Low visibility" shall mean that such a structure is not visible from any street adjacent with the house. Notwithstanding, determination of the acceptability of any such structures including without limitation whether a structure is of low visibility, shall be made on a case by case basis; and

RESOLVED, that in the event any applicable Covenant's Committee deems it necessary to impose fines as a sanction for enforcement purposes, the Board hereby approves the range of fines, set forth in Exhibit A attached hereto and incorporated herein by reference that such fines shall be imposed by the Covenants Committee and reviewable within the discretion of the Board.

Effective this 31st day of December, 1999.

**WAIVER OF NOTICE OF SPECIAL MEETING
OF THE BOARD OF DIRECTORS AND
UNANIMOUS CONSENT RESOLUTION
OF SPECIAL MEETING FOR
HILLCREST LEBANON HOMEOWNERS ASSOCIATION, INC.**

The undersigned, being all of the Directors of Hillcrest Lebanon Homeowners Association, Inc., (the "Association") pursuant to the Texas Business Corporation Act and the By-Laws of the Association, do hereby waive written notice of this Special Directors Meeting, and pursuant the By-Laws and the Texas Business Corporation Act, do hereby affirm their unanimous written consent by their signatures below to the following:

WHEREAS, on or about the 17th day of April, 2000, the Association received by Quit Claim Deed, Lot 1, Block A of the Smith Estates of the City of Frisco, Collin County, Texas; and

WHEREAS, the Association acknowledges that Lot 1, Block A of the Smith Estates is a cemetery which must be maintained according to the rules of the City of Frisco; and

WHEREAS, in order to reduce future maintenance cost of the cemetery as well as improve upon the safety and acsthetics of this Lot, new fencing should be installed around the cemetery along with a secured entryway; and

WHEREAS, in order to reduce the cost which would ordinarily be incurred to install fencing, the Association has inquired of Declarant as to its ability to install such fencing and make such improvements at a reasonable cost; and

WHEREAS, Declarant has agreed at its cost to contract on behalf of the Association for the installation of such improvements to the cemetery property by the installation of a new fence with secured access, and the Association deems it to be in its best interest to agree to reimburse Declarant for such expenses. Accordingly, it is hereby

RESOLVED, that the Association agrees to reimburse Declarant, or pay the contractor directly, for all expenses incurred in connection with the installation of new wrought iron fencing and secured access gate to the premises of Lot 1, Block A of Smith Estates; however, Declarant agrees that in no event shall such expenses exceed \$6,000.00 for such fencing, and Declarant has agreed to charge the Association its cost only; and

RESOLVED, that the Association shall reimburse all of the above described costs to Declarant or pay contractor directly, within thirty (30) days of the submission of a cost bill from the contractors or subcontractors performing the work.

RESOLVED, that in order to cause Declarant to proceed with such improvements, the Association agrees to indemnify and hold harmless Declarant from any and all claims, debts, demands, actions or causes of action, including without limitation, all legal expenses, fees, and costs of court, with respect to any claim related in any way to the fencing or installation thereof.

RESOLVED, that the Association Officers may, at their discretion, execute such agreement(s) with Declarant as Declarant requests so long as consistent with the terms of these unanimous Consent Resolutions.

Effective this 21st day of April, 2000.

UNOFFICIAL