BYLAWS
OF
COMMERCE TOWERS CONDOMINIUM ASSOCIATION, INC.
a Non-Profit Corporation

Commerce Towers Condominium Association, Inc. (the "Association"), is the association referred in the Condominium Declaration for Commerce Towers Condominium, (the "Declaration"), filed under Film Code No. 183002 of the Condominium Records of Harris County, Texas. Terms used in these Bylaws shall have the same meanings given to them in the Declaration, unless otherwise specifically provided herein. In the event of any conflict between the terms and provisions of these Bylaws and the Declaration, the Declaration shall control.

ARTICLE I
OFFICES

Section One. Principal Office. The principal office of the Association in the State of Texas shall be located at 7887 San Felipe, Suite 237, Houston, Harris County, Texas 77063.

Section Two. Other Offices. The Association may have such other offices, either within or without the County of Harris, State of Texas, as the Board of Directors may determine or as the affairs of the Association may require from time to time.

ARTICLE II
MEMBERS, MEETINGS AND VOTING RIGHTS

Section One. Members. Each Owner of a Unit in Commerce Towers Condominiums shall be a Member in the Association and such membership shall terminate automatically when such ownership ceases. Upon the transfer of ownership of a Unit, the new Owner thereof shall, concurrently with such transfer, become a Member in the Association. No Member shall have any right or interest in the assets of the Association, including, without limitation, any right to distribution of assets in the event of the liquidation, dissolution or winding up of the Association, whether voluntary or involuntary.

Section Two. Voting Rights. Each Member shall be entitled to vote the Allocated Interest allocated to each Unit owned on each matter submitted to a vote of the Members. No Owner shall be entitled to vote at any meeting of the Association until such Owner has presented evidence of ownership of a Unit to the Secretary of the Association. Any Member who is in default in the payment of his assessments, special assessments or any other sums owed to the Association may have his right to vote suspended by action of the Board of Directors, pending payment of such amounts. In the event that ownership interests in a Unit are owned by more than one Member of the Association, such Members shall exercise their right to vote in such manner as they may among themselves determine, but in no event shall more than the Allocated Interest be cast for each Unit. Such Members shall appoint one of them as the Member who shall be entitled to exercise the vote of that Unit at any meeting of the Association. Such designation shall be made in writing to the Board of Directors and shall be revocable at any time by actual written notice to the Board. The

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Board shall be entitled to rely on any such designation until written notice revoking such designation is received by the Board. In the event that a Unit is owned by more than one Member of the Association, and no single Member is designated to vote on behalf of the Members having an ownership interest in such Unit, then the Member exercising the vote for the Unit shall be deemed to be designated to vote on behalf of the Members having an ownership interest in the Unit. All Members of the Association may attend meetings of the Association and all voting Members may exercise their vote at such meetings either in person or proxy. Fractional votes and split votes will not be permitted. The decision of the Board of Directors as to the number of votes which any number is entitled to cast, based upon the number of Units owned by him, shall be final.

Section Three. Annual Meetings. After the increase in the number of positions on the Board and the election of persons other than Declarant ("the First Elected Board") as provided in Article XVI, Section 16.5, of the Declaration, an annual meeting of the Members shall be held at the principal office of the Association or at such other place as may be designated in writing by the Board in the month of May of each year on the day and at the hour specified in the notice, for the purpose of electing Directors and for the transaction of such other business as may come before the meeting.

Section Four. Special Meetings. Special meetings of the Members may be called at any time by the President, a majority of the Board of Directors, or Members representing not less than twenty percent (20%) of the Allocated Interest in the Condominium.

Section Five. Place of Meeting. The Board of Directors may designate any place within Harris County, Texas as the place of meeting for any annual meeting or for any special meeting called by the Board of Directors. If no designation is made or if a special meeting be otherwise called, the place of meeting shall be the principal office of the Association; but if all of the Members shall meet at any time and place, within Harris County, Texas, and consent to the holding of a meeting, such meeting shall be valid without call or notice, and at such meeting any corporate action may be taken.

Section Six. Notice of Meetings. Written or printed notice stating the place, day, and hour of any meeting of Members shall be delivered either personally, by mail, or by facsimile to each Member entitled to vote at such meeting, not less than ten (10) nor more than sixty (60) days before the date of such meeting, by or at the direction of the President or the Secretary. Notice by mail may include a printed notice in the Association's newsletter so long as copies of the newsletter are mailed to all Members within the time period specified herein. The purpose or purposes for which the meeting is called shall be stated in the notice. If mailed, the notice of a meeting shall be deemed to be delivered when deposited in the United States mail addressed to the Member at his address as it appears on the records of the Association, with postage thereon prepaid. For the purpose of determining Members entitled to notice of a meeting, the membership of the Association shall be determined at the close of business on the date that is seven (7) days prior to the date the notice of meeting is first given.

Section Seven. Unanimous Consent. Any action required by law to be taken at a meeting of the Members, or any action that may be taken at a meeting of Members, may be taken without a

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meeting if a consent in writing, setting forth the action to be taken, shall be signed by all of the Members entitled to vote with respect to the subject matter thereof.

Section Eight. Quorum. The Members present in person or by proxy holding twenty percent (20%) of the Allocated Interest in the Condominium shall constitute a quorum at any meeting of Members. Once a quorum at a meeting is established, the meeting shall be duly called and the quorum may not be defeated by the departure of one or more Members. If a quorum is not present at any meeting of Members, Owners representing a majority of the Allocated Interest present may adjourn and reconvene the meeting from time to time without further notice, until a quorum shall be present or represented. At such reconvened meetings, at which a quorum shall be present or represented by proxy, any business may be transacted as was set out in the notification of the original meeting.

Section Nine: Proxies. At any meeting of Members, a Member entitled to vote may vote by proxy executed in writing by the Member or by his duly authorized attorney-in-fact. Proxies shall be filed with the Secretary of the Association at or before the appointed time of each meeting of the Association. All proxies shall be revocable unless expressly provided therein, and shall automatically terminate upon conveyance by the owner of his Unit.

Section Ten. Majority Vote. Except as otherwise provided by law, in the Declaration or in these Bylaws, all action to be taken or authorized by the Members shall be deemed validly taken or authorized upon the approval of a majority of the Allocated Interest entitled to be cast by the Members present, or represented by proxy, at a meeting at which a quorum is present.

Section Eleven. Cumulative Voting. At all meetings of the Association, cumulative voting shall not be permitted.

Section Twelve. Record Date. The record date for determining the Members entitled to vote at a Members' meeting shall be the close of business on the day preceding the date of the meeting.

ARTICLE III
BOARD OF DIRECTORS

Section One. Number, Qualification and Nomination. The Board of Directors shall initially consist of three (3) persons appointed by Declarant ("the Appointed Board"). Not later than one hundred twenty (120) days after the conveyance by Declarant of fifty percent (50%) of the Units to Owners other than Declarant, one (1) position on the Board of Directors shall be filled by a majority vote of Members of the Association other than Declarant at a meeting called for the purpose at which a quorum is present. The number of members on the Board of Directors shall be increased to five (5) not later than one hundred twenty (120) days after the conveyance by Declarant of seventy five percent (75%) of the Units to Owners other than Declarant. Upon the increase in the number of positions on the Board, all positions on the Board of Directors shall be filled by a majority vote of the Members of the Association other than Declarant at a meeting called for that purpose at which a quorum is present. Nomination for election to the Board (except the Appointed Board) shall be made by a nominating committee which shall consist of three (3) or more Members

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of the Association, who shall be appointed by the Board prior to each annual meeting of the Members of the Association. Each nominating committee Member shall serve until his successor is appointed. The nominating committee shall make as many nominations for election to the Board as there are vacancies to be filled and, in the event new directorships are created, shall nominate the persons to serve as, and shall designate the terms to be filled by, the new Directors. Nominations may also be made from the floor at the annual meeting of Members of the Association.

Section Two. Election. The Directors (other than a member of the Appointed Board) shall be elected by the Members at each annual meeting. At the meeting of the Members of the Association called for the purpose of voting on the First Elected Board, the Members shall elect two Directors for a term of one (1) year each, two Directors for a term of two (2) years each, and one Director for a term of three (3) years. Thereafter, at the annual meeting of the Members, the Members shall elect the number of Directors necessary in order to fill the positions of the Directors whose terms have expired at the time of the annual meeting, each to serve a term of three (3) years. Members may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration and these ByLaws. The nominees receiving the highest percentage of Allocated Interest in the Condominium shall be elected. All votes shall be cast by written ballot; provided that, in the event that there is only one (1) candidate for a particular position, the nominee may be elected, after motion duly made and seconded, by acclamation.

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Section Three. Removal and Vacancies. Except for members of the appointed Board, any Director may be removed from the Board with or without cause, by the affirmative vote of Members representing two-thirds (2/3) of the Allocated Interest in the Condominium, at a special meeting called for such purpose or at an annual meeting. In such event, a successor for such removed Director shall be elected by a vote of the Association. Vacancies in the Board of Directors caused by reasons other than removal shall be filled by the remaining Directors. A Director elected or appointed to fill a vacancy created on the Board shall serve for the unexpired term of his predecessor. Any directorship to be filled by reason of an increase in the number of Directors shall be filled by election at an annual meeting of Members or at a special meeting called for such purpose. The Directors elected to fill such newly created positions shall serve for the term that would bring about the distribution of Directors as described in Section Two of this Article III.

Section Four. Meetings. A regular or special meeting of the Board of Directors may be called by or at the request of the President or any two Directors. The person or persons authorized to call meetings of the Board may fix any place, within the State, as the place for holding any meeting of the Board.

Section Six. Notice. Notice of any special meeting of the Board of Directors shall be given at least three (3) and not more than thirty (30) days previous thereto by written notice delivered personally or sent by mail or telegram to each Director at his address as shown by the records of the Association. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail in a sealed envelope so addressed, with postage thereon prepaid. If notice be given by telegram, such notice shall be deemed to be delivered when the telegram is delivered to the telegraph company. Any Director may waive notice of any meeting before or after the meeting by signed, written waiver. The attendance of a Director at any meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of

objecting to the transaction of any business because the meeting is not lawfully called or convened. The business to be transacted at the meeting must be specified in the notice or waiver of notice of any special meeting.

Section Seven. Quorum: Manner of Acting. A majority of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board. The acts approved by a majority of those present at a duly called meeting at which a quorum was present shall constitute the acts of the Board, unless the act of a greater number is required by law or by these ByLaws. The Directors may vote at any meeting of Directors by proxy executed in writing.

Section Eight. Compensation. Directors shall not receive any compensation for their services, but shall be reimbursed for reasonable expenses incurred while serving in such capacity.

Section Nine. Indemnification. The Association shall indemnify a Director who was, is or is threatened to be named as a defendant or respondent in a proceeding to the extent indemnification is consistent with Section 2.22A of the Texas Non-Profit Corporation Act.

Section Ten. Unanimous Consent by Directors. 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 actions so approved shall have the same effect as though taken at a meeting of the Directors.

Section Eleven. Powers and Duties. All of the powers, authority and duties of the Association existing under the Texas Non-Profit Corporation Act, the Texas Uniform Condominium Act, the Declaration and these ByLaws shall be exercised exclusively by the Board, its agents, contractors or employees, subject only to approval by Members when such is specifically required by law, the Declaration or these ByLaws. In addition, the Board of Directors of the Association shall have the power to suspend the voting rights of a Member during any period in which such Member shall be in default in the payment of any sums owed to the Association or in violation of any provision in the Declaration.

Section Twelve. Order of Business. At meetings of the Board of Directors, business shall be transacted in such order as from time to time the Board may determine. At each meeting of the Board of Directors, a Chairman shall be chosen by the Board from among the Directors present to preside over the meeting. The Secretary of the Association shall act as Secretary of the meetings of the Board of Directors, but in the absence of the Secretary, the presiding officer may appoint any person to act as Secretary of the meeting.

Section Thirteen. Presumption of Assent. A Director of the Association who is present at a meeting of the Board of Directors at which action on any matter is taken shall be presumed to have assented to the action unless his dissent shall be entered in the minutes of the meeting or unless he shall file his written dissent to such action with the person acting as Secretary of the meeting before the adjournment thereof or shall forward such dissent by registered mail to the Secretary of the Association immediately after the adjournment of the meeting. Such right to dissent shall not apply to a Director who voted in favor of such action.

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ARTICLE IV
OFFICERS

Section One. Officers. The officers of the Association shall be a President, one or more Vice-Presidents (the number thereof to be determined by the Board of Directors), a Secretary, a Treasurer, and such other officers as may be elected in accordance with the provisions of this article. The Board of Directors may elect or appoint such other officers, including one or more Assistant Secretaries, and one or more Assistant Treasurers, as it shall deem desirable. Such officers shall have the authority and perform the duties prescribed, from time to time, by the Board of Directors. The functions of the Treasurer, Secretary and Assistant Treasurers and Assistant Secretaries, if any, may be delegated to any authorized agent or agents of the Association by the vote of the Board of Directors.

Section Two. Election and Term of Office. The officers of the Association shall be elected annually by the Board of Directors immediately following, or as soon as is practical after, the adjournment of the annual meeting of the Members of the Association. New offices may be created and filled at any meeting of the Board of Directors. Each officer shall hold the office until his successor shall have been duly elected and shall have been qualified.

Section Three. Removal. Any officer elected or appointed by the Board of Directors may be removed by the Board of Directors whenever in its judgment the best interests of the Association would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the officers so removed.

Section Four. Vacancies. A vacancy in any office, because of death, resignation, removal, disqualification, or otherwise, may be filled by the Board of Directors for the unexpired portion of the term.

Section Five. President. The President shall be the principal executive officer of the Association and shall, in general, supervise and control all of the business and affairs of the Association. He shall preside at all meetings of the Members. He may sign, with the Secretary or any other proper officer of the Association authorized by the Board of Directors, any deeds, mortgages, bonds, contracts, or other instruments that the Board of Directors has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these ByLaws or by statute to some other officer or agent of the Association; and, in general, he shall perform all duties incident to the office of President and such other duties as may be prescribed by the Board of Directors from time to time.

Section Six. Vice-President. In the absence of the President or in the event of his inability or refusal to act, the Vice-President(s) shall perform the duties of the President, and when so acting, shall have all the powers of and be subject to all the restrictions on the President. Any Vice-President shall perform such other duties as from time to time may be assigned to him by the President or by the Board of Directors. If more than one Vice-President is elected, the Board of Directors shall designate who is First Vice-President, who is the Second Vice-President, etc. The authority to act for the President shall vest to the Vice-Presidents in the order of their numerical

designation by the Board of Directors, or, if none, by the chronological order of their election as Vice-Presidents.

Section Seven. Treasurer. If required by the Board of Directors, the Treasurer shall give a bond for the faithful discharge of his duties in such sum and with such surety or sureties as the Board of Directors shall determine. He shall have charge and custody of and be responsible for all funds and securities of the Association; receive and give receipts for monies due and payable to the Association from any source whatsoever, and deposit all such monies in the name of the Association in such banks, trust companies, or other depositories as shall be selected by the Board of Directors; and, in general, perform all the duties from time to time as may be assigned to him by the President or by the Board of Directors.

Section Eight. Secretary. The Secretary shall keep the minutes of the meetings of the Members and of the Board of Directors in one or more books provided for that purpose; see that all notices are duly given in accordance with the provisions of these ByLaws or as required by law; be custodian of the corporate records and of the seal of the Association and see that the seal of the Association is affixed to all documents, the execution of which on behalf of the Association under its seal is duly authorized in accordance with the provision of these ByLaws; keep a register of the address of each Member; and in general perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him by the President or by the Board of Directors.

Section Nine. Assistant Treasurers and Assistant Secretaries. If required by the Board of Directors, the Assistant Treasurers shall give bonds for the faithful discharge of their duties in such sums and with such sureties as the Board of Directors shall determine. The Assistant Treasurers and Assistant Secretaries, in general, shall perform such duties as shall be assigned to them by the Treasurer or the Secretary or by the President or by the Board of Directors.

Section Ten. Compensation. Officers of the Association shall not receive any compensation for their services but shall be reimbursed for reasonable expenses incurred while serving in such capacities. This provision shall not preclude the Board from employing a Director or officer as an employee of the Association nor preclude the Board from contracting with a Director or officer for the management of the subdivision.

ARTICLE V
COMMITTEES

In addition to the committees provided for in the Declaration and these ByLaws, the Board of Directors may designate one or more committees, each of which shall consist of three (3) or more Members, which committees, to the extent provided in said resolution, shall have and exercise the authority delegated by the Board of Directors; but the designation of such committee and the delegation thereto of authority shall not operate to relieve the Board of Directors or any individual Director, of any responsibility imposed on it or him by law.

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ARTICLE VI

CONTRACTS, CHECKS, DEPOSITS AND FUNDS

Section One. Contracts. The Board of Directors may authorize any officer or officers, agent or agents of the Association, in addition to the officers so authorized by these ByLaws, to enter into any contract or execute and deliver any instrument in the name and on behalf of the Association, and such authority may be general or confined to specific instances.

Section Two. Checks, Drafts, or Orders for Payment. All checks, drafts, or orders for the payment of money, notes, or other evidences of indebtedness issued in the name of the Association shall be signed by such officer or officers, agent or agents of the Association and in such manner as shall from time to time be determined by resolution of the Board of Directors. In the absence of such determination by the Board of Directors, such instruments shall be signed by the Treasurer or any Assistant Treasurer and countersigned by the President or a Vice-President of the Association.

Section Three. Deposits. All funds of the Association shall be deposited from time to time to the credit of the Association in such banks, trust companies, or other depositories as the Board of Directors may elect.

Section Four. Gifts. The Board of Directors may accept on behalf of the Association any contribution, gift, bequest, or devise for the general purposes, or for any special purpose, of the Association.

ARTICLE VII

MISCELLANEOUS

Section One. Books and Records. The Association shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its Members, Board of Directors, and committees having any of the authority of the Board of Directors, and shall keep at the registered or principal office a record giving the names and addresses of the Members entitled to vote. All books and records of the Association may be inspected by and at the expense of any Member, or his agent or attorney, at a reasonable time upon the submission of a written request stating a proper purpose of the request. Only the books and records relevant to the stated purpose of the request need be made available for inspection.

Section Two. Fiscal Year. The fiscal year of the Association shall begin on the first day of January and end on the last day of December each year.

Section Three. Waiver of Notice. Whenever any notice is required to be given under the provisions of the Articles of Incorporation or the ByLaws of the Association, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

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ARTICLE VIII
AMENDMENTS

Section One. Power of Directors to Amend ByLaws. Prior to the election date of the First Elected Board, the ByLaws of this Association may be amended, repealed or added to, or new ByLaws may be adopted, by the vote or written consent of a majority of the members of the Board of Directors.

Section Two. Power of Members to Amend ByLaws. After the election date of the First Elected Board, the ByLaws of this Association may be amended, repealed or added to, or new ByLaws may be adopted, by the vote or written consent of Members representing a majority of the Allocated Interest entitled to be cast at a meeting duly called for that purpose at which a quorum is present.

IN WITNESS WHEREOF, we, being all of the members of the Board of Directors of COMMERCE TOWERS CONDOMINIUM ASSOCIATION, INC. specified in the Articles of Incorporation, have hereunto set our hands this 9 of May, 2002.

Anthony J. Tarantino

J. Patrick Frese

Larry Vickers

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