



SUPPLEMENTAL NOTICE OF DEDICATORY INSTRUMENT
for
QUAIL VALLEY FUND, INC.

THE STATE OF TEXAS §
 §
 COUNTY OF FORT BEND §

The undersigned, being the Executive Director of Quail Valley Fund, Inc., a property owner's association as defined in Section 202.001 of the Texas Property Code ("the Association"), hereby supplements the "Notice of Dedicatory Instrument for Quail Valley Fund, Inc." filed of record in the Official Public Records of Real Property of Fort Bend County, Texas under County Clerk's File No. 2010018391 ("Notice"), which Notice was filed of record for the purpose of complying with Section 202.006 of the Texas Property Code.

1. Restrictive Covenants. The description of the documents imposing restrictive covenants on the Property, the amendments to such documents, and the recording information for such documents in addition to those referenced in the Notice includes the following:
 - a. Documents:
 - (1) Declaration of Amended and Restated Covenants, Conditions and Restrictions for Quail Valley, Glenn Lakes, Section III a Subdivision in Fort Bend County, Texas.
 - b. Recording Information:
 - (1) Fort Bend County Clerk's File No. 2010114499.

2. Additional Dedicatory Instrument. In addition to the Dedicatory Instrument identified in the Notice, the following document is a Dedicatory Instrument governing the Association:
 - a. Certificate of Amendment to the Certificate of Formation (Formerly Articles of Incorporation) of Quail Valley Fund, Inc.
 - b. Amended and Restated Bylaws of Quail Valley Fund, Inc.

True and correct copies of such Dedicatory Instrument are attached to this Supplemental Notice.

This Supplemental Notice is being recorded in the Official Public Records of Real Property of Fort Bend County, Texas for the purpose of complying with Section 202.006 of the Texas Property Code. I hereby certify that the information set forth in this Supplemental Notice is true and correct and that the copy of the Dedicatory Instrument attached to this Notice is a true and correct copy of the original.

Executed on this 1st day of March, 2011.

QUAIL VALLEY FUND, INC.

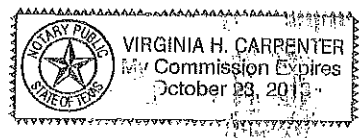
By: Cecil Willis, Jr.
Cecil Willis, Jr., Executive Director

THE STATE OF TEXAS §
 §
COUNTY OF FORT BEND §

BEFORE ME, the undersigned notary public, on this 1st day of March, 2011 personally appeared Cecil Willis, Jr., Executive Director of Quail Valley Fund, Inc., known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purpose and in the capacity therein expressed.

Virginia H. Carrenter
Notary Public in and for the State of Texas

Return to:
Butler | Hailey
8901 Gaylord Drive, Suite 100
Houston, Texas 77024



192822

AS PER ORIGINAL

**CERTIFICATE OF AMENDMENT
to the
CERTIFICATE OF FORMATION
(Formerly Articles of Incorporation)
of
QUAIL VALLEY FUND, INC.**

FILED
In the Office of the
Secretary of State of Texas

MAR 08 2011

Corporations Section

Entity Information

The name of the filing entity is Quail Valley Fund, Inc.

The filing entity is a nonprofit corporation.

The file number issued to the filing entity by the Secretary of State is 26853101.

The date of formation of the entity is November 13, 1969.

Amendments

Article VIII, Subsection (c) was amended to read as follows:

ARTICLE VIII, SUBSECTION (c)

- (c) The affairs of this corporation shall be run by seven Trustees, who shall be either residential owner occupant of a lot in an applicable subdivision or an officer of a corporation owning and occupying one (1) or more lots in the applicable subdivision; and said Trustees shall be elected and appointed as provided in the By-laws of the corporation.

Article VIII, Subsection (d) was amended to read as follows:

ARTICLE VIII, SUBSECTION (d)

- (d) The annual meeting of the membership shall be held on the second Monday in March each year beginning with the year 2011, at the hour of 7:30 p.m. and shall be held at a place in Missouri City, Texas. If the day fixed for the annual meeting shall be a legal holiday in the State of Texas, such meeting shall be held on the next succeeding business day. The Trustees shall mail notice of the place of the annual meeting to the members at least fifteen (15) days but not more than fifty (50) days prior to the date of said meeting.

Article VIII, Subsection (e) was amended to read as follows:

ARTICLE VIII, SUBSECTION (e)

- (e) Trustees shall be elected for a term of three (3) years, but they can be removed prior to that time at a special meeting of the members by a majority vote of the members present in person or by proxy provided a quorum is present.

Statement of Approval

The amendments to the corporation's certificate of formation (formerly the Articles of Incorporation) were approved in the manner required by the Texas Business Organizations Code and by the governing documents of the entity by the affirmative vote of at least two-thirds (2/3rds) of the members of the corporation present in person or by proxy, at the special meeting of the members of the corporation held on the 2nd day of November, 2009 at which quorum was present.

Effectiveness of Filing

This document becomes effective when the document is filed by the Secretary of State.

Execution

The undersigned signs this document subject to the penalties imposed by law for the submission of a materially false or fraudulent instrument and certifies under penalty of perjury that the undersigned is authorized under the provisions of law governing the entity to execute the filing instrument.

DATED March 1, 2011.

QUAIL VALLEY FUND, INC.

By: 

Charles Butera, President

192815

**AMENDED AND RESTATED BYLAWS OF
QUAIL VALLEY FUND, INC.**

**ARTICLE I
Definitions**

SECTION 1.1. Articles of Incorporation - The Articles of Incorporation of Quail Valley Fund, Inc.

SECTION 1.2. Board - The Board of Trustees of Quail Valley Fund, Inc.

SECTION 1.3. Bylaws - These Bylaws of the Quail Valley Fund, Inc.

SECTION 1.4. Fund - Quail Valley Fund, Inc., a Texas non-profit corporation.

SECTION 1.5. Lot(s) - Each of the Lots in the Properties.

SECTION 1.6. Member(s) – All Owners.

SECTION 1.7. Owner(s) - Any person or persons, firm, corporation or other entity or any combination thereof that is the record owner of fee simple title to a Lot, including contract sellers, but excluding those having an interest merely as a security for the performance of an obligation.

SECTION 1.8. Plat(s) – The recorded plats of the Properties.

SECTION 1.9. Properties - Shall mean and refer to all of the subdivisions under the jurisdiction of the Quail Valley Fund, Inc. as reflected in the Management Certificate required by Section 209.004 of the Texas Property Code and filed of record in the Official Public Records of Real Property of Fort Bend County, Texas under County Clerk's File No. 2002022458 and as amended from time to time.

**ARTICLE II
Offices and Agent**

The principal office of the Fund in the State of Texas shall be located in Fort Bend County, Texas. The registered office of the Fund required by the Texas Business Organizations Code to be maintained in the State of Texas may be, but need not be, identical with the principal office in the State of Texas. The address of the registered office may be changed from time to time by the Board of Trustees. The registered agent of the Fund may be changed from time to time by the Board of Trustees.

**ARTICLE III
Members**

SECTION 3.1. Membership Qualification. The Members of the Fund shall be the Owners of the Lots in the Properties.

SECTION 3.2. Annual Meeting. The annual meeting of the membership shall be held on the second Monday in March each year beginning with the year 2011, at the hour of 7:30 pm. If the day fixed for the annual meeting shall be a legal holiday in the State of Texas, such meeting shall be held on the next succeeding business day.

SECTION 3.3. Special Meetings. Special meetings of the membership for any purpose or purposes, unless otherwise prescribed by statute, may be called by three (3) of the Trustees, or by a petition signed by the Members holding ten percent (10%) of the votes in the Fund. Such special meeting must be held within forty-five (45) days of receiving a petition signed by the requisite number of Trustees or Members.

SECTION 3.4. Place of Meeting. The Board of Trustees may designate any place within Missouri City, Texas, as the place of meeting for any annual meeting or for any special meeting.

SECTION 3.5. Notice of Meeting. Written or printed notice stating the place, day and hour of the annual meeting and in the case of special meetings, the purpose or purposes for which the meeting is called, shall be delivered not less than fifteen (15) nor more than fifty (50) days before the date of the meeting either personally or by mail by or at the direction of the President or the Secretary or the officer or persons calling the meeting to each Member entitled to vote at such meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail addressed to the Member at the address as it appears on the membership roll of the Fund, with postage thereon prepaid. Attendance by a Member, whether in person or by proxy, at a membership meeting shall constitute a waiver of notice of such meeting of which the member had no notice. All meetings will be advertised by a notice being placed in front of the then current Fund's office, not less than three (3) days prior to the meeting.

SECTION 3.6. Date for Determining Members. For the purpose of determining Members entitled to notice of or to vote at any meeting of the membership or any adjournment thereof, or in order to make a determination of Members for other proper purpose, the Board of Trustees of the Fund shall by resolution fix in advance a date as the record date for any such determination of Members, such date in any case to be not more than fifty (50) days, and in case of any meeting of the membership, not less than fifteen (15) days prior to the date on which the particular action requiring such determination is to be taken. When a determination of Members entitled to vote has been made as provided in this section, such determination shall also apply to any adjournment.

SECTION 3.7. Membership Roll. After setting the record date for notice of a meeting of the Members, the Secretary of the Fund shall prepare a complete list of the Members entitled to vote at such meeting or any adjournment thereof arranged in alphabetical order, which list must contain: (1) the Members who are entitled to notice; (2) the addresses of each Member; and (3) the number of votes each Member is entitled to vote at the meeting. Not later than the second business day after the date notice of the meeting is given and continuing through the date of the meeting, the list must be kept on file at the registered office of the Fund and shall be subject to inspection by any Member at any time during usual business hours. Such list shall also be produced and opened at the time and place of the meeting and shall be subject to the inspection by any Member during the whole time of the meeting.

SECTION 3.8. Quorum. At least ten percent (10%) of the votes of the Fund entitled to be cast represented in person or by proxy shall constitute a quorum at a meeting of the Members. If less than ten percent (10%) of the Members are represented at a meeting, a majority of the Members present may adjourn the meeting from time to time without further notice. At such adjourned meeting at which a quorum shall be present or represented, any business may be transacted which might have been transacted as originally notified. The Members present at a duly organized meeting may continue to transact business until adjournment, notwithstanding the withdrawal of enough Members to leave less than a quorum.

SECTION 3.9. Proxies. At all meetings of Members (excluding the election of Trustees), a Member may vote by proxy executed in writing by the Member or by a duly authorized attorney in fact. In order to be valid, such proxy must be filed with the Secretary of the Fund before the meeting is called to order or such other time designated by the Board in the notice of the meeting. Proxies will be valid for only one (1) meeting and any adjournment or continuation thereof, and need to be signed by only one (1) of the Members (Owners) of a Lot. The Board may designate an official proxy form, which form must be used in order to vote by proxy. To be valid, a proxy must include: (1) the printed name of the Member; (2) the Member's address; (3) the Member's signature; and (4) the date of execution.

SECTION 3.10. Voting. Each Lot in the Properties shall be entitled to one (1) vote; and the Owner or Owners of such Lot shall cast such vote as a unit. All voting by the Members of the Fund shall be per Lot, with only one (1) vote being cast by such Lot. The full vote of any Lot standing in the name of the Owners of record may be cast by any of them in person or by a proxy duly signed by one (1) of them. The full vote of any Lot standing in the name of a business entity may be voted by such officer, agent or proxy as the Bylaws of such a business entity may prescribe. The vote of any Lot standing in the name of an administrator, executor or guardian may be voted by such administrator, executor or guardian so long as such Lot is in his or her possession and forms a part of the estate being served by him or her, either in person or by proxy. Voting may be conducted by mail, facsimile transmission, electronic message or any combination thereof as authorized by the Board from time-to-time.

ARTICLE IV Board of Trustees

SECTION 4.1. General Power. The business and affairs of the Fund shall be directed by its Board of Trustees.

SECTION 4.2. Number, Tenure, and Qualifications. The Board of Trustees shall be composed of seven (7) Trustees who shall be (i) residents of a Lot in an applicable subdivision under the jurisdiction of the Fund, and (ii) an Owner or a governing person of a business entity (including trusts) owning one (1) or more Lots in the applicable subdivision under the jurisdiction of the Fund. Two (2) Trustees shall be designated as Class I Trustees, two (2) Trustees shall be designated as Class II Trustees, and three (3) Trustees shall be designated as Class III Trustees. Each Trustee will serve a three (3) year term. Class I Trustees will run for election beginning 2011 and every three (3) years thereafter, Class II Trustees will run for election in 2012 and every three (3) years thereafter, and Class III Trustees will run for election in 2013 and every three (3) years thereafter. In order to properly stagger the terms of Trustees due to the increase in the

number of Trustees and terms of office, the Board may designate the Classes of Trustees in office on the date this amendment to the Bylaws is approved.

All Trustees shall hold office until their successors have been duly elected qualified.

SECTION 4.3. Election.

a) Nomination of Trustees. Nominations for candidates running for Trustee positions must be made in writing by a Member submitted to the Fund's office prior to the close of business on the last Friday of January. Thereafter, nominations shall be closed. Nominations need not be seconded and a Member may nominate himself. The names of all candidates that have been properly nominated and, have accepted the nomination, shall appear on the official ballot for the election, which will be mailed with the notice of the annual meeting.

b) Election of Trustees. The election of Trustees will be conducted each year by ballot, either by mail, electronic message or casting of same at annual meeting, in such format as determined by the Board. If by mail, the ballots must be prepared in such a format that the person casting the ballot cannot be identified on the ballot itself. The ballots must be sent to an independent third party (someone not currently an employee of the Fund or a Member of the Fund) retained for such function. Provided, however, if after the record date established for notice of the annual meeting in accordance with Section 3.7 of these Bylaws someone purchases a Lot, such Member may cast their vote at the annual meeting. The candidates receiving the most votes will be elected to office. No minimum number of votes will be required for a candidate to be properly elected and a quorum of Members at the annual meeting will not be required to announce the results of the election. Ties shall be determined by drawing lots under the direction of the then President of the Fund. Newly elected Trustees shall take office immediately upon announcement of the election results at the annual meeting.

SECTION 4.4. Regular Meetings. The Board of Trustees may provide by resolution the time and place within Missouri City, Texas, for the holding of additional regular meetings without other notice than such resolution.

SECTION 4.5. Special Meetings. Special meetings of the Board of Trustees may be called by or at the request of the President or any three (3) Trustees. The person or persons authorized to call special meetings of the Board of Trustees may fix any place within Missouri City, Texas, as the place for holding any special meeting of the Board of Trustees called by them.

SECTION 4.6. Notice. Notice of any special meeting shall be given at least five (5) days prior thereto by a written notice delivered personally, mailed, or by electronic means to each Trustee. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, so addressed, with postage thereon prepaid. Any Trustee at a meeting shall constitute a waiver of notice of such meeting, except where a Trustee 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, or the purpose of, any special meeting of the Board of Trustees must be specified in the notice of such meeting.

SECTION 4.7. Quorum. A majority of the number of Trustees fixed by Section 4.2 of this Article IV shall constitute a quorum for the transaction of business at any meeting of the Board of Trustees. The act of a majority of the Trustees present at a meeting at which a quorum is present shall be the act of the Board of Trustees.

SECTION 4.8. Vacancies. Any vacancy occurring in the Board of Trustees will be filled by an appointment by the Board of Trustees until the next election of Trustees in accordance with Section 4.3. If a vacancy occurs within four (4) months of the next annual meeting the position shall not be filled by the Board and will remain vacant until the election of Trustees in accordance with Section 4.3. A Trustee elected to fill a vacancy shall be elected for the unexpired term of the Trustee's predecessor in office. A vacancy shall be deemed to exist by reason of the death, resignation, failure or refusal to act by the person elected.

SECTION 4.9. Removal. The entire Board of Trustees or any individual Trustee may be removed from office by the vote of a majority of all Members of the Fund (with one (1) vote per Lot). In case the entire Board or any one (1) or more of the Trustees are so removed, new Trustees may be elected at the same meeting for the unexpired term of the Trustee or Trustees so removed.

SECTION 4.10. Compensation. All Trustees will serve as volunteers and will not receive any compensation, except they will be reimbursed for expenses incurred in carrying out their function as Trustees, as approved by the Board.

ARTICLE V Officers

SECTION 5.1. Officers. The officers of the Fund shall be a President, a Vice-President, a Secretary, and a Treasurer, each of whom shall be elected by the Board of Trustees. Such other officers and assistant officers as may be deemed necessary may be elected or appointed by the Board of Trustees. Any two (2) or more offices may be held by the same person, except the offices of President and Secretary. The Board may also delegate the duties of an officer to the Fund's staff as the Board deems appropriate.

SECTION 5.2. Election and Term of Office. The officers of the Fund shall be elected by the Board of Trustees annually at a meeting of the Board of Trustees held after each annual meeting of the Members. Each officer shall hold office until the Trustee's successor shall have been duly elected and shall have qualified or until the Trustee's death or until the Trustee shall resign or shall have been removed in the manner hereinafter provided.

SECTION 5.3. Removal. Any officer or agent elected or appointed by the Board of Trustees may be removed by a majority vote of all of the Board of Trustees whenever in its judgment the best interest of the Fund would be served thereby.

SECTION 5.4. Vacancies. A vacancy in any office because of death, resignation, removal, disqualification or otherwise, may be filled by the Board of Trustees for the unexpired portion of the term.

SECTION 5.5. President. The President shall be the principal executive officer of the Fund and, subject to the control of the Board of Trustees, shall in general supervise and

control all of the activities and affairs of the Fund. The President shall, when present, preside at all meetings of the Members and of the Board of Trustees. The President may sign with the Secretary or any other proper officer of the Fund thereunto duly authorized by the Board of Trustees, any notes, bonds, contracts, or other instruments which the Board of Trustees has authorized to be executed and in general shall perform all duties incident to the office of the President and such other duties as may be prescribed by the Board of Trustees from time to time.

SECTION 5.6. Vice-President. In the absence of the President, or in the event of the President's death, inability or refusal to act, the Vice-President shall perform the duties of the President, and when so acting, shall have all the powers of and be subject to all the restrictions upon the President. The Vice-President shall perform such other duties as may from time to time be assigned to the Vice-President by the President or by the Board of Trustees. If the President resigns or in the event of a death, the Vice-President will automatically assume the position of President and a new Vice-President will be elected by the Trustees.

SECTION 5.7. Secretary. The Secretary shall be responsible as follows: (a) keep the minutes of the meetings of the Members and of the Board of Trustees in one (1) or more books provided for such purpose; (b) see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law; (c) be custodian of the corporate records of the Fund; (d) keep a membership roll of the Members of the Fund; (e) sign with the President or Vice-President any instrument as authorized by resolution of the Board of Trustees; and (f) in general perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned by the President or by the Board of Trustees.

SECTION 5.8. Treasurer. If required by the Board of Trustees, the Treasurer shall give a bond for faithful discharge of his or her duties in such sum and with such surety or sureties as the Board of Trustees shall determine. Such bond will be paid for by the Fund. The Treasurer shall have overall responsibility for the proper operation of the staff in the handling of funds collected or disbursed and in general perform all of the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to the Treasurer by the President or by the Board of Trustees. The Fund's staff must obtain approval from the Treasurer for any transaction that involves more than the amount the staff is authorized to expend, as such amount is set by the Board from time to time.

Section 5.9. Compensation. The Officers will not receive any compensation, other than be reimbursed for expenses incurred in the carrying out of their duties, as approved by the Board.

ARTICLE VI

Contracts, Loans, Checks and Deposits

SECTION 6.1. Contracts. The Board of Trustees may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Fund, and such authority may be general or confined to specific instances.

SECTION 6.2. Loans. No loans shall be contracted on behalf of the Fund, and no evidence of indebtedness shall be issued in its name, unless authorized by a resolution of the Board of Trustees. Such authority may be general or confined to specific instances.

SECTION 6.3. Checks. All checks issued in the name of the Fund for the payment of indebtedness may be signed by the Fund's managing agent if (i) the Fund has retained a managing agent, and (ii) the amount is within the amount approved by the Board for the managing agent's signature. Any checks not within the amount approved by the Board for the managing agent's signature will require two (2) signatories.

SECTION 6.4. Deposit. All funds of the Fund not otherwise employed shall be deposited from time to time to the credit of the Fund in such banks, trust companies or other depositories as the Board of Trustees may select.

ARTICLE VII Procedure

Meetings of the Members and of the Board of Trustees shall be conducted in accordance with the procedures as contained in Robert's Rules of Order to the extent applicable.

ARTICLE VIII Amendments

Amendments to these Bylaws shall be adopted at an annual or special meeting of the Members by a vote of a majority of Members of the Fund who are present in person or by proxy voting in the meeting. Notice of the intent to vote on an amendment to the Bylaws must be included in the notice of the meeting.

192817

CERTIFICATE OF SECRETARY
of
QUAIL VALLEY FUND, INC.
regarding
AMENDED AND RESTATED BYLAWS OF
QUAIL VALLEY FUND, INC.

The undersigned, being the duly elected, qualified and acting Secretary of Quail Valley Fund, a Texas non-profit corporation ("Association"), does hereby certify the Bylaws of the Association were amended and restated in the foregoing "Amended and Restated Bylaws of Quail Valley Fund, Inc." by a majority of the members of the Association present in person or by proxy at the 2011 Special Meeting of the members of the Association held on the 22nd day of February, 2011, at which the requisite quorum was present.

TO CERTIFY WHICH WITNESS my hand on this 1st day of March, 2011.

QUAIL VALLEY FUND, INC.

Frederick R. Grates
FREDERICK R. GRATES, Secretary

THE STATE OF TEXAS

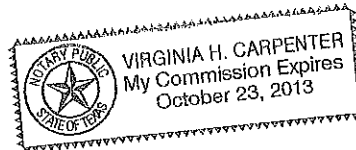
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COUNTY OF FORT BEND

BEFORE ME, the undersigned notary public, on this 1st day of March, 2011 personally appeared Frederick R. Grates, Secretary of Quail Valley Fund, Inc., known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he/she executed the same for the purpose and in the capacity therein expressed.

Virginia H. Carpenter
Notary Public in and for the State of Texas

192820



CERTIFICATE OF SECRETARY
of
QUAIL VALLEY FUND, INC.
regarding
APPROVAL OF THE 2011 ELECTION OF TRUSTEES
and
ANNUAL MEETING NOTICE, PROXY AND BALLOT
and
DESIGNATION OF TRUSTEES TO CLASSES

I, Fred R Grates, Secretary of Quail Valley Fund, Inc. (the "Fund"), do hereby certify that at a meeting of the Board of Directors of the Fund (the "Board") duly called and held on the 1 day of MARCH, 2011, with at least a quorum of the board members being present and remaining throughout, and being duly authorized to transact business, the following resolution was duly made and approved by a majority vote of the members of the Board:

WHEREAS, the Bylaws of the Fund ("Bylaws") were recently amended and provide, in pertinent part, as follows:

SECTION 4.2. Number, Tenure, and Qualifications. The Board of Trustees shall be composed of seven (7) Trustees who shall be (i) residents of a Lot in an applicable subdivision under the jurisdiction of the Fund, and (ii) an Owner or a governing person of a business entity (including trusts) owning one (1) or more Lots in the applicable subdivision under the jurisdiction of the Fund. Two (2) Trustees shall be designated as Class I Trustees, two (2) Trustees shall be designated as Class II Trustees, and three (3) Trustees shall be designated as Class III Trustees. Each Trustee will serve a three (3) year term. Class I Trustees will run for election beginning 2011 and every three (3) years thereafter, Class II Trustees will run for election in 2012 and every three (3) years thereafter, and Class III Trustees will run for election in 2013 and every three (3) years thereafter. In order to properly stagger the terms of Trustees due to the increase in the number of Trustees and terms of office, the Board may designate the Classes of Trustees in office on the date this amendment to the Bylaws is approved.

All Trustees shall hold office until their successors have been duly elected qualified.

SECTION 4.3. Election.

a) Nomination of Trustees. Nominations for candidates running for Trustee positions must be made in writing by a Member submitted to the Fund's office prior to the close of business on the last Friday of January. Thereafter, nominations shall be closed. Nominations need not be seconded and a Member may nominate himself. The names of all candidates that have been properly nominated and, have accepted the nomination, shall appear on the official ballot for the election, which will be mailed with the notice of the annual meeting.

b) Election of Trustees. The election of Trustees will be conducted each year by ballot, either by mail, electronic message or casting of same at annual meeting, in such format as determined by the Board. If by mail, the ballots must be prepared in such a format that the person casting the ballot cannot be identified on the ballot itself. The ballots must be sent to an independent third party (someone not currently an employee of the Fund or a Member of the Fund) retained for such function. Provided, however, if after the record date established for notice of the annual meeting in accordance with Section 3.7 of these Bylaws someone purchases a Lot, such Member may cast their vote at the annual meeting. The candidates receiving the most votes will be elected to office. No minimum number of votes will be required for a candidate to be properly elected and a quorum of Members at the annual meeting will not be required to announce the results of the election. Ties shall be determined by drawing lots under the direction of the then President of the Fund. Newly elected Trustees shall take office immediately upon announcement of the election results at the annual meeting.

WHEREAS, the Board of Trustees of the Fund ("Board") approved calling for the 2011 Election of Trustees and 2011 Annual Meeting, by virtue of the attached Notice, Proxy and Ballot, and

WHEREAS, in accordance with the above quoted Section 4.2 of the Bylaws, the Board may designate the Classes of Trustees in office on the date the amendment was approved.

NOW, THEREFORE, IT RESOLVED the Board ratifies the attached Notice, Proxy and Ballot for the 2011 Election of Trustees and 2011 Annual Meeting that was mailed in accordance with the notice requirements of the Bylaws.

BE IT FURTHER RESOLVED the current members of the Board are designated to the following Classes of Trustees:

Class I - Toni Mamula and Tony DeSantis

Class II - George Everitt and Fred Grates

Class III - Charlie Butera

TO CERTIFY WHICH WITNESS my hand on this 1 day of MARCH, 2011.

QUAIL VALLEY FUND, INC.

By: Frederick R Grates

Printed: FREDERICK R GRATES

Its: Secretary

STATE OF TEXAS

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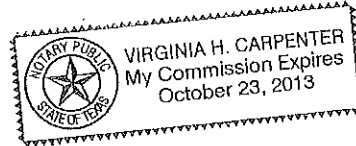
COUNTY OF FORT BEND

BEFORE ME, the undersigned notary public, on this 1st day of March, 2011 personally appeared Frederick R. Grates, Secretary of Quail Valley Fund, Inc. known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he/she executed the same for the purpose and in the capacity therein expressed.

Virginia H. Carpenter

Notary Public in and for the State of Texas

193043



Ret:

Butler & Hailey PC
8901 Gaylord St #100
Houston, TX 77024

FILED AND RECORDED

OFFICIAL PUBLIC RECORDS

Dianne Wilson

2011 Mar 23 11:07 AM

2011026519

BAK \$67.00

Dianne Wilson COUNTY CLERK
FT BEND COUNTY TEXAS