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**BYLAWS**

**OF**

**HOUSTON EL NORTE PROPERTY  
OWNERS ASSOCIATION, INC.**

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**A TEXAS NONPROFIT  
CORPORATION**

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HOUSTON EL NORTE PROPERTY OWNERS ASSOCIATION,  
INC.**

**A TEXAS NONPROFIT CORPORATION**

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**BYLAWS**  
**OF**  
**HOUSTON EL NORTE PROPERTY OWNERS ASSOCIATION,**  
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**A TEXAS NONPROFIT CORPORATION**

ARTICLE I  
Name; Offices

1.1 Name. The name of the corporation is HOUSTON EL NORTE PROPERTY OWNERS ASSOCIATION, INC. (hereinafter referred to as the "Association").

1.2 Principal Office. The principal office of the Association is located at c/o CH&P Management, LLC, 1712 N Frazier Suite 216, Conroe, Texas 77301. The address of the principal office may be changed from time to time as directed by resolution of the Board of Directors. The Association may also have offices at such other places as the Board of Directors may from time to time designate or as its business may require.

1.3 Registered Office and Agent. The Association must have and continuously maintain in the State of Texas a registered office, and a registered agent whose business office is identical with such registered office, as required by the Texas Business Organizations Code. The registered office may be, but need not be identical with the principal office of the Association. The registered agent and address of the registered office may be changed from time to time by the Board of Directors in accordance with the Texas Business Organizations Code.

ARTICLE II  
Definitions

2.1 Incorporation of Definitions. All definitions as set forth in those certain Declarations of Covenants, Conditions and Restrictions for all subdivisions (including future subdivisions) under the stewardship or that become under the stewardship of the Houston El Norte Property Owners Association, Inc. (collectively, the "Declarations").

2.2 Other Definitions. In addition to the definitions as provided in **Section 2.1** and to any other definitions set forth in these Bylaws, the following terms have the following meanings:

2.2.1 "Assessments" mean any and all assessments, regular, special or specific, and all other monetary obligation owed by any Member or Owner to the Association as provided in, and in accordance with, the Declarations and any other applicable Governing Documents.

2.2.2 "Bylaws" means these Bylaws of Houston El Norte Property Owners Association, Inc., and all lawful amendments thereof.

2.2.3 "Declarant Control Period" means the period of time during which Declarant retains exclusive authority and control as to the operation and management of the Association, including all governing and budgetary functions of the Association. The Declarant Control Period begins on the date of filing of the Declarations, and ends upon occurrence of the "Declarant Control Transfer Date" as defined and provided in each of the Declarations. The Development Period and the Declarant Control Period are independent periods which may or may not end on the same date.

2.2.4 "Development Period" means the period of time during which Declarant retains and reserves either any right to facilitate the development, construction, and marketing of the Subdivisions, or any right to direct the size, shape, and composition of the Subdivisions, The Development Period begins on the date of filing of each of the respective Declarations, and ends as provided in the Declarations.

2.2.5 "Electronic Means" means, refers and applies to (i) any method of notices or other communications by email, by facsimile, or by posting on or other method of communication via an Internet website, or any combination thereof, whereby the identity of the sender and receipt by the recipient can be confirmed, and (ii) holding of any meetings as permitted by these Bylaws, the Declarations or other applicable Governing Documents, or by applicable law, by using a conference telephone or similar communications equipment, or another suitable electronic communications systems, including videoconferencing technology or the Internet, or any combination thereof, whereby each participant may hear and be heard by every other participant. IT IS THE OBLIGATION OF EACH OWNER AND THEIR TENANT(S) TO OBTAIN AND MAINTAIN CONFIRMATIONS OF RECEIPT OF ALL NOTICES AND OTHER COMMUNICATIONS BY ELECTRONIC MEANS, AND TO PROVIDE THE SAME TO THE ASSOCIATION UPON REQUEST. IT IS THE OBLIGATION OF EACH OWNER AND THEIR TENANT(S) TO MAINTAIN THE CAPABILITY TO RECEIVE ANY NOTICES OR OTHER COMMUNICATIONS FROM THE ASSOCIATION BY, AND TO PARTICIPATE IN ANY MEETINGS AS AFORESAID BY, ELECTRONIC MEANS. BY ACCEPTANCE OF ANY RIGHT, TITLE OR INTEREST IN ANY LOT, OR BY OCCUPANCY THEREOF, EACH OWNER AND THEIR TENANT(S) CONSENT TO THE USE OF ELECTRONIC MEANS BY THE ASSOCIATION AS TO ANY NOTICES, COMMUNICATIONS OR MEETINGS IN ACCORDANCE WITH THESE BYLAWS, THE DECLARATIONS OR OTHER GOVERNING DOCUMENTS.

2.2.6 "First Annual Election Meeting" means the first meeting of Owners for election by Owners, including Declarant as applicable, of all members of the Board of Directors as provided in the Declarations and in these Bylaws. At the First Annual Election Meeting the Owner of each Lot, including Declarant as applicable, will have one vote for each Lot owned as to election of the Directors.

2.2.7 "Managing Agent" means the company or other Person retained, hired, employed or contracted with to provide management services to the Association in accordance with these Bylaws.

2.2.8 "Member" means every Person who is an Owner (as defined in each of the Declarations) and who holds a membership in the Association as provided in the Declarations (except when the context is referring to a member of the Board or of a committee, or otherwise requires).

2.2.9 "Subdivisions" means each of the subdivisions referred to in the Declarations, including future subdivisions.

ARTICLE III  
Membership; Voting Rights

3.1 Membership; Voting Rights. As more fully described in the Declarations, every Person who is the Owner of a fee simple title or undivided fee simple title interest applicable to any Lot that is subject to the Declarations is a Member of the Association. Members have and may exercise voting rights as set forth in these Bylaws and the Declarations.

3.2 Designations and Actions of Representatives, Effect. Each Member which is not a natural person is required to designate one natural person to act on such Member's behalf. The designation must be by written, dated and signed notice stating (i) the name, contact address and telephone number of the designating entity and of the designated representative, and (ii) the effective date of such designation. The effective date may not be earlier than midnight of the third business day after the date of receipt of the notice by the Association. The Association is not required to recognize any person as being authorized to represent or act on behalf of any Member or Owner until the effective date of the designation. A designation fully authorizes the designated representative to bind the designating entity as to all matters, decisions and actions of the designated representative, whether or not such authority is expressly stated in the written designation. In the absence of a designation any person who does act as a designated representative is also conclusively presumed to have such authority absent actual knowledge by the Board as to lack of authority. In any case the Board or any Vote Tabulator may require any designated representative to show authority to act in such manner as the Board or Vote Tabulator may reasonably require. Any designated representative may be changed from time to time in the same manner as required for original designation. In the event of conflict between designations, the most currently dated designation will control. Any such representative may serve as a member of the Board. The foregoing does not apply to Declarant during the Development Period who may act through any officer, agent or employee as Declarant may direct.

3.3 Cumulative Voting Prohibited. Cumulative voting is prohibited as to any matter placed before the membership for a vote, including election of Directors.

3.4 Voting Rights and Methods.

3.4.1 Right to Vote. Any provision in the Association's Governing Documents that would disqualify an Owner from voting in an Association election of a member or members of the Board of Directors or on any matter concerning the rights or responsibilities of the Owner is void.

3.4.2 Method of Voting. Voting rights of an Owner may be cast or given in person or by proxy at any meeting of Owners. The Association is not required to provide any Owner with more than one voting method so long as each Owner may vote in person at a meeting or by proxy. Except as next provided, any vote cast by an Owner must be in writing and signed by the Owner. The Board may adopt rules to allow voting by secret ballot as provided in **Section 3.5.5**. Voting rights may also be exercised by absentee or electronic ballot, but only if and as may be permitted by the Board as provided in **Section 3.5.2**. In an election written and signed ballots are not required for uncontested elections.



### 3.5 Voting Procedures.

3.5.1 Voting in Person or by Proxy. At all meetings of Members, voting may be in person or by proxy. Voting by proxy is deemed voting in person for all purposes.

3.5.2 Voting by Absentee or Electronic Ballot. The Board may, but is not obligated to, permit Members to vote at any meeting of Owners on any matter by absentee ballot or by electronic ballot in accordance with Section 209.00592 of the Texas Property Code. The Board may adopt procedures for voting by absentee ballot or electronic ballot to apply to any particular meeting, or to apply to all meetings. In the latter case the Board is specifically authorized to amend these Bylaws accordingly without the vote, approval or consent of any Owner or any other Person. Any such amendment must be filed in the Official Public Records of Real Property within the County Records. VOTING BY ABSENTEE BALLOT OR ELECTRONIC BALLOT IS NOT PERMITTED UNLESS AND UNTIL THE BOARD ADOPTS PROCEDURES AS AFORESAID FOR VOTING BY ABSENTEE BALLOT OR ELECTRONIC BALLOT.

3.5.3 Voice or Show Votes. Members may vote by voice or show of hands as to any procedural matters or motions at a meeting, including approval of minutes, appointment of vote tabulators, when applicable, or adjournment of a meeting, or as to any uncontested matters. The results of any such vote must be reflected in the minutes of the meeting.

3.5.4 Multiple Owners. When more than one Person holds an ownership interest in a Lot, all such Persons ("Co-Owners") are Members, but in no event will they be entitled to more than one vote with respect to each Lot owned. The single vote, approval, or consent of Co-Owners must be cast or given in accordance with the decision of a majority, or if the Co-Owners cannot reach a majority decision, then none of the Co-Owners will be permitted to vote, approve, or consent as to any such matter upon which a majority decision cannot be reached. The vote, approval or consent of any single Co-Owner from among all Co-Owners of a Lot is conclusively presumed to be cast or given in accordance with the decision of the majority of the Co-Owners and with their full authority unless specific written notice to the contrary is given to the Association by another Co-Owner within seven days after the applicable vote, approval or consent.

### 3.5.5 Ballots.

(a) Except as provided by subsection (e), a vote cast by a Member of the Association must be in writing and signed by the Member if the vote is cast (i) outside of a meeting, (ii) in an election to fill a position on the Board, (iii) on a proposed adoption or amendment of the Declarations, these Bylaws or other Governing Documents if and to the extent a vote of the Members is required as to the same, (iv) on a proposed adoption of a special assessment, or (v), on the proposed removal of a Board member if and to the extent a vote of the Members is required as to the same.

(b) If the Board elects to use a ballot for a vote on a matter other than a matter described by subsection (a), the ballot must be (i) in writing and signed by the member, or (ii) cast by secret ballot in accordance with subsection (e).

(c) Electronic votes cast under **Section 3.5.2** or as otherwise herein permitted constitute written and signed ballots.

(d) In an Association election written and signed ballots are not required for uncontested races.

(e) The Board may adopt rules to allow voting by secret ballot by Association Members. In such event, the Board must take measures to reasonably ensure that (i) a Member cannot cast more votes than the Member is eligible to cast in an election or vote, (ii) the Association counts each vote cast by a Member that the Member is eligible to cast, and (iii) in any election for the Board, each candidate may name one person to observe the counting of the ballots, provided that this does not entitle any observer to see the name of the person who cast any ballot, and that any disruptive observer may be removed.

#### 3.5.6 Proxies, Including Duration and Revocation.

(a) All proxies must be in writing, must be signed and, subject to subsection (d) below, must be dated. All proxies must set forth in legible form the name(s) of the Member(s) giving the same, and must set forth in legible form the address or legal description of each Lot as to which voting rights are being exercised.

(b) Proxies must be received by the Association by the date of the meeting to which the same pertains and not later than the time of check-in or registration for the meeting, or such earlier date certain as stated in the notice of the meeting (the "Receipt Date"). The Receipt Date may not be more than three business days prior to the meeting. Any proxy received after the Receipt Date is invalid unless otherwise approved by the Board or the chairperson for the applicable meeting. The Receipt Date is automatically extended in the case of adjournment of the meeting to which the same applies to the last business day prior to the date of the reconvened meeting.

(c) Any proxy may be delivered to the Association by personal delivery, acknowledged in writing, by mail, or by Electronic Means, subject to any limitations set forth in the notice of the applicable meeting.

(d) Any proxy that is not in writing and signed by the Member(s) giving the same is invalid. Any undated proxy will be dated as of the date of receipt of the same by the Association. In the event of conflict between any proxy the most recently dated proxy will control. The Association may also clarify the name(s) of the Member(s) giving a proxy and/or their property address or legal description if the Association is able reasonably to do so, and if not then the proxy is invalid.

(e) Unless otherwise provided by the proxy, a proxy is revocable and expires eleven months after the date of its execution. A proxy may not be irrevocable for longer than eleven months. Subject to the foregoing, once delivered to the custody of the Association, no proxy may be revoked except in writing, either by printing "revoked" on the same and signing and dating such notation, or by separate instrument which specifically identifies the proxy to be revoked and which is dated and signed. Any such revocation will be effective only if actually received by the Association not later than the time of check-in or registration for the applicable meeting. Any proxy that purports to be revocable without notice is invalid.

(f) Members may vote by voice or show as herein provided only as to procedural matters or motions at a meeting, including approval of minutes, appointment of Vote Tabulators, when applicable, or any adjournment of the meeting.

#### 3.6 Verification and Tabulation of Voting Results.

3.6.1 By Whom Verified. Voice or show voting results as provided in **Section 3.5.3** will be verified and tabulated by the chairperson of the meeting to which the same pertains. Proxy and ballot voting results will be verified and tabulated by the Vote Tabulators as provided in **Section 3.6.2**.

3.6.2 Vote Tabulators, Including Internet Services; Tabulation and Access to Proxies or Ballots.

(a) A person who is a candidate in an Association election or who is otherwise the subject of an Association vote, or a person related to that person within the third degree by consanguinity or affinity, as determined under Chapter 573, of the Texas Government Code, may not act as a Vote Tabulator.

(b) Vote Tabulators must be appointed for each meeting of Owners regarding an Association election or vote in accordance with either subsection (c) or subsection (d) below. Vote Tabulators so appointed will serve only as to the meeting for which appointed, including any adjournment thereof.

(c) Prior to each meeting of Owners regarding an Association election or vote, the Board of Directors may contract with or otherwise engage the Managing Agent, or an independent accounting firm, Internet online election service or a similar independent third party or company, to act as Vote Tabulators for the meeting, and/or to otherwise facilitate calling, conducting, tabulation and verification of any vote for the meeting.

(d) At each meeting of Owners regarding an Association election or vote, either one or three qualified Members may be appointed to act as a Vote Tabulator or Tabulators. The appointment or appointments must be made prior to conducting of any other business except as to call to order, verification of a quorum and similar administrative matters. Except as provided in subsection (c), the Vote Tabulator or Tabulators will be appointed by the chairperson of the meeting, if qualified. If the chairperson is not qualified, then the qualified Directors who are present at the meeting, whether one or more, will appoint the Vote Tabulator or Tabulators. If the chairperson and the aforesaid Directors are not qualified, then the Owners who are present at the meeting will appoint the Vote Tabulator or Tabulators by majority show or voice vote. "Qualified" means the person is not disqualified under subsection (a) above. In the case of multiple Co-Owners of a Lot, if any Member is disqualified, then all Members as to that Lot are disqualified.

(e) The Association's attorney may act as an ex-officio Vote Tabulator at any meeting of Owners or as to any other vote.

(f) The name(s) of the vote tabulators for each meeting must be stated in the minutes of the meeting or otherwise documented in the Association's records. However, failure to do so will not in any manner affect the validity of any meeting or the verification or tabulation of any vote.

(g) VOTE TABULATORS MAY INSPECT BALLOTS AND PROXIES ONLY AS PROVIDED IN, AND MUST MAINTAIN THE CONFIDENTIALITY OF ALL BALLOTS AND PROXIES AS PROVIDED IN, **SECTION 3.6.4**.

3.6.3 Verification of Right to Vote. Satisfactory proof of membership or any other qualifications necessary to the validity of a ballot or proxy may be required if in the sole good faith opinion of the Vote Tabulators reasonable doubt as to the same exists.

3.6.4 Proxies and Ballots Confidential.

(a) NO BALLOT OR PROXY MAY BE INSPECTED BY ANY PERSON OTHER THAN THE VOTE TABULATORS FOR THE MEETING TO WHICH THE VOTE PERTAINS. THE VOTE TABULATORS WILL INSPECT BALLOTS AND PROXIES SOLELY FOR THE PURPOSES OF VALIDATING THE SAME AND TABULATING THE RESULTS OF ANY VOTE OF THE MEMBERSHIP. THE CONTENTS OF ALL BALLOTS AND PROXIES MUST BE HELD IN CONFIDENCE BY ALL VOTE TABULATORS, AND NO PERSON OTHER THAN A VOTE TABULATOR MAY BE GIVEN ACCESS TO ANY BALLOT OR PROXY EXCEPT AS PART OF A RECOUNT PROCESS AS PROVIDED IN **SECTION 3.6.9**. THE FOREGOING ALSO APPLIES TO ANY PERSONS WHO CONDUCT A RECOUNT.

(b) Subsection (a) above does not preclude administrative processing of ballots or proxies by a Managing Agent, or by other Association management personnel or other agents or employees of the Association, provided that such personnel, agents or employees must maintain the confidentiality of the ballots or proxies as provided in subsection (a).

3.6.5 Minimum Period of Retention of Ballots or Proxies. The Association must maintain proxies and ballots for a minimum of 15 days or as determined by the Board.

3.6.6 Announcement of Voting Results. The membership will be notified of the results of tabulation of any vote (i) verbally at the meeting to which the same pertains, or (ii) after the meeting by written notice given to all Owners if final results cannot be determined at the meeting as provided in **Section 3.6.7**. In either case, the final results must be made a part of the minutes of the meeting.

3.6.7 Verification of Ballot or Proxy Votes. When tabulating any voting results at a meeting, the Vote Tabulators may disregard any proxy or ballot the validity of which is reasonably in doubt as determined in the sole opinion of the Vote Tabulators. If after tabulating the results of any vote of the membership disregarding any doubtful ballots or proxies, the results of such tabulation would not be changed even if all such doubtful ballots or proxies were counted as votes against the results otherwise obtained, a final tabulation will be announced at the meeting. If the results of any vote would be changed by counting the doubtful ballots or proxies and the Vote Tabulators are unable to reasonably determine the validity of sufficient ballots or proxies to determine final results, a final tabulation will be made as soon as practicable after the meeting. In the latter case the Vote Tabulators will make every reasonable effort to finally validate or invalidate all doubtful ballots and proxies. If in the sole opinion of the Vote Tabulators a reasonably certain result cannot be announced due to the number of doubtful ballots and/or proxies, then all votes regarding the affected matter or matters must be declared void and the membership must be so notified.

3.6.8 Verification of Voice or Show Vote. If the chairperson at any meeting is in doubt as to the results of any vote by voice, the chairperson may call for verification by re-vote by rising or show of hands, and in either case may require a specific count. By majority vote, the Members present at the meeting may require verification of any voice vote in the same manner.

3.6.9 Recount of Votes. Any Owner may, not later than the fifteenth day after the later of the date of the meeting at which the election or vote was held or the date of the announcement of the results of the election or vote, require a recount of the votes in accordance with Section 209.0057 of the Texas Property Code. IF A RECOUNT OF VOTES IS PROPERLY REQUESTED, THE OWNER DEMANDING THE RECOUNT MUST ALSO PAY THE ASSOCIATION'S INVOICE FOR ESTIMATED COSTS FOR PERFORMANCE OF THE RECOUNT WITHIN THIRTY DAYS AFTER THE DATE THE INVOICE IS SENT TO THE OWNER. ANY CLAIM, ACTION OR OTHER CHALLENGE TO THE VALIDITY OF ANY TABULATION OR VERIFICATION OF A VOTE IS WAIVED IF A RECOUNT IS NOT PROPERLY REQUESTED OR THE ASSOCIATION'S INVOICE FOR ESTIMATED COSTS IS NOT PROPERLY PAID AS PROVIDED IN THIS SECTION.

3.6.10 NOTICE AND LIMITATIONS PERIOD TO CHALLENGE VOTE. AS CONDITIONS PRECEDENT TO FILING OF ANY SUIT OR INITIATION OF ARBITRATION OR ANY OTHER LEGAL PROCEEDING PERTAINING TO A MEETING OF THE OWNERS, WRITTEN NOTICE AS TO EACH AND ALL CLAIMS AND CAUSES OF ACTION MUST BE GIVEN TO THE BOARD OF DIRECTORS, AND, IF APPLICABLE, TO THE ASSOCIATION'S MANAGING AGENT. THE NOTICE MUST BE GIVEN NOT LATER THAN NINETY-ONE DAYS AFTER THE LATER OF (i) THE DATE OF THE MEETING, OR (ii) WHEN APPLICABLE, THE DATE WHEN NOTICE IS GIVEN AS TO FINAL VOTING RESULTS AS PROVIDED IN **SECTION 3.6.7.** THE NOTICE MUST SET FORTH THE BASIS FOR EACH AND ALL CLAIMS AND CAUSES OF ACTION WITH SUFFICIENT DETAIL TO PROVIDE FAIR NOTICE AS TO THE BASIS. IN ADDITION, ANY SUIT, ARBITRATION OR OTHER LEGAL PROCEEDING AS TO ANY SUCH CLAIM OR CAUSE OF ACTION MUST BE FILED OR INITIATED IN THE COUNTY WHERE THE SUBDIVISION IS LOCATED, NOT LATER THAN TWO YEARS PLUS ONE DAY AFTER THE DATE OF THE APPLICABLE MEETING. THE LIMITATIONS IN THIS SECTION ARE IN ADDITION TO AND DO NOT EXTEND THE PERIOD OF TIME DURING WHICH A RECOUNT OF VOTES MUST BE PROPERLY REQUESTED AS PROVIDED IN **SECTION 3.6.9,** PROVIDED THAT IF A RECOUNT OF VOTES IS PROPERLY REQUESTED, THEN THE FOREGOING NINETY-ONE DAY NOTICE PERIOD WILL BEGIN AS TO EACH OWNER (AND ONLY AS TO EACH OWNER) WHO PROPERLY REQUESTED AND OBTAINED THE RECOUNT OF VOTES ON THE DATE THE RECOUNT OF VOTES IS PROVIDED TO THE OWNER.

#### ARTICLE IV Meetings of Members

4.1 Annual Meetings. The Board must call an annual meeting of Owners. Each annual meeting during the Development Period will be held as provided in Exhibit "A" to these Bylaws. Each annual meeting thereafter will be held as directed by the Board.

4.2 Special Meetings. Special meetings of the Owners may be called at any time by the President or by the Board of Directors for any purpose. Special meetings of Owners may also be called by Owners by written petition signed by the Owners of not less than one-third of all Lots then contained within the Subdivisions to consider and vote on any matter which Owners are entitled to consider and vote on as permitted by the Declarations, these Bylaws or other Governing Documents, or by law. Each special meeting called by Owners must be called and conducted as otherwise herein provided within forty-five days after receipt of a valid petition.

4.3 Methods for Holding of Member Meetings. Meetings of the Owners may be held in person, by Electronic Means, or by any combination of these methods. Attendance at any meeting by Electronic Means constitutes presence at the meeting for all purposes.

4.4 Notice of Owner Meetings.

4.4.1 Methods for Notice of Owner Meetings. Notice of each meeting of Owners may be given by personal delivery, by mail, by Electronic Means, or by any combination of these methods. Each notice must state the date and time of the meeting, and: (i) if the meeting is not held solely by Electronic Means, the location of the meeting; and (ii) if the meeting is held solely or in part by Electronic Means (iii) the notice of the meeting must specifically identify the form of communications system to be used and the means of accessing the communications system, and (iv) reasonable procedures must be implemented to maintain confidentiality as required by these Bylaws.

4.4.2 Timing for Notice of Owner Meetings. For an election or vote taken at a meeting of the Owners, notice must be given to Owners not later than the tenth day or earlier than the sixtieth day before the date of the meeting. For an election or vote not taken at a meeting of the Owners, notice must be given to Owners entitled to vote on any matters under consideration not later than the twentieth day before the latest date on which a ballot or proxy may be submitted to be counted. Notice must be given to Owners of any other meeting of the Owners not later than the tenth day or earlier than the sixtieth day before the date of the meeting.

4.4.3 Purpose. A general statement of the purpose or purposes must be stated in the notice of (i) any special meeting of Owners, and (ii) as to any other meeting of Owners when otherwise expressly required by these Bylaws. A general statement of the purpose or purposes of any other meeting of Owners may be stated in any notice thereof, but failure to include the same will not preclude consideration and voting on any matter which could otherwise be considered or voted upon at the meeting.

4.5 Quorum. The presence at any meeting, in person or by proxy and whether or not in good standing, of Members representing the Owners of not less 15 Lots then contained in the Subdivisions constitutes a quorum for any action except as otherwise required by law or by these Bylaws. If a quorum is not present or represented at any meeting, the chairperson of the meeting has the power to adjourn the meeting from time to time, without any further formality or notice other than announcement at the meeting, until a quorum as aforesaid is present or represented; provided, the adjourned meeting or meetings must be held within sixty days of the date of the original meeting. At any such adjourned meeting at which a quorum is present or represented, any business may be transacted which might have been transacted at the meeting as originally called. The Members present at a meeting of Owners at which a quorum is present, in person or by proxy, may continue to transact business at the meeting, or at any adjournment thereof, notwithstanding the withdrawal of enough Owners to leave less than a quorum until the closing of the meeting, including as to any adjournment thereof.

4.6 Majority Vote. The vote of a majority of the votes entitled to be cast or given at a meeting of Owners at which at least a quorum is present or represented is the act of the Owners' meeting except as otherwise required by the Association's Certificate of Formation, the Declarations, or these Bylaws, or by law. All such acts at each meeting of Owners are binding upon all Members and Owners.

4.7 Order of Business. Unless the notice of the meeting states otherwise or the Board otherwise directs, and to the extent applicable, the order of business at each annual meeting of Owners is as follows:

- Check-in or registration
- Call to Order
- Verification of notice and quorum
- Introductions
- Approval of minutes of preceding meeting
- Announcement or appointment of Vote Tabulators (as provided in **Section 3.6.2**)
- Reports
- Election of Directors
- Unfinished or old business
- New Business
- Announcement of voting results

## ARTICLE V Board of Directors

5.1 Organization; Authority. The affairs of the Association will be managed by a Board composed of seven Directors. The number of Directors may be increased or decreased from time to time by amendment of these Bylaws, provided that the Board must at all times have not less than three Directors. Unless otherwise expressly required by law or other applicable provision of the Governing Documents, the Board of Directors has and may exercise all rights, powers and authority of the Association.

### 5.2 Composition.

5.2.1 Qualifications. Except during the Development Period all Directors must be Members of the Association.

5.2.2 Disqualification. No person may be nominated, appointed or elected as a Director if the person is disqualified as provided in **Section 5.5.3** regarding conviction of a felony or crime involving moral turpitude.

5.2.3 Designated Representatives. The representative of an Owner designated as provided in **Section 3.2** may be appointed or elected to a directorship position provided that notice of the designation is received by the Association at least ten business days' prior to the annual or other meeting at which such representative may stand for election or appointment. A designated representative serving as a Director may be replaced by the appointing entity upon not less than ten business days written and dated notice and compliance with such other requirements as from time to time determined by the Board.

5.2.4 Owner Election of Directors Required. Any Director whose term has expired must be elected by Owners who are Members of the Association. A Board member may be appointed to fill a vacancy on the Board. A Board member appointed to fill a vacant position will serve for the remainder of the unexpired term of the position.

5.3 Directorship Positions; Terms of Office. Beginning with the First Annual Election Meeting of Owners, Directors will be appointed or elected to one of seven Directorship Positions designated as Positions One through Seven. At the First Annual Election Meeting of Owners, two Directors will be elected to Directorship Positions One and Two, each for a three-year term, two Directors will be elected to Directorship Positions Three and Four, each for a two-year term, and three Directors will be elected to Directorship Positions Five, Six and Seven, each for a one-year term. Thereafter, Directors will be elected for three-year terms. Nominees receiving the largest number of votes will be elected as provided in the next Section. Each Director will hold office until the Director's successor is elected or appointed and takes office.

5.4 Nomination; Election; Cumulative Voting Prohibited.

5.4.1 Nominations, Including Required Solicitation of Nominees

(a) Before each meeting of Owners at which Owners will elect Directors, the Board of Directors will make reasonable efforts to obtain at least as many nominees for election to the Board as will be required to fill all Directorship Positions to be elected at the ensuing meeting. Nominations may also be made from the floor at each such meeting.

(b) At least fifteen days before giving of notice of any meeting of owners at which voting will be held for election by Owners of any Director, the Association must provide notice to all Owners soliciting candidates interested in running for a position on the Board. The notice must contain instructions for an eligible candidate to notify the Association of the candidate's request to be placed on the ballot and the deadline to submit the candidate's request. The deadline may not be earlier than the tenth day after the date the Association provides the notice.

(c) The notice required by subsection (b) must be:

(1) mailed to each Owner, or

(2) provided by (i) posting the notice in a conspicuous manner reasonably designed to provide notice to Owners in a place located on the Association's common area property, or on any Internet website maintained by the Association, and (ii) sending the notice by email to each Owner who has registered an email address with the Association.

(d) The Association must include in any ballot, including in any absentee or electronic ballot if applicable as provided in **Section 3.5.2**, the names of each eligible candidate as nominated by the Board and the names of each eligible candidate from whom the Association receives a request to be placed on the ballot in accordance with this **Section 5.4**.

(e) This **Section 5.4** does not apply to any appointment of a Director during the Development Period.

5.4.2 Election. Directors will be elected by plurality vote. Cumulative voting is not permitted. At the First Annual Election Meeting of Owners, the three nominees receiving the largest number of votes will be elected, with the nominee receiving the largest number of votes to be elected for a three-year term, the nominee receiving the next largest number of votes to be elected for a two-year term, and the nominee receiving the next largest number of votes to be elected for a one year term. In the event of a tie vote at the First Annual Election Meeting, the elected nominees will determine the Directorship Position each will hold. Thereafter, the nominee



receiving the largest number of votes as to each Directorship Position to be filled will be elected to the applicable Directorship Position.

## 5.5 Vacancies on Board of Directors.

5.5.1 Resignation, Death, Disability, Removal, or Other Vacancy. In the case of the resignation, death, or disability to serve of any Director, or in the case of any other vacancy on the Board of Directors due to any other cause other than removal by Owners as provided in **Section 5.5.2**, the vacancy will be filled by the affirmative vote of a majority of the remaining Director or Directors then in office though less than a quorum of the entire Board. A vacancy includes any Directorship Position which is not filled at an election because there was no candidate to fill the position or because a quorum was not obtained, and in such case any resulting vacancy will be filled as aforesaid for the full term of the vacant Directorship Position.

5.5.2 Removal by Owners. Any Director may be removed, either for or without cause, at any special meeting of Owners by the affirmative vote at the meeting of the Owners of not less than a majority of those present at the meeting. The notice calling such meeting must give notice of the intention to act upon such matter. If one or more Directors are removed, then the Owners present, in person or by proxy, must set a date, which is not less than ten nor more than sixty days after the date of the meeting, for a subsequent special meeting of the Owners to fill the vacancy or vacancies.

5.5.3 Automatic Removal. If the Board is presented with written and documented evidence from a database or other record maintained by a governmental law enforcement authority that a Director, or a prospective or nominated nominee, was convicted of a felony or crime involving moral turpitude not more than twenty years before the date the Board is presented with the evidence, the Director or nominee is then immediately ineligible to serve on the Board, automatically considered removed from the Board, and prohibited from future service on the Board. Any vacancy so created will be filled by the Board as provided in **Section 5.5.1**.

5.5.4 Removal by Board. For cause, a Director may be removed from the Board at any special meeting of the Board by the majority vote of all of the remaining Directors. "Cause" includes any Director who is absent from three consecutive meetings of the Board, or who is absent from three meetings of the Board during any calendar year or any other reasonable issue. Any vacancy so created will be filled by the Board as provided in **Section 5.5.1**.

5.6 Powers and Duties of the Board of Directors. The Board of Directors will exercise for the Association all powers, duties and authority vested in or delegated to this Association and not expressly reserved to the membership by other provisions of these Bylaws, the Association's Certificate of Formation, or the Declarations. The foregoing includes without limitation the authority and duties of the Board to:

(a) cause to be kept an appropriate record of its acts and corporate affairs;

(b) supervise all officers, agents and employees of this Association, and see that their duties are properly performed;

(c) designate hire, and dismiss the personnel necessary for the operation of the Association and the maintenance, operation, repair, and replacement of its properties, including all common areas, and, where appropriate, provide for the compensation of

such personnel and for the purchase of equipment, supplies, and materials to be used by such personnel in the performance of their duties;

(d) permit utility suppliers to use portions of the common areas as it may deem to be reasonably necessary to the ongoing development, maintenance or operation of the Subdivisions;

(e) make or contract for the making of repairs, additions, and improvements to or alterations of the common areas in accordance with applicable provisions of the Declarations, these Bylaws or other Governing Documents after damage or destruction by fire or other casualty;

(f) fix the amount of Assessments, deposit the proceeds thereof in such banks and/or other depositories that it may approve and designate the required signatories, use and disperse the proceeds, and to take such actions as it deems appropriate to collect all Assessments due to the Association and to enforce the liens given to secure payment thereof, all as more particularly described in the Declarations;

(g) procure and maintain such liability and hazard insurance as it may deem appropriate on any properties or facilities owned or maintained by the Association, including insurance coverage as required by the Declarations, if any;

(h) enforce by legal means the provisions of the Declarations, these Bylaws, Rules and Regulations and other Governing Documents, and bring any proceedings that may be instituted on behalf of or against the Owners concerning the Association; and

(i) in general, to manage the business and affairs of the Association in accordance with and to enforce the provisions of all Governing Documents.

5.7 Settlement of Claims. Without limitation of any other provisions hereof regarding powers of the Board, the Board of Directors is specifically authorized to compromise and settle any and all claims, demands, liabilities and causes of action whatsoever held by or asserted against the Association upon such terms and conditions as the Board may determine. The decisions of the Board as to any of the foregoing are final and conclusive.

5.8 Managing Agent. The Board may from time to time employ a Managing Agent for the Association, on such terms and for such compensation, and to perform such duties and services, as determined and authorized by the Board, subject however to any limitations as set forth in the Declarations. The Board must file or caused to be filed appropriate management certificates in accordance with Section 209.004 of the Texas Property Code.

## ARTICLE VI Meetings of Directors

6.1 Board Meeting Defined. "Board meeting," "meeting of the Board" and any similar reference to any meeting of the Board of Directors, whether or not capitalized:

6.1.1 Means a deliberation between a quorum of the voting Board of the Association, or between a quorum of the voting Board and another person, during which the Association's business is considered and the Board takes formal action; and

6.1.2 Does not include the gathering of a quorum of the Board at a social function unrelated to the business of the Association or the attendance by a quorum of the Board at a regional, state, or national convention, ceremonial event, or press conference, if formal action is not taken and any discussion of Association business is incidental to the social function, convention, ceremonial event, or press conference.

6.2 Annual Organizational Meeting. Within thirty days after each annual meeting of Owners at which the Owners elect one or more Directors, the Board of Directors will hold an annual organizational meeting for the purposes of (i) electing all officers of the Association, and (ii) the transaction of such other business as may be properly brought before it.

6.3 Regular Meetings. Regular meetings of the Board of Directors will be held when called by the President of the Association or by any two Directors. Regular meetings of the Board of Directors may also be held in accordance with a predetermined schedule as from time to time adopted by the Board.

6.4 Special Meetings. Special meetings of the Board of Directors will be held when called by the President of the Association or by any two Directors.

6.5 Quorum. The number of Directors present at a meeting constitutes a quorum for the transaction of business at any meeting. Every act or decision done or made by a majority of the Directors present in person or by proxy at a meeting at which a quorum is present is the act of the Board.

6.6 Board Meetings and Actions.

6.6.1 Notice of Board Meetings. The Board may meet or act in any manner without prior notice to Owners except as provided in **Section 6.7** regarding open Board meeting rules. Notice to Directors of Board meetings may be given orally, by personal delivery, by mail, by Electronic Means, or by any combination of these methods. Regular Board meetings may also be held pursuant to a Board approved predetermined schedule and/or predetermined Electronic Means without notice to Directors. Except as otherwise expressly provided herein, including as provided in **Section 6.7** regarding open Board meeting rules, a general statement of the purpose or purposes of any meeting of the Board may be stated in the notice thereof, but failure to include the same will not preclude consideration and voting on any matter which could otherwise be considered or voted upon at the meeting.

6.6.2 Manner of Board Meeting or Action. The Board may meet or act as follows:

(a) Meetings of the Board may be held in person, by Electronic Means as provided in subsection (b), or by any combination of these methods. Attendance at any meeting by Electronic Means constitutes presence at the meeting for all purposes.

(b) Any Board meeting may be held by Electronic Means, in whole or in part, provided that (i) each Board member may hear and be heard by every other Board member, and (ii) except for any portion of the meeting conducted in executive session (x) all Owners in attendance at the meeting may hear all Board members, (y) Owners are allowed to listen using any Electronic Means used or expected to be used by a Board member to participate, and (z) the notice of the meeting, when required, includes instructions for Owners to access any Electronic Means required to be accessible for Owners to listen as aforesaid.

(c) Except as provided in **Section 6.7** regarding open Board meeting rules, the Board may take action outside of a meeting, including voting by Electronic Means or by written consent, without prior notice to Owners, if each Board member is given a reasonable opportunity to express the Board member's opinion to all other Board members and to vote. Any such action taken without notice to Owners must be summarized orally, including an explanation of any known actual or estimated expenditures so approved, and documented in the minutes of the next regular or special Board meeting.

6.6.3 Open Meetings. Except as provided in **Section 6.6.4** regarding closed executive sessions, Board meetings are open to all Members of the Association. The Board may from time to time establish rules for participation in Board meetings, including as to prior notice required to be placed on a meeting agenda.

6.6.4 Closed Executive Sessions. The Board of Directors may adjourn a Board meeting and reconvene in closed executive session to review and consider any actions involving (i) personnel, (ii) pending or threatened litigation, (iii) contract negotiations, (iv) enforcement actions, (v) confidential communications with the Association's attorney, (vi) matters involving the invasion of privacy of individual Owners, or (vii) matters that are to remain confidential by request of the affected parties and agreement of the Board. Following an executive session, any decision made by the Board in executive session must be summarized orally in general terms and placed in the minutes, without breaching the privacy of individual Owners, violating any privilege, or disclosing information that was to remain confidential at the request of the affected parties. The oral summary must include a general explanation of expenditures approved in closed executive session, if any.

6.6.5 Director Proxies. A Director may vote in person or by proxy. All Director proxies must be in writing, must bear the signature of the Director giving the proxy, and must specify the date on which the proxy was executed. Each Director proxy expires three months after the date the proxy was executed, or such earlier date as stated in the proxy. Each proxy is revocable unless otherwise provided in the proxy or made irrevocable by law.

## 6.7 Open Board Meeting Rules.

6.7.1 When Applicable. The Board may not, unless done in an open meeting for which prior notice to Owners was given as provided in subsection (b) below, consider or vote on: (i) fines; (ii) damage assessments; (iii) initiation of foreclosure actions; (iv) initiation of enforcement actions, excluding temporary restraining orders or violations involving a threat to health or safety; (v) increases in assessments; (vi) levying of special assessments; (vii) appeals from a denial of architectural control approval; (viii) a suspension of a right of a particular Owner before the Owner has an opportunity to attend a Board meeting to present the Owner's position, including any defense, on the issue; (ix) lending or borrowing money; (x) the adoption of amendments of a dedicatory instrument; (xi) the approval of an annual budget or the approval of an amendment of an annual budget that increased the budget by more than ten percent (10%); (xii) the sale or purchase of real property; (xiii) the filing of a vacancy on the Board; (xiv) the construction of capital improvements other than the repair, replacement or enhancement of existing capital improvements; or (xv) the election of an officer. The foregoing provisions apply during the Development Period only as provided in Texas Property Code, Section 209.0051(i).

6.7.2 Notice to Owners. When notice to Owners of a Board meeting is required, all Owners must be given notice of the date, time, place, and general subject of each regular or special Board meeting, including a general description of any matter to be brought up for

deliberation in closed executive session. The notice of each Board meeting must be given in at least one of the following manners:

(a) by mailing to each Owner not later than the tenth day or earlier than the sixtieth day before the date of the meeting, or

(b) provided at least seventy-two hours before the start of the meeting by (i) posting the notice in a conspicuous manner reasonably designed to provide notice to Owners in a place located on the Association's common area property, or on any Internet website maintained by the Association, and (ii) sending the notice by email to each Owner who has registered an email address with the Association.

6.7.3 Recesses. If the Board recesses a regular or special Board meeting as to which notice to Owners of the meeting is required by this Section to continue the following regular business day, the Board is not required to give notice of the continued meeting if the recess is taken in good faith and not to circumvent this Section. If a regular or special Board meeting is continued to the following regular business day, and on that following day the Board continues the meeting to another day, the Board must give notice of the continuation in at least one manner as set forth in **Section 6.7.2(b)** within two hours after adjourning the meeting being continued.

6.7.4 Owner Registration of Email Address Required. IT IS THE DUTY OF EACH OWNER TO KEEP AN UPDATED EMAIL ADDRESS REGISTERED WITH THE ASSOCIATION. REGISTRATION IS REQUIRED FOR THE PURPOSES OF RECEIVING NOTICES AND OTHER COMMUNICATIONS, INCLUDING NOTICES OF BOARD MEETINGS. THE BOARD MAY ESTABLISH OTHER REQUIRED PROCEDURES FOR REGISTRATION OF EMAIL ADDRESSES.

6.8 Meeting Minutes and Records. The Board must keep, or cause to be kept, a record of each regular and special Board meeting, including as to any meeting held by Electronic Means, in the form of written minutes of the meeting. The Board must make meeting records, including approved minutes, available to a Member for inspection and copying on the Member's written request to the Association's Managing Agent at the address as set forth in the most recently filed management certificate or, if there is not a Managing Agent, to the Board.

## ARTICLE VII

### Other Meeting and Action Matters: Committees

#### 7.1 Calling and Conducting of Meetings.

##### 7.1.1 Chairperson and Secretary for Member and Board Meetings.

(a) The President of the Association will act as the chairperson of all meetings of Owners and all meetings of the Board of Directors. The Secretary of the Association will act as the secretary for all meetings of Owners and all meetings of the Board. If either is absent, or is unable or unwilling to act, then the Director or Directors at the meeting will appoint a chairperson and/or secretary. In lieu of the foregoing, the Board may designate the Managing Agent (or any employee of the Managing Agent) or any other person as provided in **Section 7.1.2** to act as the chairperson and/or secretary for any meeting.

(b) The chairperson for each meeting will call to order and preside over the meeting, verify a quorum, call for and conduct voting and verify or direct the proper verification

of voting results as herein provided, resolve procedural disputes, decide who is entitled to the floor and limit the duration thereof, establish limits on the period of time to be allowed for discussion of any given issue, motion or other matters, and in general will supervise the orderly conduct of the meeting and obtaining of correct expressions of the decisions made thereat. The chairperson may be guided as to the same by the then current Robert's Rules of Order when not in conflict with these Bylaws or other Governing Documents. However, the reasonable determinations of the chairperson as to the conducting of the meeting are final, and no failure to abide by Robert's Rules of Order will in any manner invalidate any proceedings, actions or votes as to any meeting.

7.1.2 Alternate Meeting Officials. The Board may contract with or otherwise engage the Managing Agent, or an independent accounting firm, Internet online service or similar independent third party or company, to call or conduct any meetings of the Board or Owners, including the conducting, tabulation and verification of any vote taken at the meeting.

7.1.3 Location, Date and Time of Meetings. Except when held by Electronic Means, each meeting of the Board or of the Owners must be held in the county in which all or a part of at least one of the Subdivisions is located, or in a county adjacent to that county. The Board will determine the date and time of each meeting of Owners, and the location and/or Electronic Means, as applicable, for each meeting.

7.1.4 Waiver of Notice. Notice of any meeting may be waived if the Person entitled to notice signs a written waiver of notice of the meeting, regardless of whether the waiver is signed before, at or after the date or time of the meeting. If a Person entitled to notice of a meeting attends or in any other manner participates in the meeting, in person, by agent or proxy or by Electronic Means, the Person's attendance or participation constitutes a waiver of notice of the meeting unless the Person attends the meeting solely to object to the transaction of any business at the meeting on the ground that the meeting was not lawfully called or convened.

## 7.2 Determining Voting Members.

7.2.1 Record Date. The record date for determining voting Members must be not more than sixty days before the date of the meeting or other action to be taken by the Owners. If the voting Members are not otherwise determined by the Board, the record date for determining voting Members is the date on which notice of the meeting is given to the Owners entitled to notice of the meeting. The record date for a meeting applies to any adjournment of the meeting.

## 7.3 Action Without Meeting.

7.3.1 Board Meeting or Action Exceptions. This Section is subject to **Section 6.7** regarding open Board meeting rules.

7.3.2 Unanimous Written Consent. The Board or the Owners may take action without holding a meeting, providing notice, or taking a vote if each Director or Owner entitled to vote on the action signs a written consent or consents stating the action taken. Any such written consent has the same effect as a unanimous vote at a meeting.

7.3.3 Less Than Unanimous Written Consent. The Board or the Owners may take action without holding a meeting, providing notice, or taking a vote if a written consent, stating the action to be taken, is signed by the number of Directors or Owners necessary to take that

action at a meeting at which all of the Directors or Owners are present and voting. The consent must state the date on which each Director or Owner signed the consent. Any written consent signed pursuant to this Section must be promptly delivered to the Association in the manner prescribed by the Association in the consent, or, if not so prescribed, then by delivery to the Managing Agent by personal delivery acknowledged in writing, by mail, or by Electronic Means. The Association must promptly notify each Director or Owner who did not sign a consent of the action that is the subject of the consent.

7.3.4 Counterparts, Copies and Notices. A consent under this Section may be executed in multiple counterparts, each of which will be deemed an original. Any photographic, photostatic, facsimile, or similarly reliable reproduction of a signed written consent may be substituted or used instead of the original writing for any purpose for which the original writing could be used. Any advance notice required for an action to be taken at a meeting is not required to be given to take the action by written consent.

#### 7.4 Terms of Office; General Standard of Care.

7.4.1 Each Director and each officer will serve during their applicable term of office, and thereafter until their successor is appointed or elected, and has qualified.

7.4.2 Each Director and officer must discharge their duties in good faith, with ordinary care and in a manner each Director or officer reasonably believes to be in the best interests of the Association. Without limitation of any other prerequisite proof of liability, no Director or officer may be held liable to the Association, to any Owner or Member or to any other Person for any action taken or not taken unless the Person seeking to establish liability proves the Director or officer did not act in the aforesaid manner.

7.4.3 A Director or officer is not considered to have the duties of a trustee of a trust with respect to the Association, or with respect to property held or administered by the Association.

7.5 Compensation of Directors or Officers. No Director or officer may receive compensation for any services rendered to the Association in their capacity as a Director or officer. However, any Director or officer may be reimbursed for actual expenses incurred in the performance of his or her duties. In addition, but subject to **Section 7.6**, any Director or officer may serve the Association in any other capacity as an agent or employee or otherwise and receive compensation therefore.

#### 7.6 Interested Directors, Officers or Members.

7.6.1 Association Contracts and Transactions. An otherwise valid and enforceable contract or transaction between the Association and (a) one or more Directors, officers or Members, or one or more affiliates thereof, or (b) an entity or other organization in which one or more Directors, officers or Members, or one or more affiliates or associates thereof (i) is a managerial official or member, or (ii) has a financial interest, is valid and enforceable, and is not void or voidable, if entered in accordance with Section 22.230 of the Texas Business Organizations Code.

7.6.2 Board Member Contracts. This **Section 7.6.2** applies to any contract between the Association and (a) a current Board member, or (b) a company in which a current

Board member has a financial interest in at least 51% of profits, or (c) a person related to a current Board member within the third degree by consanguinity or affinity, as determined by Chapter 573, Texas Government Code (a great-grandparent, grandparent, parent, child, sister, brother, aunt, uncle, niece, nephew, grandchild or great-grandchild of the Board member, by blood or by marriage), or (d) a company in which the relative as described in subsection (c) above has a financial interest in at least 51 percent of profits. The Association may enter a contract with a current Board member, or a related relative or company as aforesaid only in accordance with Section 209.0052 of the Texas Property Code. This **Section 7.6.2** does not apply to a contract entered into by the Association during the Development Period.

7.7 Committees. The Board of Directors may, by resolution adopted by a majority of the Directors in office, from time to time appoint, organize, reorganize and abolish such committees as it may deem desirable. Any committee which will have or exercise any authority of the Board in the management of the Association must be established in accordance with Section 22.218 of the Texas Business Organizations Code. The foregoing does not apply to any Architectural Control Committee or Neighborhood Committee as to which all applicable provisions of the relevant Declarations apply and control. The committee will report to the Board on all matters.

## ARTICLE VIII Officers

8.1 Enumeration of Officers. The officers of this Association are a president, a vice president, a secretary, and a treasurer, each of whom must be a member of the Board of Directors, and such other officers as the Board may from time to time by resolution create. The same person may not simultaneously hold the offices of President and Secretary. Any two or more offices may otherwise be held by the same person.

8.2 Election; Term. The officers of this Association will be elected annually by the Board at its annual organizational meeting. Each officer will hold office for one year and until his or her successor is elected and qualified unless he or she resigns sooner, or is removed, or otherwise become disqualified to serve.

8.3 Resignation and Removal. Any officer may be removed from office at any time and with or without cause by a majority vote of the Board of Directors present at the meeting. Any officer may resign at any time by giving written notice to the President or any Director. Such resignation will take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation by the Board of Directors will not be necessary to make it effective.

8.4 Vacancies. Any vacancy in any office may be filled by appointment by the Board of Directors. The officer appointed to such vacancy will serve for the remainder of the term of the officer being replaced.

### 8.5 Duties of Officers.

8.5.1 President. The President is the chief executive officer of the Association and has, subject to control of the Board of Directors, general supervision, direction and control of the business and officers of the Association, and has general powers and duties of management usually vested in the office of president of a Texas nonprofit corporation. Specifically, but without limitation of the foregoing, the President will preside as chairperson at all meetings of the Board



of Directors and of the Owners (except as otherwise provided in **Section 7.1.2**); will see that orders and resolutions of the Board are carried out; will sign as President all leases, mortgages, deeds and other written instruments and will cosign with any other officer all checks and promissory notes which have been first approved by the Board of Directors unless the Board has authorized the signature(s) by lesser officers; and, subject to advice of the Board of Directors, has general supervision, direction, and control of the affairs of the Association, and will discharge such other duties as may be required by the Board of Directors.

8.5.2 Vice President. The Vice President will act in the place and stead of the President in the event of his or her absence, or inability or refusal to act, and will exercise and discharge such other duties as may be required of him by the Board.

8.5.3 Secretary. The Secretary will record the votes and keep the minutes, of all meetings and proceedings of the Board and of the Owners (except as otherwise provided in **Section 7.1.2**); give notice of meetings of the Board and of the Owners; keep appropriate current records showing the Members and Owners of the Association together with their addresses; and will perform such other duties as required by the Board.

8.5.4 Treasurer. The Treasurer will receive and deposit in appropriate bank accounts all monies of the Association and will disburse such funds as directed by the Board of Directors; keep proper books of account; and keep accurate books and records of the fiscal affairs of the Association, and report on and make the same available for inspection by Members of the Association as required by the Board, these Bylaws or the Declarations; and will perform such other duties as required by the Board.

8.5.5 Interim and Other Officers.

(a) Except as otherwise expressly provided herein or in the Declarations, if at any time any officer is absent or otherwise unable or unwilling to act, the chairperson for any meeting or the Board may appoint on an interim basis any other officer, Director, Member or personnel of the Association's Managing Agent to perform the duties of that officer, provided that the same person may not simultaneously act as President or Secretary.

(b) Such other officers as the Board of Directors may from time to time create will have such duties as directed or required by the Board for such duration as determined by the Board.

ARTICLE IX  
Amendment

9.1 Amendment By Board. The Board of Directors may amend these Bylaws in any manner deemed necessary or appropriate by the Board, but subject in any such case to **Sections 9.2 and 9.3**.

9.2 Amendment By Owners. These Bylaws may be amended, in whole or in part, at any annual or special meeting of the Owners and requires a majority vote of all Members in the Subdivisions. The notice for any meeting of the Owners at which any amendment of these Bylaws is to be considered must state such purpose, and must contain or be accompanied by a true and correct copy of the proposed amendment(s) or a summary statement thereof. In the event of any conflict between any provisions of any amendment adopted by the Board and any provisions of

any amendment adopted by the Owners, the provisions of the amendment adopted by the Owners will control.

9.3 Binding Effect. Any amendment adopted in accordance with this Article is binding upon all Members and all Owners; provided that any amendment during the Development Period must be approved in writing by Declarant.

9.4 "Amendment" Defined. In these Bylaws the terms "amend", "amendment" or substantial equivalent mean and refer to any change, modification, revision or termination of any provisions of these Bylaws.

## ARTICLE X Miscellaneous

### 10.1 Association Books and Records.

10.1.1 Maintenance. The Association must keep current and accurate books and records of the business and affairs of the Association, including financial records, and including minutes of the proceedings at any meeting of the Board and any meeting of Owners. Any Architectural Control Committees provided for in any of the Declarations must also keep and maintain records evidencing the final decision(s) of the Committee.

10.1.2 Policies. The Association must retain Association books and records in accordance with, and every Owner may inspect and copy books and records of the Association in accordance with, the Association's policies as to the same which must be adopted in accordance with Section 209.005 of the Texas Property Code. During the Development Period the Association's Records Production and Copying Policy and Association Documents Retention Policy will be adopted by and may at any time be amended by Declarant in accordance with the Declarations. The Board at any time may from time to time adopt and amend such other policies regarding Association books and records as deemed necessary or appropriate, including with regard to or concerning the aforesaid initial Association Records Production and Copying Policy and/or the Association Documents Retention Policy.

10.2 Any Website to Contain Dedicatory Instruments. If the Association has, or the Managing Agent on behalf of the Association maintains, a publicly accessible website, then the Association must make its dedicatory instruments relating to the Association or Subdivisions which are filed in the Official Public Records within the County Records, available on the website. The foregoing includes the Declarations, the Certificate of Formation, these Bylaws, Architectural Guidelines and Rules and Regulations.

10.3 Notices. Unless otherwise expressly provided herein, all notices or other communications permitted or required under these Bylaws must be in writing and may be given in any manner permitted by, and are deemed delivered as provided in, either the Declarations or these Bylaws. Refusal to accept delivery of any notice will be deemed actual notice and actual knowledge of the materials refused.

10.4 Conflicts. In the case of any conflict between the Certificate of Formation and these Bylaws, the Certificate of Formation will control. In the case of any conflict between the Declarations and these Bylaws or the Certificate of Formation, the Declarations will control.

10.5 Interpretation. All provisions of these Bylaws must be liberally construed to give full effect to their intent and purposes. The captions of each Article and Section are inserted only for convenience, and are in no way to be construed as defining, limiting, extending, or otherwise modifying or adding to the contents of the Article or Section to which they refer. Wherever the context requires, all words in the male gender are deemed to include the female or neuter gender, all singular words include the plural, and all plural words include the singular.

10.6 Severability. Whenever possible, each provision of these Bylaws will be interpreted in such manner as to be effective and valid. If the application of any provisions of these Bylaws to any Person, to any property or to any circumstances is prohibited or held invalid, such prohibition or invalidity will not affect any other provision or the application of any provision which can be given effect without the invalid provision or application, and, to this end, the provisions hereof are declared to be severable.

10.7 Power of Attorney. A Person may execute any instrument related to the Association by means of a written power of attorney if an executed copy of the power of attorney is filed with the Association before or at the time the action to which the power of attorney relates is taken. Any such power of attorney may be revoked only by expiration of a stated term expressly set forth in the power of attorney or by filing of a written revocation with the Association. The Association is not required to determine or comply with any other conditions for termination.

10.8 Applicability of Bylaws. All present or future Members and Owners, tenants thereof, and their respective officers, agents, employees, guests, invitees, or other Related Parties, and all other Persons occupying or residing within or upon the Subdivisions or any Lot or utilizing any common areas in any manner, are subject to these Bylaws to the fullest extent permitted by law. The mere acquisition, occupancy, use or rental of any Lot or utilization of any common areas constitutes acceptance and ratification of these Bylaws, and agreement to strictly comply therewith.

10.9 Waiver of Interest in Corporation Property. All real and personal property, including all common areas and all improvements located thereon, acquired by the Association will be owned by the Association. A Member has no interest in specific property of the Association. Each Member hereby expressly waives the right to require partition of all or part of any and all such property.

10.10 Development Period. Notwithstanding any other provisions of these Bylaws, the provisions of Exhibit "A" attached hereto and incorporated by referenced herein apply during the Development Period (and thereafter as therein provided).

10.11 Fiscal Year. The fiscal year of the Association may be established from time to time by the Board of Directors absent which the Association's fiscal year will begin on the first day of January and end on the thirty-first day of December of each year.

10.12 Controlling Effect. These Bylaws are adopted in lieu of and supersede any prior bylaws, subject to amendment as herein provided.

Approved and adopted by the Association on this 22 day of March, 2017.

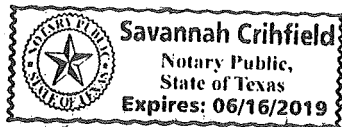
Houston El Norte Property Owners Association,  
Inc.

By: [Signature]  
John Harris, Director

STATE OF TEXAS           §  
                                     §  
COUNTY OF MONTGOMERY §

Before me, the undersigned authority, on this day personally appeared John Harris, Director of Houston El Norte Property Owners Association, Inc., a Texas non-profit corporation, known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that he/she had executed the same as the act of said corporation for the purpose and consideration therein expressed, and in the capacity therein stated.

Given under my hand and seal of office this 22 day of March, 2017.



[Signature]  
Notary Public, State of Texas

**EXHIBIT "A"**  
**(To Bylaws of Houston El Norte Property Owners Association, Inc.)**

**DEVELOPMENT PERIOD PROVISIONS**

A1.01 Application. Notwithstanding any other provisions of the Bylaws, the provisions of this Exhibit "A" to the Bylaws apply during the Development Period and during the Declarant Control Period, as applicable. Any provisions of the Bylaws which are inconsistent with or contrary to the provisions of this Exhibit "A," are hereby specifically subordinate to this Exhibit "A" during the Development Period and/or the Declarant Control Period, as applicable.

A2.01 Definitions. All definitions set forth in the Declarations or in the Bylaws are incorporated by reference herein.

A3.01 Declarant Rights. During the Development Period (and thereafter as applicable) Declarant is fully authorized to exercise all Declarant rights and authority as provided in or permitted by the Declarations and the Bylaws, including this Exhibit "A" to the Bylaws, independently and unilaterally, and without the joinder, vote or consent of, and without notice of any kind to, the Board, to any Owner or to any other Person.

A4.01 Appointment of Directors and Officers. During the Declarant Control Period, Declarant has exclusive authority to appoint, reappoint, elect, remove or replace any and all members of, and to otherwise fill any and all vacancy as to, the Board, and as to any officers of the Association.

A5.01 Meetings of Owners. During the Declarant Control Period, meetings of the Owners will be primarily informational. Any meeting of the Owners during the Declarant Control Period may be called and conducted in any manner permitted by the Bylaws or the Declarations, or as otherwise determined by Declarant.

A6.01 Board Meetings and Actions. During the Declarant Control Period meetings of the Board are permitted but are not required. Except as otherwise required by Section 209.0051(i) of the Texas Property Code, during the Declarant Control Period the Board may meet and act in any manner permitted by the Declarations, the Bylaws, including this Exhibit "A" to the Bylaws, or the Texas Business Organizations Code. The foregoing includes without limitation holding of any meetings of the Board, the taking of any vote by the Board or the taking of any action by written consent or otherwise, without a meeting, and in any such case without notice to, and without the joinder, vote or consent of any Member or Owner or of any other Person.

A7.01 Declarant's Veto Authority. During the Development Period Declarant has continuing and unilateral authority to veto any decisions or actions of the Owners and/or of the Board and/or of any officer. The foregoing applies throughout the Development Period even if the Declarant Control Period ends prior to termination of the Development Period.

A8.01 NO IMPAIRMENT OF DECLARANT'S RIGHTS. NOTWITHSTANDING ANY OTHER PROVISIONS OF THE BYLAWS OR ANY OTHER GOVERNING DOCUMENTS, NO RIGHTS OR LIMITATIONS OF LIABILITY APPLICABLE TO DECLARANT MAY BE AMENDED, MODIFIED, CHANGED OR TERMINATED IN ANY MANNER, EITHER DURING OR AFTER THE DEVELOPMENT PERIOD OR THE DECLARANT CONTROL PERIOD, WITHOUT THE PRIOR WRITTEN CONSENT OF DECLARANT.