

**2017 AMENDED BYLAWS OF
LAKE LIVINGSTON VILLAGE IMPROVEMENT ASSOCIATION, INC.**

ARTICLE I - Definitions

1. “Association” shall mean and refer to Lake Livingston Village Improvement Association, Inc., a Texas non-profit corporation, its successors and assigns.
2. “Architectural Control Board” or “Committee” shall mean and refer to that Architectural Control Committee which enforces the architectural controls of and approval of any improvement upon Lake Livingston Subdivision, as described in the Declarations.
3. “Declarant” shall mean and refer to Fox-Hancock, Inc. and any of its predecessors, successors or assigns which under the terms of the declaration succeed to the rights of Declaration thereunder.
4. “Declarations” Shall mean and refer to those certain Declarations of Covenants, Conditions and Restrictions of Lake Livingston Village fro Section one, Two, Three, Four , Five, Six, Seven , Eight, Nine, Ten, Eleven , Twelve, Thirteen, recorded in the Office of the County Clerk of Polk County, Texas as much more described on Exhibit “A” attached hereto, covering Lake Livingston Village Subdivision.
5. “Lot” shall mean and refer to any portion of the Properties in the Subdivision which is deemed to be a Lot under the terms of the Declaration or any Supplemental Declaration.
6. “Member” and/or “Members” shall mean and refer to all those Owners who are Members of the Association as provided in the Declaration, all Supplement Declarations and the Articles of Incorporation of the Association.
7. “Owner” and “Owners in the Subdivision “shall mean and refer to those persons and entities deemed to be owners under the terms of the declaration and all Supplemental Declarations.
8. “The Subdivision” shall mean and refer to Lake Livingston Village Sections One through Fourteen, Polk County, Texas, as shown on the respective Plats on file with the County Clerk’s office.
9. “Supplemental Declarations” shall mean and refer to all Supplemental Declarations of Covenants, Conditions and Restrictions bringing additional property within the plan of the Declaration under the authority provided in the Declaration.
10. “The Properties in the Subdivision” shall mean and refer to the properties respectively described in and made subject to the Declaration and all Supplemental Declaration.

11. “Common Facilities” shall mean the roads, street lights, parks, and entrance features of the Subdivision, and landscaped areas established by the Developer for use as Common Facilities.
12. “County Clerk” shall mean the County Clerk of Polk County, Texas.
13. “Declarations” and/or “Restrictions” shall mean the declarations and restrictions filed of record with the County Clerk for the Subdivision.
14. “Dedictory Instrument” shall mean each instrument governing the establishment, maintenance, and operation of the LAKE LIVINGSTON VILLAGE IMPROVEMENT ASSOCIATION, INC., and includes a declaration or similar instrument subjecting real property to restrictive covenants, certificate of formation, bylaws, or similar instruments governing the administration or operation of a property owners association, to properly adopted rules and regulations of the property owners' association, or to all lawful amendments to the covenants, bylaws, instruments, rules, or regulations, including but not limited to those identified above under “Declaration”. Dedictory Instrument further shall mean the Articles of Incorporation (now known as Certificate of Formation), Bylaws, and other rules, regulations, and resolutions filed of record with the County Clerk.
15. “Directors” shall mean and refer to any duly elected or appointed member of the Board of Directors.
16. “Electronic ballot” means a ballot: (a) given by: (1) e-mail; (2) facsimile; or (3) posting on an Internet website; (b) for which the identity of the property owner submitting the ballot can be confirmed; and (c) for which the property owner may receive a receipt of the electronic transmission and receipt of the owner’s ballot. (Source: Section 209.00592 (d), Texas Property Code).
17. “Lot” shall mean any residential lot in the Subdivision, and identified in the documents filed of record, identified herein, and on record with the County Clerk.
18. “Maintenance Charge” shall mean the periodic charge collected by the Association, (also known as maintenance fee) for each Lot in the Subdivision for the purpose of maintaining and improving the Subdivision.
19. “Maintenance Fund” shall mean the amounts collected from time to time by the Association, upon payment of Maintenance Charges by the Owners.
20. “Plats” shall mean the plat of the subdivision recorded in the County Clerk’s office.
21. “Record Date” shall be the business date preceding the date on which notice of the meeting is mailed. the date that the notice of any annual or special meeting is mailed.

22. “Regular Assessment” and/or “Annual Charge” shall mean the annual amount that each owner of property within a residential subdivision is required to pay to the Association, which is designated for use by the Association for the benefit of the property owners of the Subdivision, as provided by the Restrictions, and include maintenance charges and maintenance fees.
23. “Special Assessment” shall mean any fee and/or due, other than a regular assessment, that each Member is required to pay to the Association, as established by the Members at an annual or special meeting of the members of the Association at which a quorum is present and at which at least thirty (30) days notice is given of the intent to establish a Special Assessment and which action of the Members authorizes the Association to charge for:
 - (a) Defraying, in whole or in part, the cost, whether incurred before or after the assessment, of any construction or reconstruction, repair, or replacement of a capital improvement in the Common Areas owned by the Association, including the necessary fixtures and personal property related to such Common Areas, to the extent such expense is not sufficiently provided for with Regular Assessment funds;
 - (b) Maintenance and improvement of Common Areas owned by the Association; and/or
 - (c) Such other purposes of the property owners’ association as stated in the Association’s Certificate of Formation or the dedicatory instrument for the Subdivision.

ARTICLE II - Name and Location

1. The name of the corporation is Lake Livingston Village Improvement Association, Inc., hereinafter referred to as the “Association”. The principle office of the Association shall be located at 167 Lexington, Livingston, Texas 77351, but meetings of members and directors may be held at such place within the State of Texas, County of Polk, as may be designated by the Board of Directors.
2. Mailing Address. The mailing address of the Association is 167 Lexington, Livingston, Texas 77351, or at such other address the Board of Directors shall determine.

ARTICLE III - Membership

1. Membership Qualification. Every person or entity who is an Owner of a Lot shall be a Member of the Association, provided that any such person or entity who holds such interest merely as security for the performance of obligation shall not be a Member.
2. Membership Rights Dependent on being in Good Standing. Subject to any Texas law to the contrary, the rights of membership are subject to the payment of assessments and special assessments required by the Restrictions and/or as may be levied by the Association. The obligation of payments thereof is imposed against each Owner and becomes a lien upon the property against which such assessments are made as provided in the Restrictions.

3. Suspension of Membership Rights. Except as otherwise provided by Texas law, the membership rights of any person whose interest in the Subdivision is subject to assessments under the Restrictions may be suspended by action of the Board of Directors during the period when the assessments remain unpaid; but, upon payment of such assessments, such member's rights and privileges shall be automatically restored; however, as provided for by Section 209.0059, Texas Property Code, This suspension does not affect the right of a member to vote in an association election of board members or any matter concerning the rights or responsibilities of the member.
4. Voting Rights of Members. Pursuant to the provisions of Section 209.0059, Texas Property Code, a member is entitled to vote in an association election of board members or any matter concerning the rights or responsibilities of the member.
5. Member's Rights at Meeting. Any member who is not current will be allowed to attend and to be present at the meeting, but will not be entitled to speak on any issue and will not be entitled to vote in an association election of board members or any matter concerning the rights or responsibilities of the member.
6. Persons who purchased a "Membership" but who do not own a lot will not be entitled to vote. A member must own real estate in the subdivision in order to vote.
7. Only the person or entity whose name appears as the lot owner on the records of the POA will be allowed to vote. If that person is deceased or is no longer the owner, proof of new ownership must be sent to the POA office. If there has been a death of a prior owner, the heirs or devisees will not be allowed to vote unless they have provided the POA office with a copy of a probated will or other valid proof of heirship or ownership. If a person has acquired a lot by deed, contract for deed or other conveyance, the new owner will not be allowed to vote unless a copy of the recorded documentation is provided to the POA office and the account is set up in the new name. All proof of ownership must be received in the POA office prior to 5 p.m. on the Wednesday immediately prior to the date of the meeting and, if sent by mail, it must be sent in envelopes postmarked on or before the second Friday prior to the date of the meeting.
8. Executors, administrators, trustees or other personal representative acting in a similar capacity must indicate such capacity when signing and must include proof of such authority. If the signature is for a corporation, partnership or similar entity, the proxy should have the full and correct name of the entity and should be signed by the authorized officer, partner or authorized agent.

ARTICLE IV - Membership and Voting Rights

1. One Class of Members. The Association shall have only one class of voting members.
2. Ballots.
 - (a) Except as provided by Subsection (d), a vote cast by a member of a property owners' association must be in writing and signed by the member if the vote is cast:
 - (1) outside of a meeting;
 - (2) in an election to fill a position on the board;
 - (3) on a proposed adoption or amendment of a dedicatory instrument;
 - (4) on a proposed increase in the amount of a regular assessment or the proposed adoption of a special assessment; or
 - (5) on the proposed removal of a board member.
 - (a-1) If a property owners' association elects to use a ballot for a vote on a matter other than a matter described by Subsection (a), the ballot must be:
 - (1) in writing and signed by the member; or
 - (2) cast by secret ballot in accordance with Subsection (d).
 - (b) Electronic votes cast under Section 209.00592 of the Texas Property Code constitute written and signed ballots.
 - (c) In a property owners' association election, written and signed ballots are not required for uncontested races.
 - (d) The Board of Directors may adopt rules to allow voting by secret ballot by association members. The association must take measures to reasonably ensure that:
 - (1) a member cannot cast more votes than the member is eligible to cast in an election or vote;
 - (2) the association counts each vote cast by a member that the member is eligible to cast; and
 - (3) 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. (Section 209.0058, effective September 1, 2015).
 - (e) Except as otherwise provided for by Section 209.0058, Texas Property Code, when ballots are used, for any election or vote. the ballot shall be printed, and shall clearly describe the office, position, or vacancies for which the candidates are running, and the names of the candidates to be voted upon. No ballot will be considered which is not received at the office of the Association prior to 5 p.m. on the Wednesday immediately prior to the date of the meeting and, if sent by mail, it must be sent in envelopes postmarked on or before the second Friday prior to the date of the meeting. Ballots received by said time, either by mail or in person, shall be counted, subject

to voter and candidate eligibility; all other ballots shall be declared void. Election to the Board of Directors shall be written ballot; the ballots shall show the name of the member voting and the number of lots to be voted. The Board may provide for secret ballot provided that any method used provided that the Board adopts a policy that provides that a member cannot cast more votes than the member is eligible to cast in an election or vote, the Association counts each vote cast by a member that the member is eligible to cast, and 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.] (Section 209.0058, Texas Property Code, effective September 1, 2015). At such election the Members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to cast under the provisions of these Bylaws. The person receiving the largest number of votes shall be elected. Cumulative voting shall not be permitted. If any director position is uncontested, a ballot is not required and the director is automatically elected to the position in question.

3. Number of Votes. Every member shall have the right to cast one (1) vote for each lot in the subdivision. Either the husband, wife, or bona fide head of the household may cast the vote(s) to which the Member is entitled to vote. Proxy votes may be cast pursuant to the provisions concerning same delineated in these Bylaws.
4. Record Date. For the purpose of determining members entitled to notice or to vote at any meeting of the members or any adjournment thereof, the Record Date shall be the business date preceding the date on which notice of the meeting is mailed. (Source: Section 6.101, Texas Business Organizations Code).
5. Voting by in Person or by Proxy. Subject to the provisions of Section 209.00592, Texas Property Code, the voting rights of a member may be cast or given:
 - (a) in person or by proxy at a meeting of the property owners' association;
 - (b) by absentee ballot in accordance with these Bylaws;
 - (c) by electronic ballot in accordance with these Bylaws; or
 - (d) by any method of representative or delegated voting provided by a dedicatory instrument. (Source: Section 209.00592 (a), Texas Property Code).
6. Absentee or electronic ballot. An absentee or electronic ballot:
 - (a) may be counted as an owner present and voting for the purpose of establishing a quorum only for items appearing on the ballot;
 - (b) may not be counted, even if properly delivered, if the owner attends any meeting to vote in person, so that any vote cast at a meeting by a property owner supersedes any vote submitted by absentee or electronic ballot previously submitted for that proposal; and
 - (c) may not be counted on the final vote of a proposal if the motion was amended at the meeting to be different from the exact language on the absentee or electronic ballot.

(Source: Section 209.00592 (b), Texas Property Code).

7. Solicitation for votes by absentee ballot. A solicitation for votes by absentee ballot must include:
 - (a) an absentee ballot that contains each proposed action and provides an opportunity to vote for or against each proposed action;
 - (b) instructions for delivery of the completed absentee ballot, including the delivery location; and
 - (c) the following language: “By casting your vote via absentee ballot you will forgo the opportunity to consider and vote on any action from the floor on these proposals, if a meeting is held. This means that if there are amendments to these proposals your votes will not be counted on the final vote on these measures. If you desire to retain this ability, please attend any meeting in person. You may submit an absentee ballot and later choose to attend any meeting in person, in which case any in-person vote will prevail.” (Source: Section 209.00592 (c), Texas Property Code).

8. If an electronic ballot is posted on an official Internet website of the Association, a notice of the posting shall be sent to each owner that contains instructions on obtaining access to the posting on the website. (Source: Section 209.00592 (e), Texas Property Code).

9. Proxies. A Member may vote by proxy. A member may appoint any natural person or the then current Board of Directors as their proxy with full power of substitution for and in their name, place and stead to attend the meeting on their behalf and to vote at that meeting the number of votes the Member would be entitled to vote if the Member were personally present. If the proxy appointee is present at the meeting, the proxy may be used for any or all of several purposes, to wit: (1) to establish a quorum only, (2) to vote for directors by proxy and (3) to vote on issues that come before the meeting. If a member does not have a particular person whom they wish to appoint, then they can appoint the then Board of Directors of the POA to cast their votes by inserting the words” Board of Directors” in the blank space in the proxy form. Certain individuals are nominated for the position of director by the Nominating Committee which is appointed by the Board of Directors. Only those names will appear on the proxy ballot. There are nine positions on the Board of Directors. A Member can vote for only nine persons. A member may vote for any of the nominees by circling their name on the proxy or a member may write in a candidate of their choice. **PROXY BALLOTS WITH MORE THAN NINE NAMES VOTED FOR WILL BE TREATED AS VOID.** A proxy is revocable at any time before it is exercised and any Member who is given a proxy reserves the right to attend the meeting and to vote in person. Either give the proxy to the appointee to bring to the meeting or return the proxy to the appointee to bring to the meeting or return the proxy to the POA office so that it is received at the POA office on or before 5 p.m. on the Wednesday immediately prior to the date of the meeting. Unless otherwise provided by the proxy, a proxy is revocable and expires 11 months after the date of its execution. A proxy may not be irrevocable for longer than 11 months.

10. Voting by Facsimile Transmission. If authorized by resolution of the Board of Directors for any specific matter that can be voted on, a member vote on any matter may be conducted by facsimile transmission.
11. Voting by Facsimile Transmission. If authorized by resolution of the Board of Directors for any specific matter that can be voted on, a member vote on any matter may be conducted by facsimile transmission.
12. Tabulation of and Access to Ballots.
 - (a) A person who is a candidate in a property owners' 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, Government Code, may not tabulate or otherwise be given access to the ballots cast in that election or vote except as provided by this section;
 - (b) A person other than a person described by Subsection (a) may tabulate votes in an association election or vote but may not disclose to any other person how an individual voted.
 - (c) Notwithstanding any other provision of this chapter or any other law, a person other than a person who tabulates votes under Subsection (b), including a person described by Subsection (a), may be given access to the ballots case in the election or vote only as part of a recount process authorized by law. (Source: Section 209.00594, Texas Property Code).
13. Notice of Election of Association Vote.
 - (a) Not later than the 10th day or earlier than the 60th day before the date of an election or vote, a property owners' association shall give written notice of the election or vote to:
 - (1) each owner of property in the property owners' association, for purposes of an association-wide election or vote; or
 - (2) each owner of property in the property owners' association entitled under the dedicatory instruments to vote in a particular representative election, for purposes of a vote in a particular representative election, for purposes of a vote that involves election of representatives of the association who are vested under the dedicatory instruments of the property owners' association with the authority to elect or appoint board members of the property owners' association. (Source: Section 209.0056, Texas Property Code).
14. Recount of Votes.
 - (a) Any owner may, not later than the 15th day after the later of the date of any meeting of owners 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. A demand for a recount must be submitted in writing either:
 - (1) by verified mail or by delivery by the United States Postal Service with signature confirmation service to the property owners' association's mailing

address as reflected on the latest management certificate filed under Section 209.004; or

- (2) in person to the property owners' association's managing agent as reflected on the latest management certificate filed under Section 209.004 or to the address to which absentee and proxy ballots are mailed.
- (b-1) The property owners' association must estimate the costs for performance of the recount by a person qualified to tabulate votes under Subsection (c) and must send an invoice for the estimated costs to the requesting owner at the owner's last known address according to association records not later than the 20th day after the date the association receives the owner's demand for the recount.
 - (b-2) The owner demanding a recount under this section must pay the invoice described by Subsection (b-1) in full to the property owners' association on or before the 30th day after the date the invoice is sent to the owner.
 - (b-3) If the invoice described by Subsection (b-1) is not paid by the deadline prescribed by Subsection (b-2), the owner's demand for a recount is considered withdrawn and a recount is not required.
 - (b-4) If the estimated costs under Subsection (b-1) are lesser or greater than the actual costs, the property owners' association must send a final invoice to the owner on or before the 30th business day after the date the results of the recount are provided. If the final invoice includes additional amounts owed by the owner, any additional amounts not paid to the association before the 30th business day after the date the invoice is sent to the owner may be added to the owner's account as an assessment. If the estimated costs exceed the final invoice amount, the owner is entitled to a refund. The refund shall be paid to the owner at the time the final invoice is sent under this subsection.
- (c) Following receipt of payment under Subsection (b-2), the property owners' association shall, at the expense of the owner requesting the recount, retain for the purpose of performing the recount the services of a person qualified to tabulate votes under this subsection. The association shall enter into a contract for the services of a person who:
 - (1) is not a member of the association or related to a member of the association board within the third degree by consanguinity or affinity, as determined under Chapter 573, Government Code; and
 - (2) is:
 - (A) a current or former:
 - (i) county judge;
 - (ii) county elections administrator;
 - (iii) justice of the peace; or
 - (iv) county voter registrar; or

- (B) a person agreed on by the association and each person requesting the recount.
 - (d) On or before the 30th day after the date of receipt of payment for a recount in accordance with Subsection (b-2), the recount must be completed and the property owners' association must provide each owner who requested the recount with notice of the results of the recount. If the recount changes the results of the election, the association shall reimburse the requesting owner for the cost of the recount not later than the 30th day after the date the results of the recount are provided. Any action taken by the board in the period between the initial election vote tally and the completion of the recount is not affected by any recount. (Section 209.0057, Texas Property Code, effective September 1, 2015).
15. Secret Ballot. The Board of Directors may adopt a procedure for voting by secret ballot provided that provisions are made to ensure that no property owner casts more votes than entitled, i.e. to prevent ballot box stuffing. (Section 209.0058(d), Texas Property Code).

ARTICLE V - Property Rights and Rights of Enjoyment of Common Property

1. Right to use Common Facilities. Each Member shall be entitled to the use and enjoyment of the Common Facilities, subject to the Restrictions and any rules and regulations governing the use of the Common Facilities.
2. Delegation of Rights of Enjoyment. Any member's right of enjoyment in the Common Facilities may be delegated to the members of his/her family who reside in the Subdivision and such guests as are allowed by any rules and regulations of the Association concerning such rights of enjoyment. Such Member shall notify the Secretary in writing of the name of any such person and of the relationship of the Member to such person. The rights and privileges of such person are subject to suspension as provided for by these Bylaws, to the same extent as those of the Member.

ARTICLE VI - Association Purposes and Powers

1. Purpose of Association. In addition to the purposes set forth in the Articles of Incorporation and/or Certificate of Formation for the Association, the purposes for which the Association is organized, subject to any Texas law providing otherwise, are:
 - (a) To be a property owners association as defined by the Texas Property Code, and shall discharge the duties and obligations of a property owners association in interpreting and enforcing the Restrictions applicable to the Subdivision, according to the plats of said subdivision recorded in the Map Records of the County Clerk; and the entire income and principal of the endowment and assets of this corporation shall be held

and distributed solely for such purposes, except for the modest amount needed for the expenses of administration of this corporation in order to effectuate the said purposes; and the making of distributions to organizations having the same purpose qualifying as exempt organizations under Section 501 (c) (3) of the Internal Revenue Code of 1954 (or the corresponding provisions of any future United States Internal Revenue law);

- (b) To promote the safety, welfare and enjoyment of the residents of and owners of property within the Subdivision;
- (c) To the extent authorized by the Restrictions, to compute, assess, collect and enforce the payment of all charges to which the property within the Subdivision is subjected or may be subjected hereby and/or under or by virtue of any reservations, restrictions and covenants applicable to the Subdivision on file in the Official Records of the County Clerk;
- (d) To operate, maintain, supervise and protect all areas and facilities owned by or conveyed to the corporation from time to time for the common use of its members, and to install or construct improvements upon such areas and facilities;
- (e) To the extent authorized by the Restrictions, to approve or disapprove plans, specifications and elevations for any building, structure or improvement and for any structural alterations or additions, or other alterations or additions affecting exterior appearance, in or to any building, fence, structure or other improvement within the Subdivision, and to establish design and construction criteria and requirements in connection therewith;
- (f) To exercise and perform any and all other rights, powers, duties and remedies granted to or imposed upon the corporation by the Restrictions, by any easement granted to the corporation, or by any other instrument granted to or for the benefit of the corporation; and
- (g) To do or cause to be done all things and acts permitted by the laws of the State of Texas incident to, necessary, or proper to carry out the purposes for which non-profit corporations may be formed and to have all the powers enumerated in the Texas Property Code for property owners associations and in the Texas Business Organizations Code for non-profit corporations, including but not limited to for any lawful purpose or purposes not expressly prohibited under chapters 2 or 22 of the Texas Business Organizations Code, including any purpose described by section 2.002 of the Code.

2. Texas Tax Code Statement. Pursuant to Texas Tax Code Section 171.082, and in extension of and not limitation of the purposes set forth in the Certificate of Formation for the Corporation, (1) the corporation is organized and operated primarily to obtain, manage, construct, and maintain the property in or of a residential real estate development; and (2) the owners of individual lots or residences control at least 51 percent of the votes of the corporation and that voting control, however acquired, is not held by: (A) a single individual

or family; or (B) one or more developers, declarants, banks, investors, or other similar parties;

3. Limitations on Distributions and Activities. No part of the net earnings of the corporation shall inure to the benefit of, or be distributable to, its members, Directors, Officers, or other private persons, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in the furtherance of the purposes set forth in Article Four hereof. No substantial part of the activities of the corporation shall be the carrying on of propaganda or otherwise attempting to influence Legislation, and the corporation shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office. Notwithstanding any other provisions of these Articles, the corporation shall not carry on any other activities not permitted to be carried on (a) by an organization exempt from Federal Income Tax under Section 501 (c) (3) of the Internal Revenue Code of 1954 (or the corresponding provisions of any future United States Internal Revenue law) or (b) by an organization, contributions to which are deductible under Section 170 of the Internal Revenue Code of 1954 (or the corresponding provisions of any future United States Internal Revenue law).

4. Mortgage of Association Properties. The Association shall have power to mortgage its properties with the assent of two-thirds of the votes of the Members who are voting in person or by proxy at a meeting called for such purpose, written notice of which shall be mailed to all Members as least thirty (30) days in advance and shall set forth the purpose of the meeting.

ARTICLE VII - Board of Directors

1. Management by the Board of Directors. The business and property of the Association shall be managed and controlled by a Board of Directors consisting of not less than nine (9) directors. The Board of Directors may exercise all such powers of the Association and do all such lawful acts and things as are allowed by statute, the Articles of Incorporation, these Bylaws or the Restrictions directed or required to be exercised or done by the Members. The initial Board of Directors designated in the Articles of Incorporation shall consist (9) directors. Such number may be increased or decreased by amendment of these Bylaws, provided that no decrease shall effect the shortening of the term of any incumbent director. Unless sooner removed in accordance with these Bylaws or until the Association has received a written resignation, members of the Board of Directors shall hold office until the next annual election occurring after their respective terms of office expire, and until their successors have been elected and qualified.

2. Qualifications. Directors shall be either a residential owner-occupant of a Lot, or an officer in a corporation, partner in a partnership or individual owning or developing one or more Lots in the Subdivision.
3. Vacancies. Any vacancies occurring in the Board of Directors, including vacancies resulting from any increase in the number of directors, may be filled by the affirmative vote of a majority of the directors then in office, though less than a quorum of the entire Board, and the directors so elected shall hold office until the next annual election occurring after their respective terms of office expire and until their successors are elected and have qualified. A vacancy shall be deemed to exist by reason of the death, resignation, failure to act by the person elected.
4. Term of Office. The directors of the corporation shall be those named in the Articles of Incorporation, until the first annual meeting of the Members of the association. Beginning with the first annual meeting and continuing with each annual meeting of the association Members thereafter, directors shall be elected at the annual meeting of the Members.
5.
 - (a) The Board shall actively solicit members to run for the Board of Directors as provided herein. On or before January 15 of each year, the Board of Directors shall appoint a Nominating Committee of three (3) members of the Association, one of which can be a Director provided that such Director is not up for re-election. A person appointed to the committee cannot become a candidate for the Board of Directors. Said Committee shall have the responsibility of soliciting at least two (2) and not more than three (3) persons to become candidates for each of the vacancies on the Board of Directors of the Association, of preparing and mailing ballots and voting instructions to each member entitled to vote, notifying each elected director of his election, and such other related duties as the Board of Directors may direct. The Nominating Committee shall present the list of candidates to the Secretary on or before the first day of February in each such year an election is to take place.
 - (b) At least 10 days before the date a property owners' association composed of more than 100 lots disseminates absentee ballots or other ballots to association members for purposes of voting in a board member election, the association must provide notice to the association members 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 10th day after the date the association provides the notice required by this subsection.
 - (c) The notice required by Subsection (b) must be:
 - (1) mailed to each owner; or
 - (2) provided by:
 - (A) posting the notice in a conspicuous manner reasonably designed to provide notice to association members:

- (i) in a place located on the association's common property or, with the property owner's consent, on other conspicuously located privately owned property within the subdivision; or
 - (ii) on any Internet website maintained by the association or other Internet media; and
 - (B) sending the notice by e-mail to each owner who has registered an e-mail address with the association.
 - (d) An association described by Subsection (b) shall include on each absentee ballot or other ballot for a board member election the name of each eligible candidate from whom the association received a request to be placed on the ballot in accordance with this section. (Section 209.00593, Texas Property Code, effective September 1, 2015).
6. Call for Election: On or before the first day of February of each year, the Secretary shall examine the list of candidates, certifying them as eligible to vote and to hold office, and shall issue the call for the election to be held on the 3rd Saturday of March. The Board may have ballots prepared and mailed to each qualified voter, according to the then records of the Association, in which event said ballot will be so mailed no later than ten (10) days or earlier than thirty (30) days next preceding the election. The Board shall prescribe and organize the mechanics of the actual balloting giving particular consideration to the qualifications and/or eligibility of those voting. None of the foregoing shall operate to deprive qualified voters to write in the candidate of their choice, subject to certification by the Secretary of such write-in candidate's eligibility and willingness to serve, or to vote by proxy.
7. Election. Any board member whose term has expired must be elected by owners who are members of the property owners' association. At such election, the Members or their proxies may cast, in request of each vacancy, as many votes as they are entitled to cast under the provisions of these Bylaws. The persons receiving the largest number of votes shall be elected. Cumulative voting shall not be permitted. On or before the first day of February of each year, the Secretary shall examine the list of candidates, certifying them as eligible to vote and to hold office, and shall issue the call for the election to be held on the third Saturday of March. The Board may have ballots prepared and mailed to each qualified voter, according to the then records of the Association, in which event said ballot will be so mailed no later than ten (10) days or earlier than thirty (30) days next preceding the election. The Board shall prescribe and organize the mechanics of the actual balloting giving particular consideration to the qualifications and/or eligibility of those voting. None of the foregoing shall operate to deprive qualified voters to write in the candidate of their choice, subject to certification by the Secretary of such write-in candidate's eligibility and willingness to serve, or to vote by proxy.
8. Compensation. Directors, as such, shall not receive any stated salary for their services, but, by resolution of the Board, a fixed sum and expense of attendance, if any, may be allowed for attendance at each regular or special meeting of the Board; provided that nothing contained herein shall be construed to preclude any director from serving the Association in any other capacity and receiving thereof. Upon resolution by the Board of Directors, any Director may be reimbursed for any out of pocket expenses approved by the Board of

Directors; the Director to whom such reimbursement is to be made shall recuse himself or herself and abstaining from any vote on such reimbursement of out of pocket expenses.

9. Removal of Director.

- a. Except as herein provided, A director may be removed, either for or without cause, at any meeting of Members by a majority affirmative vote of the Members; provided the notice for the meeting advises the member s that such action will be voted upon at the meeting. In the case of the removal of any one or more of the directors, the vacancy caused by such removal may be filled at such meeting by a majority vote of the Members.
- b. If the Board of Directors is presented with written, documented evidence from a database or other record maintained by a governmental law enforcement authority that a board member was convicted of a felony or crime involving moral turpitude, not more than 20 years before the date the board is presented with the evidence, the board member is immediately ineligible to serve on the board of the Association, automatically considered removed from the board, and prohibited from future service on the board. (Source: Section 209.00591, Texas Property Code, as amended September 1, 2015).

10. Vacancies on Board of Directors.

- (a) Notwithstanding any provision in a dedicatory instrument, any board member whose term has expired must be elected by owners who are members of the association.
- (b) Any Directorship to be filled by reason of any increase in the number of Directors shall be filled by election at an annual meeting of Members or at a special meeting called for that purpose.
- (c) Except as provided by subsections (a) and (b), the Board of Directors may fill any vacancy on the Board.
- (d) A board member appointed to fill a vacant position shall serve the unexpired term of the predecessor board member. (Source: Section 209.00593 (a), Texas Property Code, as amended 2013).

11. Executive Committee. The Board of Directors, by resolution adopted by the majority of the number of directors fixed by these bylaws, may designate an Executive Committee, which committee shall consist of two or more of the directors of the Association. Such Executive Committee may exercise such authority of the Board of Directors in the business and affairs of the association as the Board of Directors may be resolution duly delegate to it except where action by the Board Of Directors duly delegate to it the management of the corporation; but the designation of such committees and the delegation thereto of authorities shall not operate to relieve the Board of Directors, or any member thereof, of any responsibility imposed upon it or him by law. Any member of the Executive Committee may be removed by the Board of Directors fixed by the By-laws whenever in the judgment of the Board the best interests of the Association will be served thereby, The Executive Committee shall keep regular minutes of its proceedings and report the same to the Board of Directors when required. The minutes of the proceedings of the Executive Committee shall be placed

in the minute book of the Association.

12. Advisory Committee. In addition to an Executive Committee, the Board of Directors may, for its convenience and at its discretion, appoint one or more advisory committee of two or more directors each, but no such advisory committee shall have any power or authority except to advise the Board of Directors, any such committee shall exist solely at the pleasure of the Board of Directors, no minutes of the proceedings of any such committee need be kept., and no member of any such committee shall receive any compensation for such membership except by way of reimbursement for reasonable expenses actually incurred by him by reason of such membership.
13. Nominating Committee. The Board of Directors shall appoint a Nominating Committee, as provide in these Bylaws.
14. Powers of the Board of Directors. Notwithstanding anything seemingly to the contrary contained in any provision of these Bylaws, the Association shall act through its Board of Directors, which shall manage the affairs of the Association. By way of illustration, but not in limitation, the Board of Directors shall have the power, subject to any Texas law providing otherwise, to:
 - (a) suspend the voting rights and right to the use of any facilities or service provided by the Association for a Member during any period in which such member shall be in default in the payment of any assessment, including the regular annual maintenance charge and special assessments (if any), levied by the association. Suspension of voting rights shall occur only after notice and hearing before the board of directors, and each suspension shall continue until the conclusion of the next Members meeting, including any adjournments thereof.
 - (b) suspend the voting rights and rights to the use of any facilities or services provided by the Association for a Member, during any period in which such member shall be in default in the payment of any assessment levied by the Association, as hereinbefore stated. Such rights may also be suspended after notice and hearing, for a period not to exceed sixty (60) days for violation and infraction of published rules and regulations.
 - (c) take assertive action to remove any violation of these Bylaws, the Declaration or any Supplement Declaration, or published rules and regulations of the Association;
 - (d) declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive meetings of the Board;
 - (e) employ a manager, secretary, attorneys, an independent contractor or such other employee as they deem necessary, and to prescribe their duties and the terms of employment or services; and
 - (f) exercise for the Association all power , duties and authority vested in or delegated to this association and not reserved to the membership by other provisions of these Bylaws, the Articles of Incorporation, the Declaration or any Supplemental;

- (g) adopt and publish rules and regulations governing use of the common area and facilities, including but not limited to solar panels, roofing, architectural control matters, and the personal conduct of the members and their guests thereon, and to establish penalties for infraction thereof; and
- (h) declare the office of a member of the Board of Directors to be vacant in the event each such member shall be absent from three (3) consecutive regular meetings of the Board of Directors.

17. Duties of the Board of Directors. It shall be the duty of the Board to:

- (a) cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the Members at the annual meeting of the Members, or at any special meeting when such statement is required in writing by one-fourth (1/4) of the Class A Members who are entitled to vote;
- (b) supervise all officers, agents and employees of this Association, and to see that their duties are properly performed.
- (c) fix the amount of the annual assessments against properties subject to the jurisdiction of the Association and take such actions as it deems appropriate to collect such assessments and to enforce the liens given to secure payment thereof in accordance with the Declarations;
- (d) issue, or cause an appropriate officer to issue, upon demand by any person. A certificate setting forth whether or not any assessments has been paid: a reasonable charge may be made by the Board for issuance of these certificates; if a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment.
- (e) procure and maintain such liability and hazard insurance as it may deem appropriate on any property or facilities owned by the Association ; and
- (f) Cause any officers or employees having fiscal responsibilities to be bonded, ass it may deem appropriate.

ARTICLE VIII - Meetings of the Board of Directors

1. Place of Meetings. Meetings of the Board of Directors may be held either within or without the State of Texas, at whatever place is specified by the officer or director calling the meeting. In The absence of a specific designation, the meeting shall be held at the principle office of the Association.
2. Annual Meetings. The Board of Directors shall meet each year immediately following the annual meeting of the Members, at the place of such meeting, for the transaction of such business as may be properly brought before it. No notice of annual meeting need be given to either old or new member of the Board of Directors. Regular meetings may be held at such other times as shall be designated by the Board of Directors. No action at such annual

meeting, other than the election of officers, shall take place unless notice of such additional action is given as required by Section 209.0051, Texas Property Code.

3. Regular Meetings of Directors. Regular meetings of the Board of Directors may be held without notice at such time and place as shall from time to time be determined by the Board of Directors.
4. Special Meetings. Special meetings of the Board of Directors may be held at any time upon the call of the president, or any two directors.
5. Notice of Directors' Meeting. Notice of the time, place and purpose of any meeting of the Board of Directors, may be waived in writing before or after such meeting, and shall be equivalent to the giving of notice. Attendance of a director at such meeting shall also constitute a waiver of notice thereof, except where he attends for the announced purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called or convened. Except as otherwise herein provided neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board of Directors need to be specified in the notice or waiver of notice of such meeting.
6. Quorum. A majority of the number of directors fixed by these Bylaws as from time to time amended shall constitute a quorum for the transaction of business, but a smaller number may adjourn from time to time until they can secure the attendance of a quorum. The act of a majority of the directors present at the meeting at which a quorum is present shall be the act of the Board of Directors. Any regular or special Board of Directors. Any regular or special Board of Directors' meeting may be adjourned from time to time by those present, whether a quorum is present or not.
7. Quorum. At all meetings of the Board of Directors, the presence of a majority of the Directors shall be necessary and sufficient to constitute a quorum for the transaction of business, and the act of a majority of the Directors, when present at any meeting at which there is a quorum, shall be the act of the Board of Directors, except as may be otherwise specifically provided by statute, the Restrictions, Articles of Incorporation (and/or Certificate of Formation) or these Bylaws. If a quorum shall not be present at any meeting of the Board of Directors, the Directors present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present.
8. Manner of Acting. The act of a majority of directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, unless the act of a greater number is required by law or by these Bylaws.
9. Action Without Meeting. Any action required by law to be taken at a meeting of the directors, or any action which may be taken at a meeting of the directors, may be taken without a meeting if a consent in writing setting forth the action to be taken, shall be signed by all the directors.
10. Open Board Meetings.
 - (a) "Board Meeting" (1) means a deliberation between a quorum of the voting board of the Association, or between a quorum of the voting Board of Directors and another person, during which the Association's business is considered and the Board of

Directors takes formal action; and (2) does not include the gathering of a quorum of the Board of Directors at a social function unrelated to the business of the Association or attendance by a quorum of the Board of Directors 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.

- (b) Regular and special meetings of the Board of Directors must be open to owners, subject to the right of the Board of Directors to adjourn a Board of Directors meeting and reconvene in closed executive session to consider actions involving personnel, pending or threatened litigation, contract negotiations, enforcement actions, confidential communications with the property owners' association's attorney, matters that are to remain confidential by request of the affected parties and agreement of the Board of Directors. Following an executive session, any decision made in the executive session must be summarized orally and placed in the minutes, in general terms, 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 executive session.
- (c)
 - (1) Except for a meeting held by electronic or telephonic means under Subsection (h), a Board of Directors meeting must be held in a county in which all or part of the property in the subdivision is located or in a county adjacent to that county;
 - (2) A board meeting may be held by electronic or telephonic means provided that
 - (i) each board member may hear and be heard by every other board member;
 - (ii) except for any portion of the meeting conducted in executive session (A) all owners in attendance may hear all board members; and (B) owners are allowed to listen using any electronic or telephonic communication method used or expected to be used by a board member to participate; and (iii) the notice of the meeting includes instructions for owners to access any communication method required to be accessible under Subdivision (ii)(B).
- (d) The Board of Directors shall keep a record of each regular or special Board of Directors meeting in the form of written minutes of the meeting. The Board of Directors shall make meeting records, including approved minutes, available to a member for inspection and copying on the member's written request to the property owners' association's managing agent at the address appearing on the most recently filed management certificate or, if there is not a managing agent, to the Board of Directors.
- (e) Members shall be given notice of the date, hour, place, and general subject of a regular or special Board of Directors meeting, including a general description of any matter to be brought up for deliberation in executive session. The notice shall be:
 - (1) mailed to each property owner not later than the 10th day or earlier than the 60th day before the date of the meeting; or

- (2) provided at least 72 hours before the start of the meeting by:
 - (A) posting the notice in a conspicuous manner reasonably designed to provide notice to property owners' association members:
 - (i) in a place located on the association's common property or, with the property owner's consent, on other conspicuously located privately owned property within the subdivision; or
 - (ii) on any Internet website maintained by the association or other Internet media; and
 - (B) sending the notice by e-mail to each owner who has registered an e-mail address with the association.
- (f) It is an owner's duty to keep an updated e-mail address registered with the property owners' association under Subsection (e) (2) (B).
- (g) If the Board of Directors recesses a regular or special Board of Directors meeting to continue the following regular business day, the Board of Directors is not required to post 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 of Directors meeting is continued to the following regular business day, and on that following day the Board of Directors continues the meeting to another day, the Board of Directors shall give notice of the continuation in at least one manner prescribed by Subsection (e) (2) (A) within two hours after adjourning the meeting being continued.
- (h) Except as provided by this subsection, a Board of Directors may take action outside of a meeting, including voting by electronic or telephonic means, without prior notice to owners under Subsection (e), 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 action taken without notice to owners under Subsection (e) must be summarized orally, including an explanation of any known actual or estimated expenditures approved at the meeting, and documented in the minutes of the next regular or special Board of Directors meeting. The Board of Directors may not, unless done in an open meeting for which notice was given to owners under Subsection (e), consider or vote on:
 - (1) fines;
 - (2) damage assessments;
 - (3) initiation of foreclosure actions;
 - (4) initiation of enforcement actions, excluding temporary restraining orders or violations involving a threat to health or safety;
 - (5) increases in assessments;
 - (6) levying of special assessments;
 - (7) appeals from a denial of architectural control approval;

- (8) a suspension of a right of a particular owner before the owner has an opportunity to attend a Board of Directors meeting to present the owner's position, including any defense, on the issue;
 - (9) lending or borrowing money;
 - (10) the adoption or amendment of a dedicatory instrument;
 - (11) the approval of an annual budget or the approval of an amendment of an annual budget that increases the budget by more than 10 percent;
 - (12) the sale or purchase of real property;
 - (13) the filling of a vacancy on the board;
 - (14) the construction of capital improvements other than the repair, replacement, or enhancement of existing capital improvements; or
 - (15) the election of an officer.
- (Source: Section 209.0051, Texas Property Code, as amended September 1, 2015).

ARTICLE IX - Committees and Managing Agents

1. Appointment of Committees Consisting of Directors. The Board of Directors may, by resolution passed by a majority of the entire board, designate one or more committees, to consist of two or more of the Directors of the Association. Any such committee, to the extent provided in said resolution, shall have and may exercise all of the authority of the Board of Directors in the management of the business and affairs of the Association, except where action of the full Board of Directors is required by Texas law, the Restrictions or by the Articles of Incorporation.
2. Appointment of Committees Not Limited to Directors or Members. Other committees not having and exercising the authority of the Board of Directors in the management of the affairs of the Association may be designated and appointed by a resolution adopted by a majority of the Directors at a meeting at which a quorum is present, or by like resolution of the Board of Directors. Membership on such committee, may, but need not be, limited to Directors or members of the Association.
3. Minutes of Committee Proceeding. All committees shall keep regular minutes of their proceedings and shall report the same to the Board of Directors when required.
4. Employment of Management Agent. The Board of Directors may employ for the Association a management agent at a compensation established by the Board of Directors and such management agents shall perform such duties and services as the Board of Directors shall authorize. The Board of Directors may employ as management agent the Developer, its subsidiaries or affiliates, provided that the compensation to the Developer, its subsidiaries or affiliates shall not exceed the fair market rate for such services.

ARTICLE X - Officers

1. Officers. The officers of this Association shall be a president, a vice president or vice presidents; a secretary; and a treasurer, and such other officers as the Board may from time to time by resolution create, all of whom shall hold office for one year and until their successors are elected and qualified. Two or more offices may be held by the same person, except that no person may simultaneously hold both the office of president and the office of secretary, and no officer shall execute, knowledge or verify in more than one capacity if such instrument is required by law, the Articles of Incorporation, the Declaration or the Bylaws to be executed, acknowledged or verified by two or more officers.
2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors. If the election of officers shall not be held at any such meeting, such election of officers shall be held as soon thereafter as convenient. Each officer shall hold office until his successor shall have duly elected and shall have qualified.
3. Special Meetings. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority and perform such duties as the Board may, from time to time determine.
4. Salaries. The salaries, if any, of the officers shall be determined by the Board of Directors and may be altered by the Board from time to time, except as otherwise provided by contract. All officers shall be entitled to be paid or reimbursed for all costs and expenditures incurred in the Association's business.
5. Vacancies Whenever any vacancies shall occur in any office by death, resignation, and increase in the number of officers of the association or otherwise, the same shall be filled by the Board of Directors, and the officer so elected shall hold office until his successor is chosen and qualified.
6. Removal. Any officers or agent elected or appointed by the Board of Directors may be removed by the Board of Directors, with or without cause, whenever in its judgment the best interest of the Association will be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed. Election or appointment of an officer or agent shall not of itself create contract rights.
7. President. The president shall be the principle executive officer of the corporation and, subject to the control of the Board of Directors, shall in general supervise and control all of the activities and affairs of the corporation. The President shall, when present, preside at all meetings of the Members and of the Board of Directors. The President may sign, with the secretary or any other proper officer of the corporation thereunto duly authorized by the Board of Directors, any notes, bonds, contracts or other instruments which the Board of Directors has authorized to be executed, and in general shall perform all duties incident to the office of president and such other duties as may be prescribed by the Board of Directors from time to time, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors, or by these Bylaws, or by statute to some other officer or agent of the Association. The President shall perform such other duties as the Board of

Directors shall from time to time prescribe.

8. Vice President. The vice president may perform the usual and customary duties that pertain to such office (but not unusual or extraordinary duties or powers conferred by the Board of Directors upon the president) and, under the direction and subject to the control of the Board of Directors, such other duties as may be assigned to him. In the absence of the President or in the event of his inability or refusal to act, the Vice- President shall perform the duties of the President, and when so acting, shall have all of the power of, and be subject to all the restrictions upon the President.
9. Secretary. It shall be the duty of the secretary to attend all meetings of the Members and of the Board of Directors and record correctly the proceedings had at such meeting in a book suitable for that purpose. It shall also be the duty of the secretary to keep the corporate seal of the Association and affix it to all papers requiring said seal; serve notice of meetings of the Board and of the Members; keep appropriate current records showing the Members of the Association together with their addresses; sign with the president or vice president any instruments as authorized by resolution of the Board of Directors; and perform such other duties as may be designated by the Board. The duties of the secretary may also be performed by any assistant secretary. In the absence of the appointment of a treasurer for the Association, the secretary shall perform the duties of the treasurer. Each Assistant Secretary shall have such powers and perform such duties as the Board of Directors may from time to time prescribe or as the President may from time to time delegate to him.
10. Treasurer. If required by the Board of Directors, the treasurer shall give a bond for the faithful discharge of his duties in such a sum and with such surety or sureties as the Board of Directors, shall determine. The Treasurer shall: (a) have charge and custody and be responsible for all funds of the corporation, receive and give receipts for monies due and payable to the Association from any source whatsoever, and deposit all such monies in the name of the corporation in such banks, trust depositories or other depositories as shall be selected in accordance with these Bylaws and (b) 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 him by the president or Board of Directors. He shall disburse the funds of the Association as may be ordered by the Board of Directors , taking proper vouchers for such disbursement, and shall render to the President and Directors, at the regular meetings of the Board of Directors , or whenever they may require it, an account of all his transactions as Treasurer and of the financial condition of the Association, and shall perform such other duties as the Board of Directors may prescribe. Each Assistant Treasurer shall have such powers and perform such duties as the Board of Directors may from time to time prescribe.
11. Delegation of Authority. In the case of any absence of any officer of the Association, or for any other reason that the Board may deem sufficient, the Board of Directors may delegate some or all of the powers or duties of such officers to any other officer or to any director, employee. Member or agent, for whatever period of time seems desirable, providing that a majority of the entire Board concurs therein.
12. Additional Officers and Agents. The Board of Directors may appoint such other officers and agents as it shall deem necessary, who shall be appointed for such terms and shall

exercise powers and perform such duties as shall be determined from time to time by the Board of Directors.

ARTICLE XI - Meetings of the Members

1. Place of Meeting. All meetings of members shall be held at the Principal office of the Association, or at such other place within Polk County, Texas, as may be designated by the Board of Directors or officers or Member(s) calling the meeting.
2. Annual Meeting. The annual meeting of the Members of the Lake Livingston Village Improvement Association, Inc. will be held at the front pavilion in the subdivision at 10:A.M. on the third Saturday in March. Quarterly meetings of the members will be held at the same time and place in the months of June, September and December. If such date for the annual meeting of the Members is a legal holiday, the meeting will be held at the same hour on the first day following which is not a legal holiday. The Board of Directors may postpone the time of holding the annual meeting of Members for such period not exceeding ninety (90) days as they deem advisable {and any annual meeting which is so postponed or for any other reason not held on the date provided above (or on the first day following which is not a legal holiday) is herein referred to as a delayed annual meeting}. Failure to hold the annual meeting at the designated time shall not work dissolution of the association nor impair the powers, rights and duties of the association's officers and directors.
3. Special Meeting. Special meeting of the Members for any purpose may be called at any time by the president or by the Board of Directors. Special meetings of members may also be called by the secretary upon written request of the Members who are entitled to vote one-tenth (1/10) of all of the votes to be cast at such meeting. Such request shall state the purpose or purposes of such meeting and the matters proposed to be acted on thereat.
4. Notice of Meeting. Written notice of all special meetings and annual meetings shall be given to the Members by the Secretary stating the place, day and hour of the meeting, and the purpose for which the meeting is called, shall be delivered not less than ten (10) nor more than sixty (60) days before the meeting to the then members of record entitled to vote at such meeting, and shall set forth in general the nature of the business to be transacted; provided, however, that if the business of any meeting shall involve any action governed by the Articles of Incorporation or by the Restrictions, notice of such meeting shall be given or sent as therein provided. If mailed, such notice shall be deemed delivered when deposited in the United States mail addressed to the Member at his address as it appears in the records of the Association, which postage thereon paid. Notice of annual meetings (which are not delayed) shall not be required, but may be given in a like manner.
5. Quorum. At the beginning of a Members meeting, a determination will be made as to the number of votes which are eligible to be cast at the meeting. In arriving at the number, The presence at a meeting of the Member (in person or by proxy) of 1/20th of the Members who are eligible to vote at the meeting shall constitute a quorum at a meeting of Members for any action except as otherwise provided in the Articles of Incorporation, the Declaration or these

Bylaws. The vote of the Members holding a majority of the votes entitled to be cast and thus represented at a meeting at which a quorum is present, shall be the act of the Members' meeting unless the vote of a greater number is required by law, the Articles of Incorporation, the Declaration or the Bylaws.

6. Proxies. At the meeting of Members, each Member who is entitled to vote may vote in person or by proxy. All proxies shall be in writing and filed with the secretary. Every proxy shall be revocable and shall automatically cease should membership in the Association cease.
7. Voting Rights. Members shall be entitled to one (1) vote for each Lot in the Subdivision in which they hold an interest. When more than one (1) person holds an interest in any Lot, all such persons shall be Members, and the vote for such Lot shall be exercised as they among themselves determine, but, in no event shall more than one (1) vote be cast with respect to each Lot.
8. Officers at Meetings. Meetings of the Members shall be presided over by the president or, or if he is not present, by any one on the vice presidents. The secretary shall act as the secretary of the meeting, if present.
9. Failure to Hold Annual Meeting. The following Bylaw is intended to comply with Section 209.014, Texas Property Code.
 - (a) In the event the Board of Directors does not call an annual meeting of the association members, an owner may demand that a meeting of the association members be called not later than the 30th day after the date of the owner's demand.
 - (b) The owner's demand must be made in writing and sent by verified mail, return receipt requested, to the registered agent of the property owners' association and to the association at the address for the association according to the most recently filed management certificate. A copy of the notice must be sent to each property owner who is a member of the association.
 - (c) If the board does not call a meeting of the members of the property owners' association on or before the 30th day after the date of a demand under Subsection (b), three or more owners may form an election committee. The election committee shall file written notice of the committee's formation with the county clerk of each county in which the subdivision is located.
 - (d) A notice filed by an election committee must contain:
 - (1) A statement that an election committee has been formed to call a meeting of owners who are members of the property owners' association for the sole purpose of electing board members;
 - (2) the name and residential address of each committee member; and
 - (3) the name of the subdivision over which the property owners' association has jurisdiction under a dedicatory instrument.
 - (e) Each committee member must sign and acknowledge the notice before a notary or other official authorized to take acknowledgments.

- (f) The county clerk shall enter on the notice the date the notice is filed and record the notice in the county's real property records.
 - (g) Only one committee in a subdivision may operate under this section at one time. If more than one committee in a subdivision files a notice, the first committee that files a notice, after having complied with all other requirements of this section, is the committee with the power to act under this section. A committee that does not hold or conduct a successful election within four months after the date the notice is filed with the county clerk is dissolved by operation of law. An election held or conducted by a dissolved committee is ineffective for any purpose under this section.
 - (i) The election committee may call meetings of the owners who are members of the property owners' association for the sole purpose of electing board members. Notice, quorum, and voting provisions contained in the bylaws of the property owners' association apply to any meeting called by the election committee. (Source: Section 209.014, Texas Property Code).
10. Special Meetings. Special meetings of the Members for any purpose may be called at any time by the President, or by any two (2) or more Members of the Board of Directors, or upon written request of the Members who have a right to vote one-tenth (1/10th) of all of the votes of the entire membership.
 11. Member Contact Information. Each member shall register his address with the secretary, and notices of meetings, regular or special, shall be mailed to him at such address. It is the responsibility of the Member to provide the Association with current mailing and email addresses, and the Association assumes no responsibility should any notices not be received by the Member provided that the Association forwards such notice to the address provided the Association by the Member.
 12. Notice by e-mail. Any Member may request that notice be transmitted electronically by providing the Association's Secretary a valid e-mail address. Upon providing such e-mail address the Association may transmit any and all notices to such member at such e-mail address. Members are encouraged to provide an e-mail address to help reduce the operational cost of postage and mail-out required by these Bylaws and Texas Law.
 13. Waiver of Notice. Notice may be waived in writing signed by the person or persons entitled to such notice. Such waiver may be executed at any time before or after the holding of such meeting. Attendance at a meeting shall constitute a waiver of notice, except where the person attends for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened.
 14. Location of Meetings. Meetings of members shall be held at the office of the Association, if one is established in the Subdivision, or at such other place, within or without the State of Texas, as may be stated in the notice of the meeting or in a duly executed waiver of notice thereof.
 15. Quorum. The presence at the meeting of Members entitled to cast ten (10 %) of the votes entitled to be voted at such meeting, shall constitute a quorum for any action governed by these Bylaws.

16. Action Required. At a meeting at which a quorum is present, the vote of the majority of the members in person or represented by proxy shall decide any question brought before the meeting, unless the question is one upon which the vote of a greater number is required by law, the Articles of Incorporation, or these Bylaws. The members present or represented at a meeting at which a quorum is present may continue to transact business until adjournment, notwithstanding the withdrawal of enough shareholders to leave less than a quorum.

ARTICLE XII - Notices

1. Type of Notice. Whenever under the provisions of the statute, the Articles of Incorporation, these Bylaws or the Restrictions, notice is required to be given to any Directors or Member and no provision is made as to how such notice shall be given, it shall not be construed to mean personal notice, but any such notice may be given in writing, electronic message (i.e. e-mail), by mail, postage prepaid, addressed to such Directors or Member at such address as appears on the records of the Association. Any notice required or permitted to be given by mail shall be deemed to be given at the time the same is deposited in the United States mail as aforesaid.
2. Waiver of Notice. Whenever any notice is required to be given to any Member or Directors of the Association under the provisions of any applicable statute, the Articles of Incorporation, these Bylaws of the Restrictions, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated in such notice, shall be deemed equivalent to the giving of such notice.

ARTICLE XIII - Special Assessments

1. Regular Assessments. As more fully provided in the Declaration and the Supplemental Declarations, each Member is obligated to pay to the Association certain annual and special assessments which are secured by a continuing lien upon the property against which the assessment is made. Any assessments which are not paid when due shall be delinquent. If assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of ten percent (10%) per annum.
2. Establishment of Special Assessment for Capital Projects. In addition to the Maintenance Fee assessment set forth in the Restrictions, the members of the Association may adopt a special assessment for capital projects, in such amount as may be established by the Association at a special or annual meeting at which notice for an election for the assessment of said Special Assessment is given. Should the special assessment be approved by a two-third (2/3) vote of the members, represented in person or by proxy, of the Property Owners Association at the annual meeting of the Property Owners Association, then the Special Assessment shall become effective on the date noticed, with the proceeds from such special assessment being ear-marked for the specific purpose set forth in the notice of such election.

Said Special Assessment shall be secured by a lien against said lot, and failure to pay said Special Assessment shall constitute a foreclosure lien against said lot. This lien is in the form of an assessment to run with the ownership of said lots. The Special Assessment shall be deemed delinquent if not paid within thirty (30) days of the date set forth in the notice as being the date the Special Assessment is due.

3. Purpose of Special Assessment. The Special Assessment shall be used for only the following purposes:
 - (a) To defray, in whole or in part, the cost, whether incurred before or after the assessment, of any construction or reconstruction, repair, or replacement of a capital improvement in the Common Areas, including but not limited to the streets and roads in the Subdivision, owned by the Association, including the necessary fixtures and personal property related to such Common Areas, to the extent such expense is not sufficiently provided for with Regular Assessment funds;
 - (b) For maintenance and improvement of Common Areas owned by the Association; and/or
 - (c) For such other purposes of the property owners' association as stated in the Association's Certificate of Formation or the dedicatory instrument for the Subdivision.

ARTICLE XIV - Books and Records

1. The Association adopts this Article XIV of these Bylaws to comply with Section 209.005, Texas Property Code. In the event of a conflict between this Article XIV and Section 209.005, Section 209.005 shall control.
2. The Association shall make the books and records of the Association, including financial records, open to and reasonably available for examination by an owner, or a person designated in writing signed by the owner or the owner's agent, attorney, or certified public accountant, in accordance with this section. An owner is entitled to obtain from the Association copies of information contained in the books and records, except as provided herein.
3. An attorney's files and records relating to the Property Owner's Association, excluding invoices requested by an owner under Section 209.008 (d) of the Texas Property Code, are not records of the Association and are not subject to inspection by the owner; or production in a legal proceeding. If a document in an attorney's files and records relating to the Association would be responsive to a legally authorized request to inspect or copy Association documents, the document shall be produced by using the copy from the attorney's files and records if the Association has not maintained a separate copy of the document. This Bylaw does not require production of a document that constitutes attorney work product or that is privileged as an attorney-client communication.

4. An owner or the owner's authorized representative described by Section 2 of this Bylaw must submit a written request for access or information under Section 2 by certified mail, with sufficient detail describing the property owners' Association's books and records requested, to the mailing address of the Association or authorized representative as reflected on the most current management certificate filed with the County Clerk. The request must contain an election either to inspect the books and records before obtaining copies or have the property owners' Association forward copies of the requested books and records. If an inspection is requested, the Association, on or before the 10th business day after the date the Association receives the request, shall send written notice of dates during normal business hours that the owner may inspect the requested books and records to the extent those books and records are in the possession, custody, or control of the Association. If copies of identified books and record are requested, the Association shall, to the extent those books and records are in the possession, custody, or control of the Association, produce the requested books and records for the requesting party on or before the 10th business day after the date the association receives the request, except as otherwise provided by Section 209.005 of the Texas Property Code.
5. If the Association is unable to produce the books or records requested under Article XIV, Section 4 on or before the 10th business day after the date the Association receives the request, the Association will provide to the requestor written notice that:
 - (a) informs the requestor that the Association is unable to produce the information on or before the 10th business day after the date the Association received the request; and
 - (b) states a date by which the information will be sent or made available for inspection to the requesting party that is not later than the 15th business day after the date notice under this subsection is given.
6. If an inspection is requested or required, the inspection shall take place at a mutually agreed on time during normal business hours, and the requesting party shall identify the books and records for the Property Owners' Association to copy and forward to the requesting party.
7. The Association may produce books and records requested under this section in hard copy, electronic, or other format reasonably available to the Association.
8. The Board of Directors shall adopt a records production and copying policy that prescribes the costs the Association will charge for the compilation, production, and reproduction of information requested under this section. The prescribed charges may include all reasonable costs of materials, labor, and overhead but may not exceed costs that would be applicable for an item under 1 T.A.C. Section 70.3. The policy required by this subsection shall be recorded as a dedicatory instrument in accordance with Section 202.006, Texas Property Code. The Association may not charge an owner for the compilation, production, or reproduction of information requested under this section unless the policy prescribing those costs has been recorded as required by the Association's Records Policy filed with the County Clerk. An owner is responsible for costs related to the compilation, production, and reproduction of the requested information in the amounts prescribed by the policy adopted under this Bylaw. The Association may require advance payment of the estimated costs of compilation, production, and reproduction of the requested information. If the estimated costs are lesser or greater than

the actual costs, the Association shall submit a final invoice to the owner on or before the 30th business day after the date the information is delivered. If the final invoice includes additional amounts due from the owner, the additional amounts, if not reimbursed to the Association before the 30th business day after the date the invoice is sent to the owner, may be added to the owner's account as an assessment. If the estimated costs exceeded the final invoice amount, the owner is entitled to a refund, and the refund shall be issued to the owner not later than the 30th business day after the date the invoice is sent to the owner.

9. A Property Owners' Association must estimate costs under this section using amounts prescribed by the policy adopted under Section 8 of this Article XIV.
10. Except as provided by this Article XIV, and to the extent the information is provided in the meeting minutes, the Association is not required to release or allow inspection of any books or records that identify the dedicatory instrument violation history of an individual owner of an association, an owner's personal financial information, including records of payment or nonpayment of amounts due to the Association, an owner's contact information, other than the owner's address, or information related to an employee of the Association, including personnel files. Information may be released in an aggregate or summary manner that would not identify an individual property owner.
11. The books and records described by Section 10 of this Article XIV shall be released or made available for inspection if:
 - (a) the express written approval of the owner whose records are the subject of the request for inspection is provided to the property owners' Association; or
 - (b) a court orders the release of the books and records or orders that the books and records be made available for inspection.
12. The Board shall adopt and comply with a document retention policy that includes, at a minimum, the following requirements:
 - (a) certificates of formation, bylaws, restrictive covenants, and all amendments to the certificates of formation, bylaws, and covenants shall be retained permanently;
 - (b) financial books and records shall be retained for seven years;
 - (c) account records of current owners shall be retained for five years;
 - (d) contracts with a term of one year or more shall be retained for four years after the expiration of the contract term;
 - (e) minutes of meetings of the owners and the board shall be retained for seven years; and
 - (f) tax returns and audit records shall be retained for seven years.
13. A member of the Association who is denied access to or copies of Association books or records to which the member is entitled under this Article XIV of these Bylaws may file a petition with the justice of the peace of a justice precinct in which all or part of the property that is governed by the Association is located requesting relief in accordance with Article XIV of these Bylaws. If the justice of the peace finds that the member is entitled to access

to or copies of the records, the justice of the peace may grant one or more of the following remedies:

- (a) a judgment ordering the Property Owners' Association to release or allow access to the books or records;
 - (b) a judgment against the Property Owners' Association for court costs and attorney's fees incurred in connection with seeking a remedy under this section; or
 - (c) a judgment authorizing the owner or the owner's assignee to deduct the amounts awarded under Subdivision (2) from any future regular or special assessments payable to the Property Owners' Association.
14. If the Property Owners' Association prevails in an action under Section 13 of this Article XIV of the Bylaws, the Association is entitled to a judgment for court costs and attorney's fees incurred by the Association in connection with the action.
15. On or before the 10th business day before the date a person brings an action against the Association under this section, the person must send written notice to the Association of the person's intent to bring the action. The notice must:
- (a) be sent certified mail, return receipt requested, or delivered by the United States Postal Service with signature confirmation service to the mailing address of the Association or authorized representative as reflected on the most current management certificate filed under Section 209.004; and
 - (b) describe with sufficient detail the books and records being requested.
16. For the purposes of this Article XIV of these Bylaws, "business day" means a day other than Saturday, Sunday, or a state or federal holiday. (Source: Section 209.005, Texas Property Code).

ARTICLE XV - Use of Adjacent Lots

1. This Article is intended to comply with Section 209.015 , Texas Property Code, and the Board of Directors is authorized to adopt such rules, regulations and resolutions to effect the intend of this Article.
2. As used in this Bylaws, "Adjacent lot" means: (A) A a lot that is contiguous to another lot that fronts on the same street; (B) with respect to a corner lot, a lot that is contiguous to the corner lot by either a side property line or a back property line; and/or (C) if permitted by the dedicatory instrument, any lot that is contiguous to another lot at the back property line.
3. As used in these Bylaws, "Residential purpose" with respect to the use of a lot: (A) means the location on the lot of any building, structure, or other improvement customarily appurtenant to a residence, as opposed to use for a business or commercial purpose; and (B) includes the location on the lot of a garage, sidewalk, driveway, parking area, children's swing or playscape, fence, septic system, swimming pool, utility line, or water well and, if otherwise specifically permitted by the dedicatory instrument, the parking or storage of a

recreational vehicle.

4. An owner must obtain the approval of the Architectural Control Committee, based on criteria prescribed by the dedicatory instruments specific to the use of a lot for residential purposes, including reasonable restrictions regarding size, location, shielding, and aesthetics of the residential purpose, before the owner begins the construction, placement, or erection of a building, structure, or other improvement for the residential purpose on an adjacent lot.
5. An owner who elects to use an adjacent lot for residential purposes under this section shall, on the sale or transfer of the lot containing the residence: (a) include the adjacent lot in the sales agreement and transfer the lot to the new owner under the same dedicatory conditions; or (b) restore the adjacent lot to the original condition before the addition of the improvements allowed under this section to the extent that the lot would again be suitable for the construction of a separate residence as originally platted and provided for in the conveyance to the owner.
6. An owner may sell the adjacent lot separately only for the purpose of the construction of a new residence that complies with existing requirements in the dedicatory instrument unless the lot has been restored as described by Subsection (5)(b) of this Article.
7. The Association may not adopt or enforce a provision in a dedicatory instrument that prohibits or restricts the owner of a lot on which a residence is located from using for residential purposes an adjacent lot owned by the property owner.

ARTICLE XVI - Miscellaneous; Fiscal Matters

1. Contracts. The Board of Directors may authorize any officer or officers, agent or agents, to enter into contract or execute and deliver any instrument in the name of and on behalf of the corporation, and such authority may be general or confined to specific instances.
2. Loans. No loans shall be contracted on behalf of the corporation, and no evidence of indebtedness shall be issued in its name, unless authorized by a resolution of the Board of Directors. Such authority may be general or confined to specific instances.
3. Checks, Drafts, Etc. All checks, drafts or other orders for the payment of money, notes or other evidence of indebtedness issued in the name of the cooperation shall be signed by such officer or officers, agent or agents, of the corporation and in such manner as shall from time to time be determined by resolution of the Board of Directors.
4. Deposits. All funds of the corporation not otherwise employed shall be deposited from time to time to the credit of the corporation in such banks, trust companies or other depositories as the Board of Directors may select.
5. Charges. The Board of Directors shall compute, assess, collect and enforce the payment of all charges to which the Subdivision is subjected or may be subjected under or by virtue of the Restrictions and Bylaws.

6. Dividends. No dividends shall be paid and no part of the income of the Association shall be disbursed to its Members, Directors, or Officers. The Association may pay compensation in a reasonable amount to its Members or Officers for services rendered, but only as permitted by the applicable statutes.
7. Fiscal Year. The Fiscal year of the Association shall be the calendar year.
8. Seal. The seal of the Association shall be circular in form, with the word “TEXAS” in the center and the name of the Association around the margin thereof.
9. Indemnification. Except as may otherwise be provided by Article 1396-2.22A, Texas Non-Profit Corporations Act, and/or Section 8.051, Texas Business Organizations Code, or as may be ordered by a court pursuant to Section 8.052, Texas Business Organizations Code, or by Article 1396-2.22A, Texas Non-Profit Corporations Act, the Association shall indemnify any Director, Officer, or employee of the Association, against expenses actually and necessarily incurred by him and any amount paid in satisfaction of judgements in connection with any action, suit or proceedings, whether civil or criminal in nature, in which he is made a party by reason of being or having been such a Director, Officer, or employee (whether or not a Director, Officer, or employee at the time such costs or expenses are incurred by or imposed upon him) except in relation to matters as to which he shall be judged in such action, suit, or proceedings to be liable for gross negligence or willful misconduct in the performance of duty. The Association may also reimburse to any Director, Officer or employee the reasonable costs of settlement of any such action, suit or proceedings, if it shall be found by a majority of a committee of the Directors not involved in the matter in controversy, whether or not a quorum, that it was in the interest of the Association that such settlement be made and that such Director, Officer or employee was not guilty of gross negligence or willful misconduct. Such rights of indemnification and reimbursement shall not be deemed exclusive of any other rights to which such Director, Officer, or employee may be entitled by law or under any Bylaw, agreement, vote of Members or otherwise. Nothing in this Section shall prevent permissive indemnification as authorized by Section 8.01 through 8.152, Texas Business Organizations Code, or by Article 1396-2.22A, Texas Non-Profit Corporations Act.
10. Online Subdivision Information. The Association shall make dedicatory instruments relating to the association or subdivision and filed with the County Clerk records available on a website if the association has, or a management company on behalf of the association maintains, a publicly accessible website. (Source: Section 207.006, Texas Property Code).
11. Conflict. In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control.
12. Texas Property Code Controls. To the extent that any of these Bylaws conflict with the provisions of the Texas Business Organizations Code, as may be amended from time to time by the Texas Legislature, the Texas Property Code and/or the Texas Business Organizations Code shall control.

ARTICLES XVI - Amendment of Bylaws

These Bylaws may be altered or repealed at any regular or special meeting of the Board of Directors by a majority vote unless: (1) this chapter or the corporation's certificate of formation wholly or partly reserves the power exclusively to the corporation's members; (2) the management of the corporation is vested in the corporation's members; or (3) in amending, repealing, or adopting a bylaw, the members expressly provide that the board of directors may not amend or repeal the bylaw.

THESE BYLAWS have been voted on and adopted by a majority vote at which a quorum was had by the Board of Directors of the Association at a meeting of the Association held on April ____, 2017.

LINDA BLACKSTOCK, President

ATTEST:

Secretary

STATE OF TEXAS *

COUNTY OF _____ *

This instrument was acknowledged before me on the ____ day of _____, 2017,
by LINDA BLACKSTOCK, President, LAKE LIVINGSTON VILLAGE IMPROVEMENT
ASSOCIATION, INC., a Texas non-profit corporation on behalf of said corporation.

NOTARY PUBLIC, STATE OF TEXAS

After filing return to:
Travis E. Kitchens, Jr.
Lawyer
P. O. Box 1629
Onalaska, Texas 77360