

**BYLAWS**  
**OF**  
**VILLAS ON FREDDY OWNER'S ASSOCIATION, INC.**  
a Texas non-profit corporation

**Adopted**  
**January 14, 2021**

**Filing No.:** \_\_\_\_\_

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**BYLAWS**

**OF**

**VILLAS ON FREDDY OWNER’S ASSOCIATION, INC**

STATE OF TEXAS §  
COUNTY OF HIDALGO §  
§

Association: **VILLAS ON FREDDY OWNER’S ASSOCIATION, INC**, a Texas non-profit corporation established by the Certificate of Formation filed with the Secretary of State of Texas on **January \_\_, 2021** under **File Number \_\_\_\_\_**.

Principal Office: **200 S., 10th St., Suite 1700, McAllen, Texas**, or any place designated in writing by the Association.

Declarations: The **Declaration of Covenants, Conditions, and Restrictions for The Villas on Freddy Phase I Subdivision** according to the map filed on \_\_\_\_\_ under Document Number \_\_\_\_\_, in the Office of the County Clerk of Hidalgo County, Texas, reference to which is here made for all purposes (the “Villas on Freddy Subdivision”).

The Declaration for the Villas on Freddy Subdivision will be recorded upon the filing of the final plat of the Villas on Freddy Phase I Subdivision and supplemented upon the filing of the final plat of any additional phases (the “Declaration”).

Definitions: Capitalized terms used but not defined herein have the meaning set forth in the Declaration.

**ARTICLE I  
MEMBERS**

2.01 Membership. Every Owner of a Lot in the Villas on Freddy Subdivision shall automatically be a member of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from ownership of any Lot.

2.02 Place of Meeting. The Board may designate any place within Hidalgo County, Texas, as the place of meeting for any annual meeting or special meeting of the Members called by the Board. If no designation is made, the place of meeting shall be the registered office of the Association in the State of Texas.

2.03 Annual Meeting. The annual meeting of the Members shall be held on the date and time set by the Board.

Failure to hold the annual meeting of the Members at the designated time shall not work a

dissolution of the Association. In the event the Board fails to call the annual meeting of the Members at the designated time, any Member may make demand that such meeting be held within a reasonable time, such demand to be made in writing by certified mail, return receipt requested, directed to the registered agent of the Association and to the Association at the address for the Association according to the most recently filed management certificate. A copy of the demand must be sent to each Member of the Association. If the annual meeting of Members is not called within thirty (30) days following such demand, any Member may compel the holding of such annual meeting of the Members by legal action directed against the Board, and all of the extraordinary writs of common law and of courts of equity shall be available to such member to compel the holding of such annual meeting of the Members.

2.04 Notice of Members' Meeting. Written or printed notice stating the place, day, and hour of the meeting and, in case of a special meeting, the purpose or purposes for which the meeting is called, shall be given not less than ten (10) nor more than sixty (60) days before the date of the meeting, either personally or by mail, by or at the direction of the President, or the Secretary, or the officers or persons calling the meeting, to each Member entitled to vote at such meeting. If mailed, such notice shall be deemed to be given when deposited in the United States mail addressed to the Member at the Member's address as it appears on the records of the Association, with postage thereon paid.

2.05 Special Members' Meetings. Special meetings of the Members may be called by the President, the Board, or by Members having not less than ten percent (10%) of the votes entitled to be cast at such meeting.

Only business within the purpose or purposes described in the notice or executed waiver of notice may be conducted at a special meeting of the Members.

Any person or persons entitled hereunder to call a special meeting of Members may do so only by written request sent by certified mail or delivered in person to the President or Secretary. The officer receiving the written request shall within ten (10) days from the date of its receipt cause notice of the meeting to be given in the manner provided by these Bylaws to all Members entitled to vote at the meeting. If the officer does not give notice of the meeting within ten (10) days after the date of receipt of the written request, the person or persons calling the meeting may fix the time of meeting and give the notice in the manner provided in these Bylaws. Nothing contained in this section shall be construed as limiting, fixing, or affecting the time or date when a meeting of Members called by action of the Board may be held.

2.06 Voting of Members. Each Member shall be entitled to one (1) vote on each matter submitted to a vote of the Members, except to the extent that the voting rights of Members are limited, enlarged, or denied by the Certificate of Formation or these Bylaws.

Unless otherwise provided by the Declaration, the Certificate of Formation or these Bylaws, a Member may vote in person or may vote by proxy executed in writing by the Member or by the Member's duly authorized attorney-in-fact. No proxy shall be valid after eleven (11) months from the date of its execution, unless otherwise provided in the proxy. Each proxy shall be revocable unless expressly provided therein to be irrevocable, and in no event shall it remain irrevocable for more than eleven (11) months.

At each election for members of the Board, every Member entitled to vote at such election shall have the right to vote, in person or by proxy, for as many persons as there are members of the Board to be elected and for whose election the Member has a right to vote, or, if expressly

authorized by the Certificate of Formation, to cumulate the Member's vote by giving one candidate as many votes as the number of such members of the Board multiplied by such Member's vote shall equal, or by distributing such votes on the same principle among any number of such candidates. Any Member who intends to cumulate votes as herein authorized shall give written notice of such intention to the Secretary of the Association on or before the day preceding the election at which such Member intends to cumulate votes.

The vote of the majority of the votes entitled to be cast by the Members present, or represented by proxy 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 Certificate of Formation, or these Bylaws.

Any vote may be taken by voice or show of hands unless a Member entitled to vote, either in person or by proxy objects, in which case written ballots shall be used.

2.07 Quorum of Members. Unless otherwise provided in the Declaration, the Certificate of Formation or in these Bylaws, Members holding ten percent (10%) of the votes entitled to be cast, represented in person or by proxy, shall constitute a quorum. Unless otherwise provided in the Declarations, Certificate of Formation or these Bylaws, once a quorum is present at a meeting of Members, the Members represented in person or by proxy at the meeting may conduct such business as may be properly brought before the meeting until it is adjourned, and the subsequent withdrawal from the meeting of any Member or the refusal of any Member represented in person or by proxy to vote shall not affect the presence of a quorum at the meeting. Unless otherwise provided in the Declaration, the Certificate of Formation or these Bylaws, the Members represented in person or by proxy at a meeting of Members at which a quorum is not present may adjourn the meeting until such time and to such place as may be determined by a vote of the majority of the Members represented in person or by proxy at that meeting.

2.08 Fixing Record Dates for Determining Members Entitled to Vote and Notice. The record date for determining the Members entitled to notice of a Members' meeting and for determining the Members entitled to vote at a Members' meeting shall be the close of business on the business day preceding the date on which notice is given, such date in any case shall not be earlier than the sixtieth (60th) day before the date the action requiring the determination of Members is originally to be taken.

A determination of Members entitled to notice of or to vote at a Members' meeting is effective for any adjournment of the meeting unless the Board fix a new date for determining the right to notice or the right to vote. The Board must fix a new date for determining the right to notice or the right to vote if the meeting is adjourned to a date more than ninety (90) days after the record date for determining Members entitled to notice of the original meeting.

2.09 Voting Lists. After fixing a record date for the notice of a meeting, the Association shall prepare an alphabetical list of the names of all the voting Members who are entitled to notice of the meeting. The list must show the address and number of votes each voting Member is entitled to cast at the meeting. The Association shall maintain, through the time of the Members' meeting, a list of Members who are entitled to vote at the meeting but are not entitled to notice of the meeting. This list shall be prepared on the same basis and be part of the list of voting Members.

Not later than two (2) business days after the date notice is given of a meeting for which a list

was prepared, as provided above, and continuing through the meeting, the list of voting Members must be available for inspection by any Member entitled to vote at the meeting for the purpose of communication with other Members concerning the meeting at the Association's principal office or at a reasonable place identified in the meeting notice in the county where the meeting will be held. A voting Member or voting Member's agent or attorney is entitled upon written demand to inspect and to copy the list at a reasonable time and at the Member's expense during the period it is available for inspection.

The Association shall make the list of voting Members available at the meeting, and any voting Member or voting Member's agent or attorney is entitled to inspect the list at any time during the meeting or any adjournment.

**2.10 Action By Members Without Meeting.** Any action required by the Texas Business Organizations Code or the Texas Property Code to be taken at a meeting of the Members, or any action which may be taken at a meeting of the Members, may be taken without a meeting if a consent in writing, setting forth the action to be taken, shall be signed by all the Members entitled to vote with respect to the subject matter thereof. Such consent shall have the same force and effect as a unanimous vote.

If the Association's Certificate of Formation so provides, any action required by the Texas Business Organizations Code or the Texas Property Code to be taken at a meeting of the Members may be taken without a meeting if a consent in writing, setting forth the action to be taken, is signed by a sufficient number of Members as would be necessary to take that action at a meeting at which all of the Members were present and voted.

Each written consent shall bear the date of signature of each Member who signs the consent. Prompt notice of the taking of any action by Members without a meeting by less than unanimous written consent shall be given to all Members who did not consent in writing to the action.

If any action by Members is taken by written consent signed by less than all of the Members, any articles or documents filed with the Secretary of State as a result of the taking of the action shall state, in lieu of any statement required concerning any vote of the Members, that written consent has been given in accordance with the provisions of section 6.202 of the Texas Business Organizations Code and that any written notice required by such section has been given.

A telegram, telex, cablegram, or similar transmission by a Member or a photographic, photostatic, facsimile, or similar reproduction of a writing signed by a Member shall be regarded as signed by the Member for purposes of this section.

### **ARTICLE III DIRECTORS**

**3.01 Board of Directors.** To the extent not limited or prohibited by law, the Declarations, the Certificate of Formation or these Bylaws, the powers of the Association shall be exercised by or under the authority of, and the business and affairs of the Association shall be managed under the direction of the Board. Members of the Board need not be residents of the State of Texas or members of the Association unless the Certificate of Formation or these Bylaws so require.

**3.02 Number of Members of the Board.** The number of members of the Board shall be three (3) provided that the number may be increased or decreased from time to time by an

amendment to these Bylaws or resolution adopted by the Board, provided that the number of members of the Board may not be decreased to fewer than three (3). No decrease in the number of members of the Board shall have the effect of shortening the term of any incumbent member of the Board.

3.03 Declarant's Special Voting Rights. Notwithstanding anything to the contrary contained herein, during the Declarant Control Period, Declarant shall have the sole and absolute power to appoint and remove officers and members of the Board; provided, however, that not less than one-third (1/3) of the Board members must be elected by Owners other than Declarant beginning on the date that is one hundred twenty (120) days after Declarant has conveyed seventy-five percent (75.0%) of the Lots to Owners other than Declarant.

3.04 Removal. A member of the Board may be removed from office, with or without cause, by the persons entitled to elect, designate, or appoint the Board member. If the Board member was elected to office, removal requires an affirmative vote equal to the vote necessary to elect the Board member.

3.05 Resignation. A member of the Board may resign by providing written notice of such resignation to the Association. The resignation shall be effective upon the date of receipt of the notice of resignation or the date specified in such notice. Acceptance of the resignation shall not be required to make the resignation effective.

3.06 Vacancies and Increase in Number of Members of the Board. Except as provided in Section 3.03 above, any vacancy occurring in the Board shall be filled by the affirmative vote of a majority of the remaining Board members through no less than a quorum of the Board. A Board member elected to fill a vacancy shall be elected for the unexpired term of the previous director. Any Board membership to be filled by reason of an increase in the number of members of the Board shall be filled by election at an annual meeting or at a special meeting of Members called for that purpose, except as provided in Section 3.03 above.

3.07 Annual Meeting of the Board. Immediately following each annual meeting of Members, the Board shall hold an annual meeting at which they shall elect officers and transact such other business as shall come before the meeting. The time and place of the annual meeting of the Board may be changed by resolution of the Board.

3.08 Regular Meeting of the Board. Regular meetings of the Board may be held with notice at such time and place as may be from time to time determined by the Board.

3.09 Special Meetings of the Board. The Secretary shall call a special meeting of the Board whenever requested to do so by the President or by three (3) or more members of the Board. Such special meeting shall be held at the date and time specified in the notice of meeting.

3.10 Place of Board Meetings. All meetings of the Board shall be held either at the principal office of the Association or at such other place, within Hidalgo County, Texas, as shall be specified in the notice of meeting or executed waiver of notice.

3.11 Notice of Board Meetings to Members of the Board. Notice of any meeting of the Board shall be given at least seventy-two (72) hours previously thereto by written notice delivered personally or sent by mail or telegram to each Board member at that Board member's address as shown by the records of the Association. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail in a sealed envelope so addressed, the

postage thereon prepaid. Any member of the Board may waive notice of any Board meeting. The attendance of a member of the Board at any Board meeting shall constitute a waiver of notice of such Board meeting, except where a member of the Board attends a Board meeting for the express purpose of objecting to the transaction of any business because the Board meeting is not lawfully called or convened. A general description of the business to be transacted at, or the purpose of, any regular or special meeting of the Board shall be specified in the notice or waiver of notice of such Board meeting.

3.12 Notice of Board Meetings to Members. After the Development Period, Members shall be given notice of the date, hour, place, and general subject of a regular or special Board 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 Member not later than the tenth (10th) day or earlier than the sixtieth (60th) day before the date of the meeting; or (2) provided at least seventy-two (72) hours before the start of the meeting by: (A) posting the notice in a conspicuous manner reasonably designed to provide notice to Members: (i) in a place located on the Association's Common Properties, or (ii) on any Internet website maintained by the Association or other Internet Media; and (B) sending the notice by e-mail to each Member who has registered an e-mail address with the Association. It is a Member's duty to keep an updated e-mail address registered with the Association.

Notices of Board meetings shall only be provided to Members during the Development Period if the Board meeting is conducted for the purpose of (1) adopting or amending the governing documents, including the Declarations, these Bylaws, and rules and regulations of the Association; (2) increasing the amount of Annual Maintenance Assessments or Technology Assessments, or adopting or increasing Special Capital Assessments; (3) electing non-Declarant Board members of the Association or establishing a process by which those Board members are elected; or (4) changing the voting rights of the Members of the Association.

3.13 Quorum and Voting of Directors. A quorum for the transaction of business by the Board shall be a majority of the number of Board members fixed by these Bylaws. Board members present by proxy may not be counted toward a quorum. The act of the majority of the Board members present in person or by proxy at a Board meeting at which a quorum is present shall be the act of the Board, unless the act of a greater number is required by law or the Certificate.

A Board member may vote in person or by proxy executed in writing by the Board member. No proxy shall be valid after three (3) months from the date of its execution. Each proxy shall be revocable unless expressly provided therein to be irrevocable, and unless otherwise made irrevocable by law.

3.14 Compensation. Members of the Board, as such, shall not receive any stated salary for their services, but by resolution of the Board a fixed sum and expenses of attendance, if any, may be allowed for attendance at any meeting of the Board. A member of the Board shall not be precluded from serving the Association in any other capacity and receiving compensation for such services.

3.15 Action By Board Without Meeting. Any action required by the Texas Business Organizations Code or the Texas Property Code to be taken at a meeting of the Board may be taken without a meeting if a consent in writing, setting forth the action to be taken, shall be signed by all the members of the Board entitled to vote with respect to the subject matter thereof. Such consent shall have the same force and effect as a unanimous vote.

If the Association's Certificate so provides, any action required by the Texas Business Organizations Code or the Texas Property Code to be taken at a meeting of the Board may be taken without a meeting if a consent in writing, setting forth the action to be taken, is signed by a sufficient number of members of the Board or committee members as would be necessary to take that action at a meeting at which all of the members of the Board were present and voted.

Each written consent shall bear the date of signature of each member of the Board who signs the consent. A written consent signed by less than all of the Board is not effective to take the action that is the subject of the consent unless, within sixty (60) days after the date of the earliest dated consent delivered to the Association in the manner required by this section, a consent or consents signed by the required number of members of the Board is delivered to the Association at its registered office, registered agent, principal place of business, or an officer or agent of the Association having custody of the books in which proceedings of Board meetings are recorded. Delivery shall be by hand or certified mail, return receipt requested. Delivery to the Association's principal place of business shall be addressed to the President.

Prompt notice of the taking of any action by Board without a meeting by less than unanimous written consent shall be given to all the members of the Board who did not consent in writing to the action.

If any action by the Board is taken by written consent signed by less than all of the members of the Board, any articles or documents filed with the Secretary of State as a result of the taking of the action shall state, in lieu of any statement required concerning any vote of the Board, that written consent has been given in accordance with the provisions of section 6.202 of the Texas Business Organizations Code and that any written notice required by such section has been given.

A telegram, telex, cablegram, or similar transmission by a member of the Board, or a photographic, photostatic, facsimile, or similar reproduction of a writing signed by a member of the Board, shall be regarded as signed by the Board member for purposes of this section.

#### **ARTICLE IV OFFICERS**

4.01 Number of Officers. The officers of the Association shall consist of a President and a Secretary and may also consist of one or more Vice-Presidents, a Treasurer, and such other officers and assistant officers as may be deemed necessary. New offices may be created and filled at any Board meeting. Any two (2) or more offices may be held by the same person, except the offices of President and Secretary.

4.02 Election of Officers and Term of Office. All officers shall be elected or appointed annually by the Board at the regular annual meeting of the Board for such terms not exceeding three (3) years.

4.03 Removal of Officers, Vacancies. Any officer elected or appointed may be removed by the Board whenever in their judgment the best interests of the Association will be served thereby. The removal of an officer shall be without prejudice to the contract rights, if any, of the officer so removed. Election or appointment of an officer or agent shall not of itself create contract rights. A vacancy in any office because of death, resignation, removal, disqualification or otherwise, may be filled by the Board for the unexpired portion of the term.



4.04 Powers of Officers. Each officer shall have, subject to these Bylaws and the Declarations, in addition to the duties and powers specifically set forth herein, such powers and duties as are commonly incident to that office and such duties and powers as the Board shall from time to time designate. All officers shall perform their duties subject to the directions and under the supervision of the Board. The President may secure the fidelity of any and all officers by bond or otherwise.

All officers and agents of the Association, as between themselves and the Association, shall have such authority and perform such duties in the management of the Association as may be provided in these Bylaws, or as may be determined by resolution of the Board not inconsistent with these Bylaws.

In the discharge of a duty imposed or power conferred on an officer of the Association, the officer may in good faith and with ordinary care rely on information, opinions, reports, or statements, including financial statements and other financial data, concerning the Association or another person, that were prepared or presented by: (1) one or more other officers or employees of the Association, including members of the Board; or (2) legal counsel, public accountants, or other persons as to matters the officer reasonably believes are within the person's professional or expert competence.

An officer is not relying in good faith within the meaning of this section if the officer has knowledge concerning the matter in question that makes reliance otherwise permitted by this subsection unwarranted.

4.05 President. The President shall be the chief executive officer of the Association and shall preside at all Board meetings and meetings of the Members. Such officer shall see that all orders and resolutions of the Board are carried out, subject however, to the right of the Board to delegate specific powers, except such as may be by statute exclusively conferred on the President, to any other officers of the Association.

The President or any Vice-President shall execute bonds, mortgages and other instruments requiring a seal, in the name of the Association. When authorized by the Board, the President or any Vice-President may affix the seal to any instrument requiring the same, and the seal when so affixed shall be attested by the signature of either the Secretary or an Assistant Secretary.

The President shall submit a report of the operations of the Association for the year to the Board at their Board meeting next preceding the annual meeting of the Members and to the Members at their annual meeting.

4.06 Vice-Presidents. The Vice-President, or Vice-Presidents in order of their rank as fixed by the Board, shall, in the absence or disability of the President, perform the duties and exercise the powers of the President, and they shall perform such other duties as the Board shall prescribe.

4.07 The Secretary and Assistant Secretaries. The Secretary shall attend all Board meetings and all meetings of the Members and shall record all votes and the minutes of all proceedings. The Secretary shall give or cause to be given notice of all meetings of the Members and all Board meetings and shall perform such other duties as may be prescribed by the Board. The Secretary shall keep in safe custody the seal of the Association, and when authorized by the Board, affix the same to any instrument requiring it, and when so affixed, it shall be attested by the Secretary's signature or by the signature of an Assistant Secretary.

The Assistant Secretaries shall in order of their rank as fixed by the Board, in the absence or disability of the Secretary, perform the duties and exercise the powers of the Secretary, and they shall perform such other duties as the Board shall prescribe.

In the absence of the Secretary or an Assistant Secretary, the minutes of all Board meetings and meetings of the Members shall be recorded by such person as shall be designated by the President or by the Board.

4.08 The Treasurer and Assistant Treasurers. The Treasurer shall have the custody of the corporate funds and securities and shall keep full and accurate accounts of receipts and disbursements in books belonging to the Association and shall deposit all moneys and other valuable effects in the name and to the credit of the Association in such depositories as may be designated by the Board.

The Treasurer shall disburse the funds of the Association as may be ordered by the Board, taking proper vouchers for such disbursements. The Treasurer shall keep and maintain the Association's books of account and shall render to the President and Board an account of all of the Treasurer's transactions and of the financial condition of the Association and exhibit the books, records and accounts to the President or Board at any time. The Treasurer shall disburse funds for capital expenditures as authorized by the Board and in accordance with the orders of the President, and present to the President's attention any requests for disbursing funds if in the judgment of the Treasurer any such request is not properly authorized. The Treasurer shall perform such other duties as may be directed by the Board or by the President.

If required by the Board, the Treasurer shall give the Association a bond in such sum and with such surety or sureties as shall be satisfactory to the Board for the faithful performance of the duties of the office and for the restoration to the Association, in case of death, resignation, retirement or removal from office, of all books, papers, vouchers, money and other property of whatever kind in the incumbent's possession or under the incumbent's control belonging to the Association.

The Assistant Treasurers in the order of their seniority shall, in the absence or disability of the Treasurer, perform the duties and exercise the powers of the Treasurer, and they shall perform such other duties as the Board shall prescribe.

## **ARTICLE V INDEMNIFICATION AND INSURANCE**

5.01 Indemnification. The Association shall have the full power to indemnify and advance or reimburse expenses pursuant to the provisions of the Texas Business Organizations Code to any person entitled to indemnification under the provisions of the Texas Business Organizations Code.

5.02 Insurance. The Association may purchase and maintain insurance or another arrangement on behalf of any person who is or was a member of the Board, officer, employee, or agent of the Association, or who is or was serving at the request of the Association as a member of the Board, officer, partner, venturer, proprietor, trustee, employee, agent, or similar functionary of another foreign or domestic corporation, employee benefit plan, other enterprise, or other entity, against any liability asserted against him or her and incurred by him or her in such a capacity or arising out of his or her status as such a person, whether or not the

Association would have the power to indemnify him or her against that liability. If the insurance or other arrangement is with a person or entity that is not regularly engaged in the business of providing insurance coverage, the insurance or arrangement may provide for payment of a liability with respect to which the Association would not have the power to indemnify the person only if including coverage for the additional liability has been approved by the Members of the Association. Without limiting the power of the Association to procure or maintain any kind of insurance or other arrangement, the Association may, for the benefit of persons indemnified by the Association, (1) create a trust fund; (2) establish any form of self-insurance; (3) secure its indemnity obligation by grant of a security interest or other lien on the assets of the Association; or (4) establish a letter of credit, guaranty, or surety arrangement. The insurance or other arrangement may be procured, maintained, or established within the Association or with any insurer or other person deemed appropriate by the Board regardless of whether all or part of the stock or other securities of the insurer or other person are owned in whole or part by the Association. In the absence of fraud, the judgment of the Board as to the terms and conditions of the insurance or other arrangement and the identity of the insurer or other person participating in an arrangement shall be conclusive and the insurance or arrangement shall not be voidable and shall not subject the members of the Board approving the insurance or arrangement to liability, on any ground, regardless of whether the members of the Board participating in the approval are beneficiaries of the insurance or arrangement.

## **ARTICLE VI MISCELLANEOUS**

6.01 Waiver of Notice. Whenever any notice is required to be given to any Member or member of the Board of the Association under the provisions of the Texas Business Organizations Code, the Texas Property Code, the Certificate, the Declarations, or these Bylaws, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be equivalent to the giving of such notice.

6.02 Meetings By Telephone Conference, Electronic or Other Remote Communications Technology. Subject to the provisions required or permitted by the Texas Business Organizations Code, the Texas Property Code, the Declarations, and these Bylaws for notice of meetings, Members of the Association or members of the Board may participate in and hold a meeting of such Members or Board by means of: (1) conference telephone or similar communications equipment by which all persons participating in the meeting can communicate with each other; or (2) another suitable electronic communications system, including videoconferencing technology or the Internet, only if: (a) each member entitled to participate in the meeting consents to the meeting being held by means of that system; and (b) the system provides access to the meeting in a manner or using a method by which each member participating in the meeting can communicate concurrently with each other participant. Participation in a meeting pursuant to this section shall constitute presence in person at such meeting, except where a person participates in the meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened.

6.03 Seal. The Association may adopt a corporate seal in such form as the Board may determine. The Association shall not be required to use the corporate seal and the lack of the corporate seal shall not affect an otherwise valid contract or other instrument executed by the Association.

6.04 Contracts. The Board may authorize any officer or officers, agent or agents of the

Association, in addition to the officers so authorized by these Bylaws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Association, and such authority may be general or confined to specific instances.

6.05 Checks, Drafts, Etc. All checks, drafts or other instruments for payment of money or notes of the Association shall be signed by such officer or officers or such other person or persons as shall be determined from time to time by resolution of the Board.

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

6.07 Gifts. Members of the Board may accept on behalf of the Association any contribution, gift, bequest or devise for the general purposes or for any special purpose of the Association.

6.08 Books and Records. The Association shall keep at the registered office or principal office minutes of the proceedings of the Members and the Board for at least seven (7) years. A Member of the Association, upon written request for access or information by certified mail, return receipt requested, with sufficient detail describing the Association books and records requested, to the mailing address of the Association or authorized representative as reflected on the most current management certificate, has the right to examine and copy, in person or by agent, accountant, or attorney, at any reasonable time, for any proper purpose, the books and records of the Association, at the expense of the Member.

6.09 Financial Records and Annual Reports. The Association shall maintain current true and accurate financial records with full and correct entries made with respect to all financial transactions of the Associations, including all income and expenditures, in accordance with generally accepted accounting practices. All records shall be retained by the Association as follows: (1) financial books and records of the Association shall be kept for at least seven (7) years; (2) account records of current Owners shall be kept for at least five (5) years; (3) contracts with a term of one (1) year or more shall be kept for at least four (4) years after the expiration of the contract term; and (4) tax returns and audit records shall be kept for at least seven (7) years.

6.10 Fiscal Year. The fiscal year of the Association shall be as determined by the Board.

## **ARTICLE VII CONSTRUCTION**

7.01 Pronouns and Headings. All personal pronouns used in these Bylaws shall include the other gender whether used in masculine or feminine or neuter gender, and the singular shall include the plural whenever and as often as may be appropriate. All headings herein are for convenience only and neither limit nor amplify the provisions of these Bylaws.

7.02 Invalid Provisions. If any one or more of the provisions of these Bylaws, or the applicability of any such provision to a specific situation, shall be held invalid or unenforceable, such provision shall be modified to the minimum extent necessary to make it or its application valid and enforceable, and the validity and enforceability of all other provisions of these Bylaws and all other applications of any such provision shall not be affected thereby.

**ARTICLE VIII  
AMENDMENT OF BYLAWS**

The Board may amend or repeal these Bylaws, or adopt new Bylaws, unless the Certificate, the Declarations, the Texas Property Code or the Texas Business Organizations Code limits such powers. Unless the Certificate or a bylaw adopted by the Members provides otherwise as to all or some portion of these Bylaws, Members having not less than sixty-seven percent (67%) of the votes may amend or repeal these Bylaws or adopt new Bylaws even though the Bylaws may also be amended, repealed, or adopted by the Board.

**[Signature page follows].**

Adopted by the Board of Directors on \_\_\_\_\_, 2021.

  
\_\_\_\_\_  
**JON RHODES**

  
\_\_\_\_\_  
**MICHAEL RHODES**

  
\_\_\_\_\_  
**NICK RHODES**

PREPARED IN THE LAW OFFICE OF:

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