

**AMENDED AND RESTATED BYLAWS OF
TONKAWA SPRINGS HOME OWNERS ASSOCIATION, INC.**

WHEREAS, Bylaws for Tonkawa Springs Home Owners Association, Inc. (the "Prior Bylaws") were previously adopted; and

WHEREAS, the Board of Directors of the Tonkawa Springs Home Owners Association, Inc. (the "Association") desires to amend and restate the Prior Bylaws in its entirety.

NOW, THEREFORE, the Board of Directors of the Association hereby amends and restates the Prior Bylaws in its entirety. Upon recording these Amended and Restated Bylaws (the "Bylaws"), these Bylaws will replace and supersede the Prior Bylaws.

Article I

Name, Membership, Definitions, Applicability and Membership

Section 1. **Name.** The name of the Association is Tonkawa Springs Home Owners Association, Inc. (hereinafter referred to as the "Association").

Section 2. **Restrictions.** "Restrictions" as used in these Bylaws will mean the Property Restriction and Reservations, as amended or supplemented, if any, filed in the Official Public Records of Real Property of Williamson County, Texas for each subdivision under the jurisdiction of the Association.

Section 3. **Definitions/Gender.** All capitalized terms used in these Bylaws will have the same meanings as those set forth in the applicable Restrictions unless otherwise provided. Pronouns, wherever used in these Bylaws, will include all persons regardless of gender.

Section 4. **Applicability.** These Bylaws are applicable to the Tonkawa Springs Home Owners Association, Inc. All present or future Owners (as that term is defined in Texas Property Code §209.002), their employees, guests, tenants, residents or other persons that use Association facilities in Tonkawa Springs Home Owners Association, Inc. or any property owned by the Association (the "Common Area") in any manner are subject to the regulations set forth in these Bylaws.

Section 5. **Member.** "Member" as used in these Bylaws will mean those persons entitled to membership in the Association as provided in the applicable Restrictions.

Section 6. **"Board of Directors" or "Board."** "Board of Directors" or "Board" as used in these Bylaws will mean the Association's Board of Directors.

Section 7. **Director.** "Director" as used in these Bylaws will mean a member of the Association's Board of Directors.

Section 8. **Articles of Incorporation.** "Articles of Incorporation" as used in these Bylaws will mean the Association's Articles of Incorporation on file in the Office of the Secretary of the State of Texas.

Section 9. **Common Area.** "Common Area" as used in these Bylaws will mean any property owned by the Association and held for the benefit of the Owners.

Article II

Association: Meetings, Quorum, Voting, Proxies

Section 1. **Place of Member Meetings.** Meetings of the Association will be held at the principal office of the Association or at such other suitable place as may be designated by the Board either in the community or as convenient to the Members as possible and practical.

Section 2. **Annual Meetings of the Members.** The annual meeting of the Association will be held each year on a date, at a time, and at a place designated by the Board. The annual meeting of the Association will be held in October of each year on a date, at a time, and at a place designated by the Board. Business transacted at the annual meeting will be limited to the items set forth in the annual meeting notice.

Section 3. Special Meetings of the Members. Special meetings of the Members may be called at any time by the President of the Board. In addition, it will be the duty of the President to call a special meeting of the Association if so directed by vote of a majority of a quorum of the Board or upon a petition signed by Members representing at least twenty-five percent (25%) of the total votes of the Association. When a special meeting is requested by at least twenty-five percent (25%) of the Members, the request must include the proposed purpose of the special meeting. If the purpose of a special meeting called for by petition of at least twenty-five percent (25%) of the Members is unlawful or requests a Member vote on a matter that is in the exclusive purview of the Board's authority under the Restrictions, these Bylaws, or state law, the Board is not required to call the special meeting.

Section 4. Notice of Member Meetings. It will be the duty of the Board or the Association's management agent, if so directed by the Board, to send to the Owner of each Lot written notice of each annual or special meeting of the Association stating the purpose of the meeting, as well as the time and place where it is to be held. Such written notice will be delivered by: (a) regular mail to Members who have not registered an electronic mail ("e-mail") address with the Association; and (b) by e-mail to Members who have registered an e-mail address with the Association. If agreed upon by both the Board and the Member, the Association may also provide notice in any other method authorized by state law. All meeting notices sent by regular mail will be sent to the Member's address currently in the possession of the Association. All meeting notices sent by e-mail will be sent to the Member's e-mail address currently in the possession of the Association. It is the Member's obligation to notify the Association in writing of the Member's current mailing and/or e-mail address. Notwithstanding any other language in these Bylaws, the Board may, at its discretion, choose to send a meeting notice by regular mail only to all Members.

Section 5. Waiver of Notice. Waiver of notice of meeting of the Members will be deemed the equivalent of proper notice. Any Member may, in writing, waive notice of any meeting of the Members. Failure to provide the Association with current mailing address, email address, or other valid contact information will be deemed waiver of notice by such Member. Attendance at a meeting by a Member, whether in person or by proxy, will be deemed waiver by such Member of notice of the time, date, and place thereof, unless such Member specifically objects to lack of proper notice at the time the meeting is called to order. Attendance at a special meeting will also be deemed waiver of notice of all business transacted at such meeting unless objection to the calling or convening of the meeting is raised before the business (of which proper notice was not given) is put to a vote. Upon raising a timely objection of lack of notice, the Board will consider the merits of such objection at the time the objection is raised and decide whether the meeting may proceed or be re-scheduled.

Section 6. Quorum. Except as otherwise provided in these Bylaws or in the Restrictions, the presence in person or by proxy of at least twenty percent (20%) of the total votes of the Members as of the time of the meeting will constitute a quorum at all meetings of the Association. Once quorum is established at a meeting, all properly noticed business may be conducted even if the number of Members present in person or by proxy falls below quorum during the meeting. Notwithstanding any language to the contrary in these Bylaws, the quorum required to approve annual meeting minutes will be the number of Members attending the annual meeting in person and approval of the annual meeting minutes requires the approval of a simple majority of those Members present in person at the annual meeting. Absentee ballots contribute to quorum count.

Section 7. Adjournment of Member Meetings. If any meeting of the Association cannot be held because a quorum is not present, either in person or by proxy, the presiding officer may adjourn the meeting and reconvene at a time not more than thirty (30) days from the time the original meeting was called. The reconvened meeting may take place on the same date as the originally called meeting. If the date, time, and place for reconvening the meeting is fixed by the presiding officer at the time of adjournment, further notice of the time and place for reconvening the meeting is not required to be given to the Members. At such reconvened meeting, any business which might have been transacted at the meeting originally called may be transacted without further notice provided that: (a) at least five percent (5%) of the total votes of the Members as of the date of the meeting is present in person and/or by proxy; and, (b) with the exception of the election of Directors (See Article III, Section 4), any action taken must be approved by at least a majority of the Members present, in person and/or by proxy, at such reconvened meeting, unless otherwise provided in these Bylaws or in the Restrictions.

Section 8. Meeting Agenda. The Board will set the agenda for all meetings of the Members.

Section 9. Voting. The voting rights of the Members will be as set forth in the Articles. Except as otherwise provided in these Bylaws, Members may vote in person or by proxy, or, upon approval by the Board, by any other method allowable by statute or these Bylaws. Pursuant to the Articles, two (2) votes may be submitted for each Lot owned. There will be no fractional votes.

Section 10. Required Vote. With the exception of the election of Directors (See Article III, Section 4), the approval of a simple majority of the votes entitled to be cast by the Members present, in person or by proxy, at a meeting at

which a quorum is present will be the act of the meeting of Members, unless otherwise provided by state law, or by Deed Restrictions or Articles of Incorporation.

Section 11. Absentee Ballots. In accordance with Texas Property Code Section 209.00592 (or successor statute), absentee Members may vote by absentee ballot. The Board will authorize and create the form of ballot. As also required by property code and noted in Section 7, Absentee Ballots count towards quorum unless the item being voted upon is amended from the floor and no longer matches the absentee ballot.

Section 12. Tabulation of Ballots. All ballots for an Association election or vote will be tabulated in accordance with Section 209.00594 of the Texas Property Code (or its successor statute). The Board may designate the Association's management agent to oversee the tabulation of ballots if such agent ever exists. Per Texas Property Code Section 209.00594(b-1) (or its successor statute), a person who tabulates votes may not disclose to any other person how an individual voted.

Section 13. Proxies. All proxies will be in writing and filed with the Secretary of the Board at or before any meeting at which proxies will be utilized. Every proxy will be revocable and will automatically cease upon (i) conveyance by the Member of the Member's interest in a Lot; (ii) receipt of notice by the Secretary of the death or judicially declared incompetence of a Member; (iii) receipt of written revocation; or, (iv) expiration of eleven (11) months from the date of the proxy. In the event a Member executes more than one (1) proxy, the proxy with the most current date will be valid. If a Member executes more than one (1) proxy and none of the proxies are dated, all proxies submitted by that Member will be invalid. The Board may announce at any meeting at which proxies are to be utilized a deadline for accepting proxies. Proxies not delivered prior to the announced deadline, if any, will be invalid. Only the form of proxy approved by the Board and distributed by the Association will be valid at any meeting of the Members. The Board may also allow proxies to be filed with or delivered to the Association's management agent. A Member may only appoint either another Member or the Member's spouse as the Member's proxy holder and proxies may be voted only by another Member of the Association or a Member's spouse.

Section 14. Conduct of Meetings. The President of the Board will preside over all meetings of the Association and the Secretary of the Board, or another person designated by the Board, will keep the minutes of the meeting and record in a minute book all resolutions adopted at the meeting, as well as a record of all transactions occurring at the meeting. The Board, with the approval of the President, may designate the Association's management agent to preside at meetings and/or keep meeting minutes. If the President is unable or unwilling to preside at a meeting, the Board may designate another member of the Board or the Association's management agent to preside at a meeting.

Section 15. Action Without a Meeting. To the extent allowed by applicable law, any action which may be taken or is required to be taken at a meeting of the Association may be taken without a meeting if written consent is signed by Members holding the number of votes necessary to approve the action at a meeting. The written consent must (a) set forth the action to be taken and (b) be executed by the required number of Members as of the effective date set forth in the written consent. Any written consent adopted in accordance with this section will have the same force and effect as a unanimous vote of the Members.

Section 16. Meeting Rules and Regulations. The Board may, in its sole and absolute discretion, adopt rules and regulations regarding how meetings of the Members will be conducted.

Article III

Board of Directors: Number, Powers, Meetings

Section 1. Governing Body: Composition. The affairs of the Association will be governed by a Board of Directors. Each Director must be a Member of the Association. No more than one (1) representative of a particular corporation or other entity that is a Member may serve on the Board at any given time. Two Members cohabiting at a Lot may not serve on the Board at the same time. Any Director who ceases to be a Member of the Association is immediately ineligible to serve on the Board and is automatically considered removed from the Board. A person is not eligible to serve on the Board if the person has been convicted of a felony or crime involving moral turpitude within the previous twenty (20) years and there is written, documented evidence of such a conviction from a database or other record maintained by a governmental law enforcement authority.

Section 2. Number and Term of Directors. The Board will be comprised of a maximum of eleven (11) positions. The Association may not have fewer than three (3) Board positions in accordance with Texas Business and Organizations Code Section 22.204(a) or its successor statute. The number of Directors may be changed by amendment to this section of the Bylaws. The term of each Director will begin on January 1 and end December 31 of the calendar year following the year in which the Director is elected. Any reduction in the number of positions on the Board cannot

result in a sitting Board member's position whose term has not been expired from losing a position on the Board.

Section 3. Candidates for Election to the Board. Except as otherwise provided herein or by state law, all Members have the right to run for a position on the Board. Each year, prior to the date of the annual meeting of the Members or election for the Board and in the time prescribed by law, the Association will solicit candidates for the Board at least two (2) weeks prior to the annual meeting and Members will have ten (10) days from receipt of the solicitation to notify the Board of their candidacy for the Board, all in accordance with Texas Property Code Section 209.00593 (or its successor statute).

Section 4. Voting Procedure for Election Directors. Unless the election is conducted solely by absentee ballot as provided in these Bylaws, the election of the Board will be conducted at the annual meeting of the Association or in such other manner as required or allowed by law and approved by the Board. At such election, each Member, or the Member's proxy holder (if applicable) may cast, with respect to each vacancy, as many votes as the Member is entitled to exercise under the provisions of these Bylaws and the Restrictions. Unless otherwise determined by the Board, voting for Directors will be by written and signed ballots. Only the ballot approved by the Board will be used in the election of Directors. In the event of an uncontested race (i.e., the number of candidates is equal to or less than the number of open Board positions), written and signed ballots will not be required and the candidate(s) will be placed on the Board without the necessity of a vote. Cumulative voting is not permitted. The candidate(s) receiving the most votes will be elected to the open position(s). The winning candidate(s) will take office at the beginning of the calendar year after the conclusion of the Member meeting at which the Directors were elected or when the election results are announced. Tie votes between two persons will be decided by coin toss. In the event of a tie vote between three or more persons, the vote will be decided by placing the names of the persons in a container and drawing a name(s). The name(s) drawn first will be declared the winner. The resolution of all tie votes will be overseen by the Association's Secretary or by such other person designated by the Board. The Board may designate the Association's managing agent to oversee the resolution of tie votes.

Section 5. Nominating Committee. The Board is not required to establish a Nominating Committee.

Section 6. Resignation from the Board. A member of the Board may resign from the Board at any time by giving written notice (including e-mail notice) to the Board, the President, or the Secretary. Such resignation will take effect on the date of the receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation will not be necessary to make it effective.

Section 7. Vacancies on the Board. A vacancy on the Board arising because of death, resignation, removal or otherwise will, unless otherwise determined by the Board, be filled by a vote of the majority of the remaining Directors though less than a quorum or, when applicable, by a sole remaining Director. Any Director so appointed will hold office for the unexpired term of his or her predecessor. If by reason of death, resignation, or otherwise, the Association has no Directors in office, any Member of the Association may call a special meeting of Members for the purpose of electing a Board.

Section 8. Removal of Directors. Any Director may be removed from the Board, with or without cause, by the affirmative vote of a majority of the total number of votes of the Members in the Association at a special meeting called for that purpose or at an annual meeting for which the removal of a Director(s) is on the meeting notice. In the event of the removal of a Director under this provision, a successor for the removed Director will be appointed by a majority of the remaining Directors or, if applicable, by the sole remaining Director. A Director whose removal is proposed will be given the opportunity to be heard at the removal meeting. If the Board 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 and will, therefore, be immediately removed. Notwithstanding any other language in these Bylaws: (a) as stated in this section, the removal of a Director by a vote of the Members requires a majority of the total number of votes in the Association (and not a majority of a quorum of Members voting in person, by proxy, or any other means allowed by statute); and (b) any provision regarding a reduction in the quorum requirement is not applicable to a meeting to remove a Director.

Section 9. Recount of Votes. Any Member may request a recount of the votes of an election. A request for a recount must be submitted in writing not later than the 15th day after the date of the meeting of the Members at which an election or vote was held or the date of the announcement of the results of the election or vote if no meeting was held. The request and the recount shall be done in accordance with Section 209.0057 of the Texas Property Code (or its successor statute).

Section 10. Regular Board Meetings. Regular meetings of the Board may be held at such time, date, and place as will be determined from time to time by a majority of the Directors. The frequency of regular meetings will be as

deemed necessary and appropriate by the Board but shall be at least quarterly. Notice of each regular meeting will be given to all Members in accordance with Section 209.0051 of the Texas Property Code, as set forth in Article III, Section 13 below. The Board may participate in and hold a regular or special meeting by means of:

- a. conference telephone or similar communication equipment by which all persons participating in the meeting can hear each other; or
- b. another suitable electronic communications system, including video conferencing technology or the Internet, only if:
 - i. each Director entitled to participate in the meeting consents to the meeting being held by means of that system; and
 - ii. the system provides access to the meeting in a manner or using a method by which each Director participating in the meeting can communicate concurrently with each other participant;
 - iii. all Directors may hear and be heard by every other Director;
 - iv. except for any portion of the meeting conducted in executive session, all Members in attendance at the meeting may hear all Directors and Members are allowed to listen using any electronic or telephonic communication method used or expected to be used by a Director to participate; and
 - v. the notice of the meeting includes instructions for Members to access any communication method required to be accessible under subsection iv above.

Participation in a meeting by conference telephone or similar communication or video conferencing technology or the Internet will constitute presence in person at such meeting except where a Director participates in the meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called or convened. The Board may take action outside of a meeting, including voting by electronic or telephonic means, without prior notice to the Members, if each Director is given a reasonable opportunity to express the Director's opinion to all other Directors and to vote. Any action taken without notice to the Members 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 meeting. Provided further that, the Board may not take action without prior notice to the Members on any matter prohibited by law to be taken without prior notice to the Members, unless done in an open meeting for which prior notice was given to the Members

Section 11. Special Meetings of the Board of Directors. Special meetings of the Board will be held when called by the President or by a majority of the Directors then in office. The notice will specify the date, time, and place of the meeting and the nature of any special business to be considered. The notice will be given to each Director by anyone of the following methods: (a) by personal delivery (handed to person, not left on property); (b) written notice by first class mail, postage prepaid; or (c) by email, if authorized by state law. All such notices will be given or sent to the Director's address, email, or facsimile number as shown on the records of the Association. Notices sent by first class mail will be deposited into a United States mailbox, at least three (3) days before the time set for the meeting. Notices given by personal delivery or email will be delivered or given at least three (3) days before the time set for the meeting. The provisions in Article III, Section 13, relating to notice to the Members, will be applicable to a special meeting of the Board.

Section 12. Work Sessions and Social Situations. A gathering of Board members outside a board meeting, or planning sessions where no action is taken do not constitute Board meetings.

Section 13. Notice of Board Meetings. The Board will give Members notice of Board meetings (regular and special), including the date, hour, place, and general subject of the Board meeting, including a general description of any matter to be brought up for deliberation in closed executive session. A notice of meeting will be:

- a. mailed to all Members at least ten (10) days but no more than sixty (60) days before the date of the meeting; or
- b. provided at least 144 hours before the regular meeting or provided at least 72 hours before the special meeting by:
 - i. being posted in a conspicuous location, either in or on a Common Area or, with the owner's consent, on conspicuously located privately owned property within the Association, or on the Association's website; and
 - ii. being emailed to all Members who have registered their email addresses with the Association.

It is a Member's responsibility to register and keep an updated email address with the Association.

Section 14. Waiver of Notice. Notice of a Board meeting will also be deemed to have been properly given to any Director who attends the meeting without protesting before or at its commencement about the lack of adequate notice thereof.

Section 15. Quorum of Board of Directors. At all meetings of the Board, a majority of the Directors then in office will constitute a quorum for the transaction of business, and the vote of a majority of the Directors present at a meeting at which a quorum is present will constitute the decision of the Board. A meeting at which a quorum is initially present may continue and business may be transacted notwithstanding the withdrawal of Directors during the meeting if any action taken is approved by at least a majority of the required quorum for that meeting. Open or vacant Board positions will not be counted when determining quorum for a meeting of the Board.

Section 16. Compensation. No Director will receive any compensation from the Association for acting in such capacity. However, Directors may be reimbursed for Board approved out-of-pocket expenses incurred on Association business. Directors may receive compensation from the Association when taking action at the request of the Association other than in the capacity of Director.

Section 17. Conduct of Meetings. All Board meetings will be conducted in accordance with *Robert's Rules of Order Newly Revised* 11th ed. The President will preside over all meetings of the Board and the Secretary, or such other Director and/or management agent, if any, or office staff as the Board may designate, will keep a minute book of the Board, recording therein all resolutions adopted by the Board and a record of all transactions and proceedings occurring at such meetings. If the President is unwilling or unable to preside at a Board meeting, then the Vice President, Treasurer or Secretary or such other Board member as designated by a majority of the Board will preside at the Board meeting. The Board may, with the President's approval, designate the management agent, if any, or office staff to preside over the Board meeting.

Section 18. Open Meetings. All meetings of the Board will be open to all Members. Except as otherwise provided in this Section 18, Members other than Directors may not participate in any discussion or deliberation of Board meeting agenda items unless expressly so authorized by a majority of a quorum of the Board. The Board shall include as a separate item in the agenda of each Board meeting a designated time during the Board meeting for Member comment and discussion of Association matters. If a Member unreasonably disrupts a meeting of the Board or repeatedly interrupts the discussion between Directors, the Board will have the authority, after an initial warning, to cause that Member to be removed from the meeting. Unless otherwise authorized by state law, members may not make auditory or visual recordings of any kind or nature of Board meetings without approval from the Board and any Member doing so will be removed from the Board meeting.

Section 19. Executive Session. The Board may adjourn a regular or special Board meeting and reconvene in a closed executive session to consider actions involving personnel, pending or threatened litigation, contract negotiations, enforcement actions, confidential communications with the Association's attorney, matters involving the invasion of privacy of individual Members, and matters that are to remain confidential by request of the affected parties and agreement of the Board. Following an executive session, any decision made in executive session will be summarized orally and placed in the minutes, in general terms, without breaching the privacy of individual Members, violating any privilege, or disclosing any confidential information. The oral summary must include a general explanation of expenditures approved in executive session. If the executive session is held at the end of a properly noticed Board meeting, the oral summary of the actions taken in the executive session may be presented at the next properly noticed Board meeting.

Section 20. Action Without a Formal Meeting. The Board may take action outside of a meeting, including voting by electronic or telephonic means, without prior notice to Members, if each Board member is given a reasonable opportunity to express the Board member's opinion to all other Board members and to vote. The reasonable opportunity for a Board member to express an opinion and vote on a matter before the Board will be not less than twenty-four (24) hours or more than seventy-two (72) hours after a matter has been proposed for Board vote. The President will determine the time period for the Board members to express an opinion and vote in accordance with the time frame described above. If the Board President is unwilling or unable to determine such time period, a majority of the Directors then in office will determine the time period. Any action taken without notice to Members under this section must be summarized orally, including an explanation of any known actual or estimated expenditures approved by the Board, and documented in the minutes of the next regular or special Board meeting. Per Texas Property Code 209.0051, the Board may not, unless done in an open meeting for which prior notice was given to all Members in accordance with Section 13 of this Article III, consider or vote on:

- a. fines;
- b. damage assessments;
- c. initiation of foreclosure actions;
- d. initiation of enforcement actions, excluding temporary restraining orders or violations involving a threat to health or safety;
- e. increases in Assessments (as defined in Restrictions and herein);
- f. levying of special assessments;
- g. appeals from a denial of architectural control approval;
- h. a suspension of a right of a particular Owner before the Owner has an opportunity to attend a Board meeting to present the Owner's position, including any defense, on the issue;
- i. lending or borrowing money;
- j. the adoption or amendment of a dedicatory instrument;
- k. the approval of an annual budget or the approval of an amendment of an annual budget;
- l. the sale or purchase of real property;
- m. the filling of a vacancy on the Board;
- n. the construction of capital improvements other than the repair, replacement or enhancement of existing capital improvements; or
- o. the election of an officer.

Section 21. Powers. The Board of Directors will be responsible for the affairs of the Association and will have all of the powers and duties necessary for the administration of the Association's affairs and, as provided by law, may do all acts and things that are not otherwise addressed in or prohibited by the Restrictions, the Association's Articles of Incorporation, or per these Bylaws, is an act or thing directed to be done and exercised exclusively by the Members.

In addition to the duties imposed by these Bylaws or by any resolution of the Association that may hereafter be adopted, the Board will have the power, but not the obligation unless otherwise provided for in the Association's Dedicatory Instruments [as that term is defined in Section 202.001(1) of the Texas Property Code], to do the following (by way of explanation, but not limitation):

- a. Prepare and adopt an annual budget. Annual budget may not exceed the prior years' budget by more than 10% without membership approval.
- b. Provide for the operation, care, upkeep, and maintenance of all of the Common Area including establishing rules and regulations governing the use of the Common Area and establishing fines and/or penalties for the infraction thereof including, but not limited to, suspending a Member's right (or a tenant's right) to use the Common Area to the extent allowed by law.
- c. Designate, hire, and dismiss the personnel necessary for the operation of the Association and for the maintenance, repair, and replacement of Association property and, where appropriate, provide for the compensation of such personnel and for the purchase of equipment, supplies, and material to be used by such personnel in the performance of their duties.
- d. Collect the Assessments, depositing the proceeds thereof in a bank depository and using the proceeds to administer the Association.
- e. Make and amend rules, regulations and policies for the Association.
- f. Adopt, establish and enforce a fine schedule for infractions of the Association's Dedicatory Instruments.
- g. Open bank accounts on behalf of the Association and designating the signatories required.
- h. Make or contract for the making of, repairs, additions, and improvements to, or alterations of the Common Area in accordance with the other provisions of the Restrictions and these Bylaws, after damage or destruction by fire or other casualty.
- i. Enforce, by legal means, the provisions of the Restrictions, these Bylaws, and the rules and regulations adopted by the Association, and bring any proceeding which may be instituted on behalf of or against the Members concerning the Association
- j. Suspend a Member's right to use Common Area: (i) during any period in which such Member has failed to pay an assessment (or any portion thereof) or any other charge authorized by the Association's Dedicatory Instruments or state law; or (ii) such Member or such Member's family member(s), guest(s) or tenant(s) has violated the Association's Dedicatory Instruments.
- k. Obtain and carry insurance against casualties and liabilities, including directors' and officers' liability insurance, and paying the premium cost thereof.
- l. Pay the cost of all services rendered to the Association or its Members and not directly chargeable to Members.
- m. Keep books with detailed accounts of the receipts and expenditures affecting the Association and its administration, specifying the maintenance and repair expenses and any other expenses incurred. All

books and records will be kept in accordance with generally accepted accounting practices and will be available as required by Texas law.

- n. Provide, upon request, information to Members, mortgagees and prospective purchasers of Lots concerning, by way of example and not limitation, the status of the Association, the status of payment of assessments and related charges on a Lot and the status of compliance with the provisions of the Restrictions, and charging a reasonable fee sufficient to cover the expense associated with providing such information.
- o. Charge a reasonable fee sufficient to cover the expense associated with changing the records of the Association upon the transfer of title to a Lot.
- p. Adopt policies and procedures deemed necessary and appropriate for the administration of the Association and the conduct of the Directors and officers of the Association, the employees of the Association, if any, and persons serving on behalf of the Association in volunteer capacities.
- q. Enforce the rules, regulations and policies of the Association.
- r. Exercise any other power as authorized or allowed by the Association's Dedicatory Instruments or state law.

Section 22. Management Agent. The Board may, but is not required to, employ for the Association a professional management agent or agents, or manager, at a compensation rate established by the Board, to perform such duties and services as the Board shall authorize.

Article IV Officers

Section 1. Election, Term of Office and Vacancies. The officers of the Association will be elected at each annual meeting of the Members to serve during the following calendar year. A vacancy in any office arising because of death, resignation, removal, or otherwise may be filled by the Board. All Officers must be Board members.

Section 2. Multiple Offices. Any two or more offices may be held by the same person except the offices of President and Secretary in accordance with Texas Business and Organizations Code Section 22.231(a).

Section 3. Removal. Any officer may be removed by a majority vote of the Board, at a duly called meeting of the Board, at which a quorum is present, whenever in its judgment the best interests of the Association will be served thereby. The Board may fill any vacant officer position in the open session of a properly noticed Board meeting.

Section 4. Powers and Duties. The officers of the Association will each have the powers and duties generally described below as well as such powers and duties as may from time to time be specifically conferred or imposed by the Board. Notwithstanding any language in this Section 4, the Board may, with or without cause, assign an officer's duties to another officer, office staff or managing agent in its sole or absolute discretion.

- (a) President: The President, subject to the control of the Board, shall be in general charge of the affairs of the Association in the ordinary course of its business; shall preside at all meetings of the members and of the Board; may make, sign and execute any deeds, conveyances, assignments, bonds, contracts and other obligations and any and all other instruments and papers of any kind or character as authorized by the Board in the name of the Association; and shall do and perform such other duties as may from time to time be assigned by the Board.
- (b) Vice President: The Vice President shall act in the place and stead of the President in the event of his/her absence or inability to act and shall exercise and discharge such other duties as may be required by the Board.
- (c) Treasurer: The Treasurer shall have custody of all the funds and securities of the Association which come into his/her hands. When necessary and proper he/she may endorse, on behalf of the Association, for collection, checks, notes and other obligations and shall deposit the same to the credit of the Association in such bank or banks or depositories as shall be designated in the manner described by the Board; he/she may sign all receipts and vouchers for payments made to the Association, either alone or jointly with such officer or agent as is designated by the Board; wherever required by the Board, render a statement of the books and accounts to any Director of the Association during business hours; cause a report of the Association's books to be made by a public accountant at the completion of each fiscal year; shall perform all acts incident to the position of Treasurer and subject to the control of the Board, give such bond for the faithful discharge of his/her duties in such form as the Board may require. The Board is not obligated to require that the Treasurer post a bond.

- (d) **Secretary:** The Secretary shall keep the minutes of all meetings of the Board and the minutes of all meetings of the Members in books provided for that purpose; attend to the giving and serving of all notices; sign with the President or Vice President in the name of the Association all contracts, conveyances, transfers, assignments, authorizations and other instruments of the Association. He/she shall have charge of and maintain and keep such books and papers as the Board may direct, all of which shall at all reasonable times be open to the inspection of any Director upon request at the office of the Association during business hours, and he/she shall in general perform all the duties incident to the office of Secretary subject to the control of the Board.

Section 6. Resignation of an Officer. Any officer may resign his or her office at any time by giving written notice (including e-mail notice) to the Board, the President, the Secretary or the Association's management agent. Such resignation will take effect on the date of the receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation will not be necessary to make it effective. If a Director orally resigns his or her office and then refuses to give written notice of resignation after being requested to do so in writing (including an e-mail request), the Board may note the resignation in the minutes of the next Board meeting at which time such oral resignation will be effective.

Section 7. Agreements, Contracts, Deeds, Leases, Etc. All agreements, contracts, deeds, leases, and other instruments of the Association will be executed by at least one (1) officer designated by the Board or by such other person or persons as may be designated by resolution of the Board.

Article V

Architectural Control Committee

The Board will appoint an Architectural Control Committee (ACC) to evaluate deed restriction compliance, potential deed restriction violations and deed restriction variance requests. A current Board member, a current Board member's spouse, or a resident in a current Board member's household may not serve on the ACC. An ACC member shall serve until such time as they resign, a replacement has been appointed by the Board, or they are removed by the Board. The Board of Directors shall have the right and authority to appoint, remove, or replace any ACC member at any time by a majority vote of the Board.

Prior to beginning construction or placement of structures or improvements on a Lot which may materially affect the use, condition or appearance of the Lot, the Lot Owner will provide written notice, which includes a description of the proposed construction or placement activities, to the ACC for review for deed restriction compliance. Construction or placement activities for which ACC review is required include, but are not limited to, additions to a residence, construction or placement of living quarters, guest houses, storage sheds, garages and fences. The ACC will review proposed construction or placement activities for deed restriction compliance and inform the Lot Owner of its determination. The ACC will evaluate deed restriction violation complaints it receives and forward its findings and conclusions to the Board for review and decision. The Board will review the ACC findings and recommendations and determine by Board vote whether a deed restriction is being or has been violated and an appropriate remedy to address any such violation. The ACC will evaluate each deed restrictions variance request it receives and recommend approval or disapproval of the variance request to the Board and the Board will vote on each ACC variance request recommendation.

The ACC may develop and adopt such procedural and substantive rules, standards, policies, and guidelines it deems necessary or proper for the performance of its duties as set forth in the Restrictions and applicable state law. Any such ACC rules, standards, policies, and guidelines may not conflict with the Restrictions or applicable state law and may only take effect after review and approval by a majority vote of the Board of Directors.

Article VI

Other Committees

The Board is authorized to form other committees as it deems necessary, useful or as required by the Restrictions. Committees are hereby authorized to perform such tasks and to serve for such periods as may be designated by a resolution adopted by a majority of the Directors present at a Board meeting at which a quorum is present. Such committees will perform such duties and have such powers as directed by the Board. The size of each committee will be in the sole and absolute discretion of the Board. The Board has the authority to appoint and remove committee members, at any time with or without cause, in its sole discretion. The Board may, but is not required to, adopt committee rules or a committee charter for any committee formed under these Bylaws which rules or charter may describe, among other things, the function of the committee and the rules under which the committee will operate.

Article VII
Maintenance Fund

The Association has been designated by the Owners to administer the Maintenance Fund, as described in the Restrictions. Owners are obligated to pay the Association annual and special assessments (each an "Assessment and collectively, the "Assessments") imposed upon each Lot that will be deposited into the Maintenance Fund. Such Assessments are secured by a continuing lien upon the property against which the Assessment is made, as further described in the Restrictions. The Board of Directors shall set the rate of Assessments and notify the owners at least forty-five (45) days in advance of the due date. Payment plans and collection policies may be adopted by the Board of Directors in accordance with the Texas Property Code. The Association may pursue collection of any past due amount, provided that notice is given in accordance with state law. An Owner who fails to pay an Assessment will be in default of his or her obligations and may be charged interest at the highest rate allowed by law, late fees, and reasonable attorney's fees and costs incurred by the Association in collecting said delinquency.

Article VIII
Miscellaneous

Section 1. **Fiscal Year.** The fiscal year of the corporation will begin on the first day of January and end on the 31st of December of every year.

Section 2. **Conflicts.** If there are conflicts or inconsistencies among the provisions of Texas law, the Restrictions, the Articles of Incorporation, these Bylaws, and/or any rules, regulations or policies of the Association, the provisions of Texas law, the Restrictions, the Articles of Incorporation, these Bylaws, and the rules, regulations or policies of the Association (in that order) will prevail.

Section 3. **Books and Records.** Books and records of the Association will be retained by the Association in accordance with the Association's Records Retention Policy. Each Member or Member's designated representative will have a right to either inspect the requested books and records before obtaining copies or to have the Association forward copies of the requested books and records in accordance with the Association's recorded Open Records Policy. This provision will not require the Association to release or allow inspection of books and records that are not required by law to be released or inspected, as set forth in the Association's recorded Open Records Policy.

Section 4. **Audit.** An audit of the accounts of the Association will be performed by a qualified, independent certified public accountant as frequently as deemed necessary by the Board. Each audit will be in accordance with generally accepted auditing standards to obtain reasonable assurance that the Association's financial statements are free of material misstatements, to assess accounting principles used, and to evaluate the overall financial statement presentation.

Section 5. **Indemnification.** The Association must indemnify a director, officer or committee member who was, is or is threatened to be named as a defendant or respondent in a claim or proceeding to the extent indemnification is consistent with the Texas Business Organizations Code, as it now exists or may hereafter be amended.

Section 6. **Amendment.** These Bylaws may be amended by: (a) a majority vote of the Board pursuant to Section 22.102 of the Texas Business Organizations Code; or (b) a simple majority vote of the Members present, in person or by proxy, at any properly noticed regular or special meeting of the Members at which quorum has been established; or (c) any other method of voting by the Members that is authorized by law and approved by the Board.

Section 7. **Expenditures.** The Board may spend Association funds in accordance with the established and approved budget. For items not covered by the budget, or where circumstances require, the Board has authority to spend up to \$1000 with the approval of the Board President, and up to \$3000 with approval of the Board. Non-budgeted expenditures above \$3000 must be approved by the Members at any meeting or in any voting method allowable under State law unless such expenditure is necessary for safety reasons.

Section 8. **Recusal and Conflicts of Interest.** Any Board member with a real or reasonably perceived conflict of interest must recuse themselves from votes on such matters. Such Board members may provide their opinions and thoughts but shall not vote. The only exception to this is if the remaining number of applicable Board members to vote falls below 3. In such cases, the Board members with conflicts must declare so, this must become part of the Records and the Board must comply with state law, in particular provisions on association contracts.

ATTACHMENT "A"**TONKAWA SPRINGS
HOMEOWNER'S ASSOCIATION
RECORD RETENTION POLICY**

In compliance with the requirements set forth in Texas Property Code §209.005(m), the Tonkawa Springs Homeowner's Association record retention policy is as follows:

- (1) Articles of incorporation, certificates of formation, bylaws, restrictive covenants and any final amendments or revisions to any of the aforementioned documents shall be retained permanently;
- (2) Financial books and records shall be retained for seven (7) years;
- (3) Account records of current Owners shall be retained for five (5) years;
- (4) Contracts with a term of one (1) year or more shall be retained for four (4) years;
- (5) Minutes of meetings of the Owners and the Board shall be retained for seven (7) years;
- (6) Association tax returns and audit records shall be retained for seven (7) years;
- (7) Other records generated by or resulting from the management or conduct of Association business and not otherwise described herein shall be retained for two (2) years.

ATTACHMENT "B"**TONKAWA SPRINGS
HOMEOWNER'S ASSOCIATION
OPEN RECORDS POLICY**

In compliance with the requirements set forth in Texas Business Organizations Code §22.351 and Texas Property Code §2009.005, the Tonkawa Springs Homeowner's Association open records policy is as follows:

- (1) The books and records of the Association are available for examination or copying by:
 - a. An Owner, or;
 - b. A person designated in a writing signed by an Owner as the Owner's agent, attorney or certified public accountant.

- (2) An Owner or Owner's authorized representative must submit a written request for records to the Association by certified mail:
 - a. Describing in sufficient detail the books and records requested, and;
 - b. Including an election to inspect the books and records before obtaining copies, or requesting the Association to provide copies.
 - c. The Association cannot disclose or provide records regarding an Owner's compliance history or financial information without that Owner's permission or a court order.
 - d. Attorney-client privileged Association documents are excluded from disclosure requirements.

- (3) If an inspection of records is requested, the Association, on or before the 10th business day after the date the Association received the request, shall send written notice of the dates, during normal business hours, that the Owner or their authorized representative may inspect the requested books and records, to the extent those books and records are in the possession, custody or control of the Association.

- (4) An Owner, or their authorized representative, upon inspecting records may identify and request from the Association copies of records inspected.

- (5) An Owner or their authorized representative may request copies of Association books and records after, or in lieu of, an inspection. To the extent the requested books and records are in the possession, custody and control of the Association, the Association shall produce the requested copies no later than the 10th business day after receiving the request, except as otherwise provided herein.

- (6) If the Association is unable to provide copies of the requested records on or before the date specified in Paragraph (5) above, the Association will provide the requestor written notice that:
 - a. The Association is unable to provide the record copies by the date specified in Paragraph (5) above, and;
 - b. The date by which the requested copies will be provided, such date being no later than the 15th business date after the date the written notice in this Paragraph (6) from the Association is given.

- (7) The Association may provide copies of requested records in hard copy, electronic or other format reasonably available to the Association.

- (8) The Association will assess the Owner its costs for making and providing copies of Association records in accordance with the costs for obtaining copies of public documents set forth in Title 1, Chapter 70 of the Texas Administrative Code (1 TAC 70).

- (9) The Association may require advance payment from the Owner, or the Owner's authorized representative, of estimated costs to compile, produce and reproduce requested books and records. If estimated costs differ from actual costs, a final invoice will be sent to Owner no later than the 30th business day after the date copies of the records were delivered.

① Tonkawa Springs Home Owners Association
 PO Box 472
 Round Rock TX 78680

FILED AND RECORDED
 OFFICIAL PUBLIC RECORDS 2021175678

BY Fee: \$78.00
 11/17/2021 11:53 AM OSALINAS



Nancy E. Rister
 Nancy E. Rister, County Clerk
 Williamson County, Texas