Bylaws

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

BYLAWS

OF

RCR HOMEOWNERS ASSOCIATION, INC.

(a Texas non-profit corporation)

RCR HOMEOWNERS ASSOCIATION, INC. is a platted residential subdivision established by the replat recorded at Cabinet A, Slides 11250 and 11251 (the "Plat," including all subsequent plats or replats of all or any part thereof) and governed by the Declaration of Covenants, Conditions, Restrictions, and Easements duly recorded as Document Number D205204625, Real Property Records, Tarrant County, Texas, as amended by First Amendment to Declaration of Covenants, Conditions, Restrictions, and Easements, recorded at Document Number D205251305, Real Property Records of Tarrant County, Texas, by Second Amendment to Declaration of Covenants, Conditions, Restrictions, and Easements recorded Document Number D207068652, Official Records of Tarrant County, Texas (the "Declaration," including all subsequent amendments thereof).

RCR HOMEOWNERS ASSOCIATION, INC. (the "<u>Association</u>"), was formed by filing of a Certificate of Formation with the Texas Secretary of State on January 12, 2017. The Association is the Association as defined in the Declaration.

These Bylaws govern the affairs of the Association to the extent such affairs are not addressed in the Declaration.

ARTICLE ONE - OFFICES

- 1.1. <u>Principal Office</u>. The Association's principal office in Texas will be located at 777 Main Street, Suite 1100, Fort Worth, Texas 76102, Attn: Jack Huff. The Association may have such other offices, in Texas or elsewhere, as the Board of Directors may determine. The Board may change the location of any office of the Association.
- 1.2. Registered Office and Registered Agent. The Association will maintain a registered office and registered agent in Texas. The registered office may, but need not, be

identical with the Association's principal office in Texas. The Board may change the registered office and the registered agent as permitted in the Texas Business Organizations Code.

ARTICLE TWO - MEMBERS

- 2.1. <u>Class of Members</u>. The Association will have one class of voting Members, and such other classes may be established by the Board.
- 2.2. <u>Membership</u>. Subject to the voting limitations set forth in <u>Section 2.5</u>, every person or entity who is a record owner of a fee interest in any Lot shall be a Member. The term "Lot" shall be defined as set forth in the Declaration.
- 2.3. <u>Membership Assessments</u>. The Board may set and change the amount of an initiation fee, if any, and the assessments payable to the Association by Members. Assessments are payable monthly or at such other time as the Board determines. The assessments for a new Member will be prorated from the day the Member is admitted to membership through the end of the month or other applicable payment period.
- 2.4. <u>Control by Declarant</u>. Notwithstanding any provisions of these Bylaws to the contrary, as long as Declarant owns at least eight (8) Lots, Declarant shall, at Declarant's discretion (1) have exclusive control of the Association by being the sole voting Member, which control shall include the ability to write checks without the approval of the Officers and Directors. At such time as Declarant shall deliver control of the Association to the Members or at the point that Declarant owns less than eight (8) Lots, Declarant will no longer have exclusive control as the sole voting Member.
- 2.5. <u>Voting Rights</u>. Subject to <u>Section 2.4</u> above, each Member is entitled to one (1) vote on each matter submitted to a vote of the Members. When more than one person holds a membership interest with respect to any Lot, the vote for such Lot shall be exercised as they, among themselves, determine, but in no event shall more than one (1) vote be cast with respect to any Lot.
- 2.6. <u>Resolving Disputes</u>. In any dispute between Members relating to the Association's activities, all parties involved will cooperate in good faith to resolve the dispute. If the parties cannot resolve a dispute among themselves, they shall proceed pursuant to <u>Section 13.9</u> of the Declaration. The Board has discretion to authorize using corporate funds for mediating or arbitrating a dispute described in this paragraph.
- 2.7. <u>Transferring Membership</u>. Membership in the Association is transferable or assignable only to the new fee simple owner(s) of a Lot upon sale or other transfer. Membership terminates when the Member sells or otherwise transfers title to his Lot. Membership shall be appurtenant to and may not be separated from ownership of any Lot.

2.8. <u>Membership Termination</u>. The membership of a person in the Association shall terminate automatically, whenever such person ceases to be an Owner, except that such termination shall not release or relieve such person from any liability or obligation arising during such person's period of ownership.

ARTICLE THREE - MEETINGS OF MEMBERS

- 3.1. <u>Annual Meeting</u>. Annual meetings of the Members will be scheduled by the Board. At the annual meeting, the Members will elect Directors and transact any other business that may come before the meeting.
- 3.2. <u>Special Meetings</u>. Special Meetings of the Members may be called by the President, the Board, or not less than twenty percent (20%) of the voting Members.
- 3.3. <u>Place of Meeting</u>. The Board may designate any place, in Tarrant County, Texas, as the place of meeting for any annual meeting or for any special meeting called by the Board. If the Board does not designate the place of meeting, the meeting will be held at the Association's registered office in Texas.
- 3.4. Notice of Meetings. Written or printed notice of any Members' meeting, including the annual meeting, will be delivered to each Member entitled to vote at the meeting not less than ten (10), nor more than sixty (60), days before the date of the meeting. After fixing the record date, the Board will cause to be prepared a list of all Members entitled to receive notice of any meeting of Members. The list will be available for inspection at the principal office of the Association from two business days after notice is given until the meeting is held. Any Member entitled to vote at the meeting is entitled to access to the list for the purpose of communicating with other Members. The Member or the Member's agent or attorney may make the inspection on written demand and copy the list at a reasonable time and at the Member's expense. Notice will be given by or at the direction of the President or Secretary, or the Officers or persons calling the meeting. If all of the Members meet and consent to holding a meeting, any corporate action may be taken at the meeting regardless of lack of proper notice.
- 3.5. Quorum. Members holding twenty percent (20%) of the votes that may be cast at a meeting who attend the meeting in person or by proxy will constitute a quorum at a meeting of Members. The Members present at a duly called or held meeting at which a quorum is present may continue to transact business, even if enough Members leave so that less than a quorum remains. However, no action may be approved without the vote of at least a super-majority of eighty percent (80%) of the number of Members required for a quorum. If a quorum is not present at any time during a meeting, a super-majority of eighty percent (80%) of the Members who are present may adjourn and reconvene the meeting once without further notice
- 3.6. <u>Actions of Membership</u>. The Membership will try to act by consensus. However, if a consensus is not available on a matter or proposal, the vote of a super-majority of eighty percent (80%) of the voting Members in good standing, present and entitled to vote at a meeting

at which a quorum is present, is enough to constitute the act of the Membership unless law, the Declaration, or the Bylaws require a greater number.

- 3.7. <u>Proxies.</u> A Member entitled to vote at a meeting of Members of the Association may vote by proxy. All proxies must be in writing, bear the signature of the Member giving the proxy, and must specify the date on which they are executed. No proxy is valid after eleven (11) months from the date of its execution, unless the proxy specifically states a later date. Proxies are not valid if they purport to be valid to an indefinite date in the future or if they purport to be valid more than one year from their date of execution.
- 3.8. <u>Voting by Mail or Email</u>. The Board may authorize Members to vote by mail or email on the election of Directors and Officers or on any other matter that the Members may vote on.
- 3.9. Action Without Meeting. Any action that may be taken at a Members meeting may be taken by written consent setting forth the action taken signed by a sufficient number of Members as would be necessary to take that action at a meeting.

3.10 Ballots.

- (a) All ballots cast in a vote by the Members must be in writing and signed by the Member. Unless otherwise prohibited by the Declaration or by law, no secret ballots shall be cast by the Members.
 - (b) A solicitation for votes by absentee ballot must include:
 - (1) an absentee ballot that contains each proposed action and provides an opportunity to vote for or against each proposed action;
 - (2) instructions for delivery of the completed absentee ballot, including the delivery location; and
 - (3) the following language: "By casting your vote via absentee ballot you will forgo the opportunity to consider and vote on any action from the floor on these proposals, if a meeting is held. This means that if there are amendments to these proposals your votes will not be counted on the final vote on these measures. If you desire to retain this ability, please attend any meeting in person. You may submit an absentee ballot and later choose to attend any meeting in person, in which case any in-person vote will prevail."
- (c) This Section 3.10 is intended to comply with Tex. Prop. Code § 209.0058, which may be amended from time to time.

ARTICLE FOUR - BOARD OF DIRECTORS

- 4.1. <u>Management of Corporation</u>. After Declarant owns less than eight (8) lots, Board will manage corporate affairs.
- 4.2. <u>Number, Qualifications, and Tenure of Directors</u>. The initial Board shall consist of five (5) Directors. The Board may increase or decrease the number of Directors. Directors must be Texas residents. Directors will be Members of the Association. Each Director will serve for a term of three years. The Directors' terms will be staggered.
- 4.3. <u>Nominating Directors</u>. At any meeting at which the election of a Director is held, a voting Member in good standing may nominate a person with the second of any other voting Member.
- 4.4. <u>Electing Directors</u>. A person who meets the qualifications for Director and who has been duly nominated may be elected as a Director. Directors will be elected by the vote of the Membership. Each Director will hold office until a successor is elected and qualifies. A Director may be elected to succeed himself or herself as Director. Directors will be elected at the annual meeting of the Members.

4.5. Removal of Directors and Vacancies.

- (a) Removal by Members. Any Director may be removed, with or without cause, by the Members. Any Director whose removal is sought will be given notice of the proposed removal for cause.
- (b) Removal by Board. Any Director may be removed at a meeting of the Board if the Director:
 - i. failed to attend three (3) consecutive Board meetings;
 - ii. failed to attend fifty percent (50%) of Board meetings within one year;
 - iii. is delinquent in the payment of any assessment for more than ninety (90) days; or
 - iv. is the subject of an enforcement by the Association for violation of the Declaration.
- (c) <u>Vacancies</u>. The Board will fill any vacancy in the Board and any Director position to be filled due to an increase in the number of Directors. A vacancy is filled by the affirmative vote of a majority of the remaining Directors, even if it is less than a quorum of the Board, or if it is a sole remaining Director. A Director selected to fill a vacancy will serve for the unexpired term of his or her predecessor in office.

- 4.6. <u>Annual Meeting</u>. The annual meeting of the Board may be held without notice other than these Bylaws. The annual Board meeting will be held immediately following the annual meeting of the Members.
- 4.7. <u>Regular Meetings</u>. The Board may provide for regular meetings by resolution stating the time and place of such meetings. The meetings may be held in any place in Tarrant County, Texas, and will be held at the Association's registered office in Texas if the resolution does not specify the location of the meetings. No notice of regular Board meetings is required other than a Board resolution stating the time and place of the meetings.
- 4.8. Special Meetings. Special Board meetings may be called by, or at the request of, the President or any two Directors. A person or persons authorized to call special meetings of the Board may fix any place within Tarrant County, Texas, as the place for holding a special meeting. The person or persons calling a special meeting will inform the Secretary of the Association of the information to be included in the notice of the meeting. The Secretary of the Association will give notice to the Directors as these Bylaws require.
- 4.9. <u>Notice</u>. Written or printed notice of any special meeting of the Board will be delivered to each Director not less than seven (7) nor more than thirty (30) days before the date of the meeting. The notice will state the place, day and time of the meeting; who called it; and the purpose or purposes for which it is called.
- 4.10. Quorum. A majority of the number of Directors then in office constitutes a quorum for transacting business at any Board meeting. The Directors present at a duly called or held meeting at which a quorum is present may continue to transact business even if enough Directors leave the meeting so that less than a quorum remains. However, no action may be approved without the vote of at least a majority of the number of Directors required for a quorum. If a quorum is never present at any time during a meeting, a majority of the Directors present may adjourn and reconvene the meeting once without further notice.
- 4.11. <u>Powers and Duties of Directors</u>. (a) The Board will have the powers and duties necessary for the administration of the affairs of the Association, and may do all acts and things as are not by law, by the Declaration, or by these Bylaws directed to be exercised and done by the Members. The powers and duties to be exercised by the Board include, but are not limited to those powers and duties described in <u>Section 6.1</u> of the Declaration.
 - (b) Notwithstanding the foregoing powers and duties of the Board provided in subsection (a) above, the following actions shall require a vote of the Members:
 - i. any single capital expenditure in excess of Ten Thousand and 00/100 Dollars (\$10,000.00) for any non-budgeted capital expenditure;
 - ii. any special assessment proposed by the Board in excess of Ten Thousand and 00/100 Dollars (\$10,000.00);

- iii. fifty percent (50%) or more increase in regularly monthly assessments or common charges proposed by the Board; and
- iv. all rules and regulations adopted or amended by the Board.
- 4.12. <u>Delegating Duties</u>. Directors may select advisors and hire a professional management company. The Board may delegate duties and responsibilities to such advisors and management company, such as the full power to sell, transfer, or otherwise dispose of the Association's assets and properties at a time and for a consideration that the advisor deems appropriate. The Directors have no liability for actions taken or omitted by the advisor or management company if the Board acts in good faith and with ordinary care in selecting the advisor. The Board may remove or replace the advisor at any time and without any cause whatsoever.
- 4.13. <u>Interested Directors</u>. Contracts or transactions between Directors, Officers, or Members who have a financial interest in the matter are not void or voidable solely for that reason. Nor are they void or voidable solely because the Director, Officer, or Member is present at or participates in the meeting that authorizes the contract or transaction, or solely because the interested party's votes are counted for the purpose. However, every Director with any personal interest in the transaction must disclose all material facts concerning the transaction, including all potential personal benefit and potential conflicts of interest, to the other Members of the Board or other group authorizing the transaction. The transaction must be approved by a majority of the uninterested Directors or other group with the authority to authorize the transaction. This section does not apply to the period during which the Declarant is in control of the Property or any part thereof.
- 4.14. Actions of Board of Directors. The Board will try to act by consensus. However, if a consensus is not available, the vote of a majority of Directors present and voting at a meeting at which a quorum is present is enough to constitute the act of the Board, unless the act of a greater number is required by the Declaration, by law or by some other provision of these Bylaws. A Director who is present at a meeting and abstains from a vote is considered to be present and voting for the purpose of determining the Board's decision. For the purpose of determining the decision of the Board, a Director who is represented by proxy in a vote is considered present.
- 4.15. Action Without Meeting. Any action which may be taken at a meeting of the Directors, may be taken without a meeting, without prior notice, and without a vote, if a consent or consents in writing, setting forth the action so taken, shall be signed by the Directors of not less than the minimum number of votes that would be necessary to take such action pursuant to Section 4.14, and the consent shall have the same force and effect as a majority vote of the Directors. Any signed consent, or a signed copy thereof, shall be placed in the minute book of the Association.
- 4.16. <u>Proxies</u>. A Director may vote by proxy. All proxies must be in writing, must bear the signature of the Director giving the proxy, and must bear the date on which the proxy

was executed by the Director. No proxy is valid after three (3) months from the date of its execution.

- 4.17. <u>Compensation</u>. Directors may not receive any pay or compensation for their services.
- 4.18. <u>Accounts and Reports</u>. Accounting and controls must conform to good accounting practices. Accounts will not be commingled with accounts of other persons. The Board shall cause the following financial reports to be prepared at least annually:
 - (a) an income statement reflecting all income and expense activity for the preceding period;
 - (b) a statement reflecting all cash receipts and disbursements for the preceding period;
 - (c) a variance report reflecting the status of all accounts in an "actual" versus "approved" budget format;
 - (d) a balance sheet as of the last day of the preceding period; and
 - (e) a delinquency report listing all Members who are delinquent by more than thirty (30) days in paying any fees and assessments and describing the status of any action to collect those delinquent fees and assessments.

ARTICLE FIVE - OFFICER POSITIONS

- 5.1. Officer Positions. The Association's Officers will consist of a President, one or more Vice Presidents, Treasurer, and Secretary. The Board may create additional officer positions, define the authority and duties of each such position, and elect or appoint persons to fill the positions. The same person may hold any two or more offices.
- 5.2. <u>Election and Term of Office</u>. The Association's Officers will be elected annually by the Board at the annual Board meeting. If Officers are not elected at this time, they will be elected as soon thereafter as possible.

Each Officer will hold office until a successor is duly selected and qualifies. An Officer may be elected to succeed himself or herself in the same office.

5.3. <u>Removal</u>. Any Officer elected by the Board may be removed by the Board without cause. Removing an Officer will be without prejudice to the Officer's contractual rights, if any.

- 5.4. <u>Vacancies</u>. The Board may select a person to fill a vacancy in any office for the unexpired portion of the Officer's term.
 - 5.5. Duties. The duties of officers are as follows:

President

(a) The President will preside at all meetings of the Board; will see that orders and resolutions of the Board are carried out; will sign all contracts and other written agreements, and may sign all checks up to and including the amount of Twenty-Five Hundred and 00/100 Dollars (\$2,500.00) and co-sign all checks over Twenty-Five Hundred and 00/100 Dollars (\$2,500.00).

Vice-President(s)

(b) The Vice-President(s) will act for the President in the event of his or her absence, and/or his or her inability or refusal to act, and will exercise and discharge other duties as required by the Board. Each Vice-President is authorized to co-sign all checks over Twenty-Five Hundred and 00/100 Dollars (\$2,500.00).

Secretary

(c) The Secretary will record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members; serve notice of meetings of the Board, to the owners, and perform other duties as required by the Board.

Treasurer

(d) The Treasurer will receive and deposit, in appropriate bank accounts, all monies of the Association and disburse funds as directed by resolution of the Board; sign all checks and promissory notes of the Association; keep proper books of account; and prepare an annual budget and a statement of income and expenditures; may sign all checks up to and including Twenty-Five Hundred and 00/100 Dollars (\$2,500.00); and may co-sign all checks over Twenty-Five Hundred and 00/100 Dollars (\$2,500.00) to be provided to the Members at the annual meeting of the Members.

ARTICLE SIX - COMMITTEES

6.1. <u>Establishing Committees</u>. The Board may adopt a resolution establishing one or more committees delegating specified authority to a committee, and appointing or removing members of a committee. A committee will include at least one (1) or more Director. If the Board delegates any of its management authority to a committee, the majority of the committee will consist of Directors. The Board may also delegate to the President its power to appoint and

remove members of a committee that has not been delegated any management authority of the Board. The Board may establish qualifications for membership on a committee.

Establishing a committee or delegating authority to it will not relieve the Board, or any individual Director, of any responsibility imposed by these Bylaws or otherwise imposed by law. No committee has the authority of the Board to:

- (a) amend the Certificate of Formation;
- (b) adopt a plan of merger or of consolidation with another corporation;
- (c) authorize the sale, lease, exchange, or mortgage of all or substantially all of the Association's property and assets;
 - (d) authorize voluntary termination of the Association;
 - (e) revoke proceedings for voluntary termination of the Association;
 - (f) adopt a plan for distributing the Association's assets;
 - (g) amend, alter, or repeal these Bylaws;
- (h) elect, appoint, or remove a member of a committee or a Director or Officer of the Association:
- (i) approve any transaction to which the Association is a party and that involves a potential conflict of interest as defined in Section 7.3 below;
- (j) take any action outside the scope of authority delegated to it by the Board; and
 - (k) take final action on a matter requiring Membership approval;
- 6.2. <u>Architectural Review Committee</u>. Notwithstanding anything contained herein, the Declaration shall control the appointment of the Architectural Review Committee and the powers and duties of such committee.

ARTICLE SEVEN - TRANSACTIONS OF CORPORATION

7.1. <u>Contracts</u>. The Board may authorize any Officer or agent of the Association to enter into a contract or execute and deliver any instrument in the name of, and on behalf of, the Association. This authority may be limited to a specific contract or instrument, or it may extend to any number and type of possible contracts and instruments.

- 7.2. <u>Deposits</u>. All the Association's funds will be deposited to the credit of the Association in banks, trust companies, or other depositories that the Board selects.
- 7.3. Potential Conflicts of Interest. The Association may not make any loan to a Director or Officer of the Association. A Member may lend money to and otherwise transact business with the Association except as otherwise provided by these Bylaws, the Certificate of Formation, and applicable law. Such a person transacting business with the Association has the same rights and obligations relating to those matters as other persons transacting business with the Association. The Association may not borrow money from or otherwise transact business with a Member, Director, Officer, or committee Member of the Association unless the transaction is memorialized in a legally binding instrument and is in the Association's best interests. The Association may not borrow money from or otherwise transact business with a Member, Director, Officer, or committee Member of the Association without full disclosure of all relevant facts and without the Board's or the Members' approval, not including the vote of any person having a personal interest in the transaction.
- 7.4. <u>Prohibited Acts</u>. As long as the Association exists, and except with the Board's prior approval, or as otherwise authorized by the Declaration, no Director, Officer, or committee Member of the Association may:
 - (a) do any act in violation of these Bylaws or the Declaration or a binding obligation of the Association;
 - (b) do any act with the intention of harming the Association or any of its operations;
 - (c) do any act that would make it impossible or unnecessarily difficult to carry on the Association's intended or ordinary business;
 - (d) receive an improper personal benefit from the operation of the Association;
 - (e) use the Association's assets, directly or indirectly, for any purpose other than carrying on the Association's business;
 - (f) wrongfully transfer or dispose of Association property;
 - (g) use the Association's name, except on behalf of the Association in the ordinary course of its business; and
 - (h) disclose any of the Association's business practices or any other information not generally known to the business community to any person not authorized to receive it.

ARTICLE EIGHT - BOOKS AND RECORDS

- 8.1. Required Books and Records. The Association will keep correct and complete books and records of account. Pursuant to Tex. Prop. Code § 209.005, as may be amended from time to time, the books and records shall include:
 - (a) a file-endorsed copy of all documents filed with the Texas Secretary of State relating to the Association, including but not limited to the certificate of formation, and any amendment of the certificate of formation, restated articles, articles of merger, articles of consolidation, and statement of change of registered office or registered agent, which documents shall be retained permanently;
 - (b) a copy of all bylaws, including these Bylaws, and any amended versions or amendments to them, which documents shall be retained permanently;
 - (c) minutes of the proceedings of the Members, Board, and committees having any of the authority of the Board, which minutes shall be retained for seven (7) years;
 - (d) a list of the names and addresses of the Members, Directors, Officers, and any committee Members of the Association;
 - (e) account records for current Members shall be retained for five (5) years;
 - (f) a financial statement showing the Association's assets, liabilities, and net worth at the end of the seven (7) most recent fiscal years;
 - (g) a financial statement showing the Association's income and expenses for the seven (7) most recent fiscal years;
 - (h) all rulings, letters, and other documents relating to the Association's federal, state, and local tax status, which documents shall be retained for seven (7) years;
 - (i) contracts with a term of one (1) year or more shall be retained for four (4) years after the expiration of the contract term;
 - (j) the Association's federal, state, and local tax information or income tax returns for each of the Association's seven (7) most recent tax years; and
 - (j) the Association's federal, state, and local tax information or income tax returns for each of the Association's seven (7) most recent tax years.
- 8.2. <u>Inspection and Copying of Books and Records</u>. The Board shall adopt a records production and copying policy that provides the charges for compilation, production and

reproduction of information pursuant to Tex. Prop. Code § 209.005, which may be amended from time to time.

8.3. Audits. Any Member may have an audit conducted of the Association's books. That Member bears the expense of the audit unless the Members vote to authorize payment of audit expenses. The Member requesting the audit may select the accounting firm to conduct it. A Member may not exercise these rights so as to subject the Association to an audit more than once in any fiscal year.

ARTICLE NINE - FISCAL YEAR

9.1. <u>Fiscal Year</u>. The Association's fiscal year will begin on the first day of January and end of the last day in December in each year.

ARTICLE TEN - INDEMNIFICATION

- 10.1. <u>Indemnification</u>. (a) The Association shall indemnify any Director, Officer, or former Director or officer of the Association, or any person who may have served at its request as a Director or officer (and the heirs, executors and administrators of all the foregoing persons), against expenses actually and necessarily incurred by him in connection with the defense of any action, suit or proceeding in which he is made a party by reason of being or having been such Director, Officer, or agent of the Association, except in relation to matters as to which he shall be finally adjudged in such action, suit, or proceeding to be liable for negligence or misconduct in the performance of duty. The Association may also reimburse any Director or Officer the reasonable costs of settlement of any such action, suit, or proceeding, if it shall be found by a majority of the Directors not involved in the matter in controversy (whether or not a quorum) that it was to the interests of the Association that such settlement be made and that such Director, Officer, or agent of the Association was not guilty of negligence or misconduct. Such rights of indemnification and reimbursement shall not be deemed exclusive of any other rights to which such Director, Officer, or employee may be entitled under any Bylaw, agreement, or otherwise.
 - (b) Any indemnification or advance of expenses will be reported in writing to the Association's Members. The report will be made with or before the notice or waiver of notice of the next Membership meeting, or with or before the next submission to Members of a consent to action without a meeting. In any case, the report will be sent within the twelve (12) month period immediately following the date of the indemnification or advance.

ARTICLE ELEVEN - NOTICES

11.1. <u>Notice by Mail or Email</u>. Any notice required or permitted by these Bylaws to be given to a Member, Director, Officer or member of a committee of the Association may be given by mail or e-mail. If mailed, a notice is deemed delivered when deposited in the mail addressed to the person at his or her address as it appears on the corporate records, with postage prepaid. If

given by e-mail, a notice is deemed delivered when forwarded to a Member who has registered an e-mail address with the Association. A person may change his or her address or e-mail address in the corporate records by giving written notice of the change to the Secretary of the Association. It is a Member's duty to keep an updated email address registered with the Association.

- 11.2. <u>Signed Waiver of Notice</u>. Whenever any notice is required by law or under the certificate of formation or these Bylaws, a written waiver signed by the person entitled to receive such notice is considered the equivalent to giving the required notice. A waiver of notice is effective whether signed before or after the time stated in the notice being waived.
- 11.3. <u>Waiving Notice by Attendance</u>. A person's attendance at a meeting constitutes waiver of notice of the meeting unless the person attends for the express purpose of objecting to the transaction of any business because the meeting was not lawfully called or convened.

ARTICLE TWELVE - SPECIAL PROCEDURES CONCERNING MEETINGS

12.1. <u>Decision Without Meeting</u>. Any decision required or permitted to be made at a meeting of the Members, or Board, or any committee of the Association may be made without a meeting. A decision without a meeting may be made if a written consent to the decision is signed by the required number of Members or Directors constituting not less than the required persons that would be necessary to take such action at a meeting. The original signed consents will be placed in the Association minute book and kept with the corporate records.

ARTICLE THIRTEEN

- 13.1 Mortgages. A Member who places a mortgage or other lien on his Lot shall notify the Board or manager/managing agent, if any, of the name and address of his mortgagee, and the Board shall maintain such information in a book which shall be kept for that specific purpose.
- 13.2 <u>Mortgagee Requests</u>. At the request of any mortgagee of a Lot, the Board or manager/managing agent, if any, shall report any unpaid assessment due from the owner of such Lot.

ARTICLE FOURTEEN - AMENDING BYLAWS

14.1. <u>Amending Bylaws</u>. These Bylaws may be altered, amended, or repealed, and new bylaws may be adopted by the affirmative vote of more than sixty-six percent (66%) of the Members entitled to vote. The notice of any meeting at which these Bylaws are altered, amended, or repealed, or at which new bylaws are adopted will include the text of the proposed bylaw provisions as well as the text of any existing provisions proposed to be altered, amended, or repealed. Alternatively, the notice may include a fair summary of those provisions.

In addition to other actions requiring the approval of the Members, the following types of actions may be taken only by affirmative vote of more than sixty-six percent (66%) vote of the Members entitled to vote:

- (a) setting or changing the authorized number of Directors;
- (b) changing from a fixed number to a variable number of Directors or vice versa;
- (c) increasing or extending the Directors' terms;
- (d) increasing or decreasing the quorum for Membership meetings;
- (e) repealing, restricting, creating, expanding, or otherwise changing the Members' proxy rights; and
 - (f) authorizing or prohibiting cumulative voting.

ARTICLE FIFTEEN - MISCELLANEOUS PROVISIONS

- 15.1. <u>Legal Authorities Governing Construction of Bylaws</u>. These Bylaws will be construed under Texas law. All references in these Bylaws to statutes, regulations, or other sources of legal authority will refer to the authorities cited, or their successors, as they may be amended from time to time.
- 15.2. <u>Legal Construction</u>. To the greatest extent possible, these Bylaws shall be construed to conform to all legal requirements and all requirements for obtaining and maintaining all tax exemptions that may be available to nonprofit corporations. If any Bylaw provision is held invalid, illegal, or unenforceable in any respect, the invalidity, illegality, or unenforceability will not affect any other provision, and the Bylaws will be construed as if they had not included the invalid, illegal, or unenforceable provision.
- 15.3. <u>Headings</u>. The headings used in the Bylaws are for convenience and may not be considered in construing the Bylaws.
- 15.4. <u>Number</u>. All singular words include the plural, and all plural words include the singular.
- 15.5. <u>Definitions</u>. Any term not defined herein shall have the meaning assigned to it in the Declaration.
- 15.6. To the extent that any provision of these Bylaws conflicts with the Declaration, the Declaration shall control.

- 15.7. Seal. The Board of Directors may, but shall not be obligated to, provide for a corporate seal.
- 15.8. Power of Attorney. A person may execute any instrument related to the Association by means of a power of attorney if an original executed copy of the power of attorney is provided to the Secretary to be kept with the corporate records.
- 15.9. Parties Bound. The Bylaws will bind and inure to the benefit of the Members, Directors, Officers, committee members, and agents of the Association and their respective heirs, executors, administrators, legal representatives, successors, and assigns except as the Bylaws otherwise provide.

- END OF BYLAWS -

Jack Huff. President of

RCR Homeowners Association, Inc.

THE STATE OF TEXAS

888

COUNTY OF TARRANT

This instrument was acknowledged before me on the 14 day of MOW 2017, by Jack Huff, President of RCR Homeowners Association, Inc., a Texas non-profit corporation, on behalf of said Corporation.



Notary Public, State of Texas