

BYLAWS
OF
GLEN FOREST HOMEOWNERS ASSOCIATION, INC.

ARTICLE I
NAME AND LOCATION

The name of the corporation is GLEN FOREST HOMEOWNER'S ASSOCIATION, LLC., herein referred to as the "Association". The principal office of the corporation shall be located at 1621 Village Trail, Keller, Texas 76248, but meetings of members and directors may be held at such places within the State of Texas, County of Tarrant, as may be designed by the Board of Directors.

ARTICLE II
DEFINITIONS

Section 1. "Association" shall mean and refer to GLEN FOREST HONEOWNER'S ASSOCIATION, NC., its successors and assigns.

Section 2. "Properties" shall mean and refer to that certain real property described in the subdivision plat for Glen Forest-Phase I, an addition to the city of Keller, Tarrant County, Texas, according to plat recorded in Cabinet A, Slide 722, Plat Records, Tarrant County, Texas, and Glen Forest-Phase II and m, an Addition to the city of Keller, Tarrant County, Texas, according to plat recorded in Cabinet A, Slide 1968.

Section 3. "Lot" shall mean any numbered plat of land shown upon any recorded subdivision plat of the Properties.

Section 4. shall mean the record owner as recorded in the Deed of Trust filed with the Tarrant County Clerk

Section 5. 'Declarant" shall mean and refer to E.L.F.M, INC., a Texas Corporation, its successors and assigns, and Slaton Investments, Inc., a Texas Corporation, its successors and assigns.

Section 6. "Restrictions" shall mean and refer to the Restrictions applicable to the Properties recorded in the Declaration of Covenants for Glen Forest-Phase I and the Declaration of Covenants for Glen Forest-Phase II and m in the Office of the Clerk and Recorder of Tarrant County, Texas as amended from time to time.

Section 7. "Member" shall mean and refer to those persons entitled to membership, as provided in the Articles of Incorporation or the Restrictions

ARTICLE III MEETING OF MEMBERS

Section 1. Annual Meetings. Beginning in 1996, the Board will hold an annual meeting at 7:00 O'clock P.M. on the first Wednesday of May each year or at another time that the Board desiY1ates. At the annual meeting, the members will elect directors and transact any other business that may come before the meeting. If, in any year, the election of directors is not held on the day designated for the annual meeting, or at any adjournment of the annual meeting, the Board will call a special meeting of the members, as soon as possible, to elect directors.

Section 2, Special Meetings. Special meetings of the members may be called at any time b' the President of the Board of Directors, or upon written request of the members who are entitled to vote one-fourth of all of the votes.

Section 3. Notice of Meetings. Written notice of each meeting of the members shall be given by, or at the direction of, the Secretary, or person authorized to call the meeting, by regular mail or other written means, and such notice shall specify the place, day and hour of the meeting and, in case of special meeting, the purpose of the meeting. 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. The record date for determining the members entitled to notice of any meeting of members will be April 1st. After fixing the record date, the Board will cause to be prepared an alphabetical list of all members entitled to notice of any meeting of members. 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.

Section 4. Quorum. The presence at the meeting of members entitled to cast, or of proxies entitled to cast, fifty-one percent (51 %) of the votes of the membership, shall constitute a quorum for any action, as otherwise provided in the Articles of Incorporation, the Restrictions, or these By-Laws. If however, each quorum shall not be present or represented at any meeting, the members entitled to vote thereat shall have power to adjourn the meeting, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or represented.

Section 5. Proxies. At all meetings, each member may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary by the day of the meeting and prior to any vote. Every proxy shall be revocable and shall be valid for use at one meeting only.

Section 6. Transaction of Business. When a quorum is present at any meeting, the vote of the members holding a majority of the votes having voting power, present in person or represented by proxy, shall decide any question before such meeting, unless the question is one upon which by express provision of the statutes, the Restrictions, or these Bylaws, a different vote is required in which case such provision shall govern. The members present at a duly organized meeting may not transact any business if a withdrawal of any member(s) leaves less than a quorum.

ARTICLE IV BOARD OF DIRECTORS; SELECTION; TERM OF OFFICE

Section 1. Membership. The affairs of this Association shall be managed by a Board of not less than three (3), nor more than five (5), directors, who shall be members of the Association. The number of the directors shall be three (3).

A majority of the acting directors at any regular or special meeting may increase or decrease the number of directors within the limits set out in Article IV, Section 1, except that no decrease shall have the effect of shortening the term of any incumbent.

Section 2. Term of Office. The members shall elect one (1) director for a term of one (1) year and two (2) directors for a term of two (2) years. At each annual meeting thereafter, the members shall elect directors whose terms have expired for a term of two (2) years.

Section 3. Removal. Any director may be removed from the board, with or without cause, by a sixty percent (60%) vote of members of the Association. In the event of death, resignation or removal of a director, his/her successor shall be appointed by the remaining members of the Board if the remaining term is one (1) year or less, otherwise the successor shall be determined in a special election and shall serve for the unexpired term of higher predecessor.

Section 4 Compensation. No director shall receive compensation for any service he may render to the Association. However, any director may be reimbursed for his/her actual expenses incurred in the performance of this duty.

Section 5. Meetings. The Board may hold meetings, both regular and special, provided proper notice, or consent in lieu thereof has been afforded the directors, in accordance with the Laws of the State of Texas. Regular meetings of the Board shall be held quarterly or more frequently, as called by the President or by a majority of the Board members, at such time and place as shall from time to time be determined by the Board. Special meetings of the Board may be called by the President and/or Secretary on two days' notice to each director, either personally, by mail or telegram. Special meetings shall be called by the President or Secretary in like manner and on like notice on the written request of the majority of the directors, except as may be otherwise expressly provided by statute, the Articles of Incorporation or these Bylaws. Neither the business to be

transacted at, nor the purpose of any special meeting, need be specified in a notice or waiver of notice. At all meetings of the Board of Directors, the presence of a majority of the directors shall be necessary and sufficient to a quorum for the transaction of business, and the act of majority of the directors present at any meeting at which there is a quorum shall be the act of the Board, except as otherwise specifically provided by statute, the Restrictions, the Articles of Incorporation or these Bylaws. If a quorum shall not be present at any meeting of the Board, the directors present thereat may adjourn the meeting from time to time without notice, other than announcement at the meeting until a quorum shall be present. Meetings may be held from time to time, as determined by the Board, by telephonic or other electronic means, after proper notice or waiver of notice.

Section 6. Action Taken Without a Meeting. By obtaining the written approval of all the directors, the directors shall have the right to take any action, in the absence of a meeting, which they could take at a meeting. Any action so approved shall have the same effect as though taken at a meeting of the directors.

ARTICLE V BUDGETS

Section 1. Establishment of Budget. The Board of Directors will prepare an Annual Line Item Budget to carry out the purpose of the Association, as defined by the Deed Restrictions, of Incorporation and Bylaws.

Section 2. Budget Approval. The Board of Directors will present the Annual Budget with the Annual Assessment to the Association members each January.

Section 3. Spending Limits. The Annual Budget defines the spending limit in aggregate to which the Board of Directors are authorized. Within this limit, the Board may approve spending as they deem appropriate to meet the needs of the Association. A deviation of greater than one thousand dollars (\$1,000.00) from the proposed budget will require membership approval.

ARTICLE VI NOMINATION AND ELECTION OF DIRECTORS

Section 1. Nomination. All nominations for election to the Board of Directors shall be made from the floor at the Annual Meeting.

Section 2. Election. Election to the Board of Directors shall be by secret written ballot. At the election, the members, or their proxies, may cast, in respect to each vacancy, as many votes as are to exercise under the provisions of the Restrictions. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

ARTICLE VII
POWERS AND DUTIES OF BOARD OF DIRECTORS

Section 1. Powers. The Board of Directors shall have the power to:

- (a) adopt and publish rules and regulations governing the use of the perimeter areas and common area landscaping;
- (b) exercise the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these Bylaws, the Articles of Incorporation, or the restrictions;
- (c) declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors; and
- (d) employ a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties.

Section 2. Duties. It shall be the duty of the Board of Directors to:

- (a) cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the members at the annual meeting of the members, or at any special meeting, when such statement is required by request of one fourth of the members who are entitled to vote;
- (b) supervise all officers, agents and employees of the Association and to see that their duties are properly performed;
- (c) fix the amount of the annual assessment against each lot at least thirty (30) days in advance of each annual assessment period, and determine whether it shall be paid in installments and when due and payable;
- (d) send written notice of each assessment to every Owner subject thereto at least thirty (30) days in advance of each annual assessment period;
- (e) determine the remedies in law against any property for assessments are not paid within two (2) months after due date;

- (f) to begin an action at law against the Owner personally obligated to pay the delinquent assessment, or grant an extension to the due date of payment, upon request of the member, due to hardships;
- (g) issue, or to cause an appropriate officer to issue, upon demand by an Association member, title company, or financial institution a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;
- (h) procure and maintain adequate liability and hazard insurance on property owned by the Association (adequate insurance is based solely on the judgement of the majority of the Board of Directors);
- (i) cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;
- (j) cause to be maintained the Common Area Landscaping and Designated Public Properties, to the extent provided in the recorded Covenants for the Properties;
- (k) promote beautification of the properties, determine areas to be maintained by the Association, bids for maintenance of these areas, create acceptance criteria for the proposals, administer the maintenance of the areas upon acceptance, and identify deed restriction or covenant violations and be responsible to take action to clear said restriction or covenant violations;
- (l) monitor and support (or oppose) community issues which could affect the stability of property value, beauty and safety of the properties, interact with city maintenance, fire and police departments to ensure services are fairly distributed to the properties and stay informed on the current issues that are being considered by the City Council.

ARTICLE VIII OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Officers. The officers of this Association shall be a president, and secretary, who shall at all times be members of the Board of Directors, and such other officers as the Board may from time to time by resolution create.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the members.

Section 3. Term. The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year, unless he shall sooner resign or shall be removed, or otherwise be disqualified to serve.

Section 4. Special Appointment. The Board may elect such other officers or agents as the members of the association may require, each of whom shall hold office for such period, have such authority and perform such duties as the Board may from to time determine.

Section 5. Resignation. Any officer may resign at anytime giving written notice to the Board, the President or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled by appointment by the Board. Officers appointed to such vacancy shall serve for the remainder of the term of the officer he./she replaces.

Section 7. Multiple Offices. No person shall simultaneously hold more than one of the following offices: President, Vice-President, and Treasurer. However, any person may serve as both President, Vice-President or Treasurer and in the administrative capacity as Secretary. Any person who is currently serving as President, Vice-President, Treasurer or Secretary may also hold any special office to which they are elected as, created pursuant to section 4 of this Article.

Section 8. Duties. The duties of the officers are as follows:

- (a) President. The President shall preside at all meetings of the Board of Directors and shall see that orders and resolutions of the Board are carried out;
- (b) Vice-President. The Vice-President shall act in the place and stead of the President in the event of his/her absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him/her by the board;
- (c) Secretary. The Secretary shall 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 and of the members; keep appropriate current records showing the members of the Association together with their addresses, and shall perform such other duties as required by the Board;
- (d) Treasurer. The treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the board of Directors; shall co-sign all checks in the amount of five hundred dollars (\$500.00) or greater along with one other authorized member of the Board; keep proper books of account; file all required tax returns; cause an annual statement to

be made of the Association books, which may be audited or unaudited, as the board of Directors may determine, by a certified public accountant, at the completion of each fiscal year, and shall prepare an annual budget and statement of income and expenditures to be presented to the membership at its regular annual meeting, and deliver a copy to each member.

ARTICLE IX Committees

Three members of the Board of Directors may also serve as the Architectural Committee, as provided in the Restrictions. In addition, the Board of Directors shall appoint other committees as deemed appropriate in carrying out its purpose.

ARTICLE X BOOKS AND RECORDS

The books, records and papers of the Association shall be subject to inspection by any member, and the Restrictions, the Articles of Incorporation and the Bylaws of the Association shall be available for inspection by any member by making an appointment through the Secretary of the Board of Directors.

ARTICLE XI ASSESSMENTS

Section 1. Obligations. As more fully provided in the Restrictions, each member is obligated to pay to the Association annual and special assessments.

Section 2. Delinquency. Any assessments which are not paid when due shall be delinquent.

Section 3. Interest. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest at the rate often percent (10⁰/0) per annum until paid. The Secretary of the Association shall file with the Tarrant County Clerk a statement of the amount of the delinquent assessment, and the fact that a lien is claimed against the lot. Upon payment of the delinquent assessment, the Secretary shall file a property release of lien and assessment with the Tarrant County Clerk.

Section 4. Extension. The Board shall have the right to extend the due date of payment, upon the request of the member, due to hardship, or begin action under law against the member personally obligated.

Section 5. Costs. Any interest, delinquency charge, cost and reasonable attorney's fees of any such action shall be added to the amount of such assessment.

Section 6. Liability. No owner may waive or otherwise escape liability for the assessments provided for herein by nonuse of the Common Area Landscaping or abandonment of his/her lot.

ARTICLE XII
AMENDMENTS

Section 1. These Bylaws may be amended, at a regular or special meeting of the members, by a vote of sixty percent (60%) of voting members present, in person or by proxy.

Section 2. In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control, and in the case of any conflict between the Restrictions and these Bylaws, the restrictions shall control.

ARTICLE XIII
Miscellaneous

Section L Deed of Trust. Any assessment will be subordinate and inferior to a recorded Deed of Trust, provided the Deed of Trust was filed of record before the filing of "a notice of delinquent assessments".

Section 2. Fiscal Year. The fiscal year of the Association shall begin on the first day of January and end on the last day of December of every year.

Section 3. Voting. The Association shall have only one class of voting members and class shall be the of record. Members shall be entitled to one vote for each lot owned. When more than one person holds an interest in any lot., all such persons shall be members. The vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any Lot.

'WITNESS WHEREOF, we, being all of the directors of GLEN FOREST

HOMEOWNER'S ASSOCIATION, LLC., have hereunto set our hands as of this 26th day of September, 1996.

DEAN BAXTER, RESIDENT

ELIZABETH SCHIEB, SECRETARY

GLEN FOREST HOMEOWNER'S ASSOCIATION, INC
SECRETARY'S CERTIFICATE OF ADOPTION OF
RESOLUTION BY BOARD OF DIRECTORS

I, ELIZABETH SCHEIB, certify that:

I am the duly qualified and acting Secretary of GLEN FOREST HOMEOWNER'S ASSOCIATION, NC., a duly organized and existing Texas corporation.

The above is a true and correct copy of the Bylaws which were adopted by unanimous written consent of the Board of Directors of GLEN FOREST HOMEOWNER'S ASSOCIATION, LLC. without a meeting, as of September 26, 1996, Action a meeting and by unanimous written consent of the Board of Directors

is authorized by the bylaws of the corporation and Texas Business Corporation Act Article 9.10, Section B.

DATED: SEPTEMBER 26, 1996.


ELIZABETH SCHEIB, Secretary