



AFTER RECORDING RETURN TO:

**Carey Gunn Helm, Esq.
Winstead, PC
401 Congress Ave., Suite 2100
Austin, Texas 78701
Email: chelm@winstead.com**

REGENTS HILLS **COMMUNITY MANUAL**

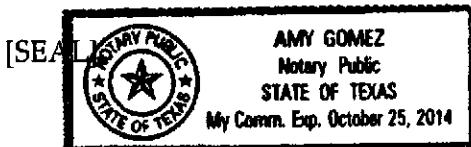
The undersigned hereby certifies that he/she is the duly elected, qualified and acting Secretary of the Regents Hills Homeowners Association, Inc., a Texas non-profit corporation (the "Association"), and that this is a true and correct copy of the current Community Manual of the Association adopted by the Board of Directors of the Association.

IN WITNESS WHEREOF, the undersigned has executed this certificate on the 11 day of July, 2013.

E. A. Steele Secretary

STATE OF TEXAS §
COUNTY OF Travis §

This instrument was acknowledged before me of this 11th day of July, 2013,
by Elizabeth Kalbacka, the Secretary of the Regents Hills
Homeowners Association, Inc., a Texas non-profit corporation, on behalf of said corporation.



John Doe
Notary Public Signature

Cross-reference to the Regents Hills Declaration of Covenants, Conditions and Restrictions, recorded under Document No. 2001018577 of the Official Public Records of Travis County, Texas, as amended and as the same may be amended and supplemented from time to time. (collectively referred to herein as the "Declaration").

In the event of a conflict between the terms and provisions of the Restrictions (defined below) or any policies adopted by the Board prior to the effective date of this instrument, the terms and provisions of this instrument shall control.

REGENTS HILLS
COMMUNITY MANUAL
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ATTACHMENT 1

REGENTS HILLS HOMEOWNERS ASSOCIATION, INC.
ARTICLES OF INCORPORATION

Corporations Section
P.O. Box 13697
Austin, Texas 78711-3697



Gwyn Shea
Secretary of State

Office of the Secretary of State

CERTIFICATE OF INCORPORATION OF

Regents Hills Homeowners Association, Inc.
Filing Number: 800048522

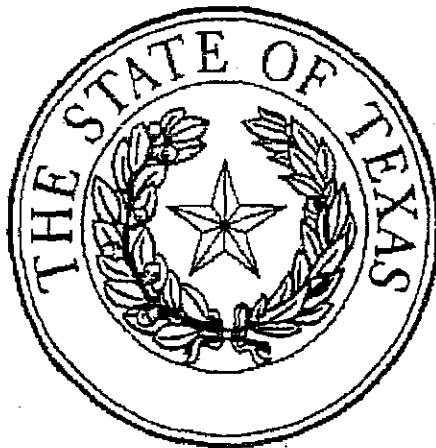
The undersigned, as Secretary of State of Texas, hereby certifies that Articles of Incorporation for the above named corporation have been received in this office and have been found to conform to law.

Accordingly, the undersigned, as Secretary of State, and by virtue of the authority vested in the Secretary by law, hereby issues this Certificate of Incorporation.

Issuance of this Certificate of Incorporation does not authorize the use of a name in this state in violation of the rights of another under the federal Trademark Act of 1946, the Texas trademark law, the Assumed Business or Professional Name Act, or the common law.

Dated: 01/22/2002

Effective: 01/22/2002



A handwritten signature of Gwyn Shea.

Gwyn Shea
Secretary of State

Come visit us on the internet at <http://www.sos.state.tx.us/>

PHONE(512) 463-5555
Prepared by: Rosa Ruedas

FAX(512) 463-5709

TTY7-1-1

ARTICLES OF INCORPORATION

FILED
In the Office of the
Secretary of State of Texas

OF

JAN 22 2002

REGENTS HILLS HOMEOWNERS ASSOCIATION, INC. Corporations Section

The undersigned natural person of the age of eighteen years or more, acting as sole incorporator of a corporation under the Texas Non-Profit Corporation Act, does hereby adopt the following Article of Incorporation of such corporation:

ARTICLE I.

The name of the corporation is Regents Hills Homeowners Association, Inc.

ARTICLE II.

The corporation is a non-profit corporation.

ARTICLE III.

The period of its duration is perpetual.

ARTICLE IV.

The corporation is organized and shall be operated to act as agent for the property owners of certain real property located in Travis County, Texas, which property is being developed as the subdivision known as "Regents Subdivision" (the "Property"). The corporation is specifically organized to provide homeowner association supervision and operation of the Property and to own, maintain, repair and improve any common areas (as defined in any declaration of restrictive covenants affecting the Property from time to time), and to promote health, safety, and welfare of the residents of Regents Subdivision. The corporation shall be operated exclusively for such purposes, and no part of the corporation's property, whether income or principal, shall inure to the benefit of, or be disputable to, its members, directors, officers or employees, or any person having a

personal or private interest in the activities of the corporation, nor shall any of said person receive or be entitled to receive any payment from the corporation except reasonable compensation for personal services actually rendered in carrying out the corporation's purposes, as set forth in this Article IV. The corporation is organized for nonprofit purposes. Nothing contained in these Articles shall be construed to authorize the corporation to carry on any activity for the profit of its members.

ARTICLE V.

The street address of the initial registered office of the corporation is 907 RR 620 S., Suite 301, Lakeway, Travis County, Texas 78734, and the name of its initial registered agent at such is Daniel J. Brouillette.

ARTICLE VI.

The direction and management of the affairs of the corporation and the control and disposition of its properties and funds shall be vested in a Board of Directors composed of such number of persons as the bylaws may fix. Until changed by the bylaws the original number of directors shall be three (3). The directors shall continue to serve until their successors are selected in the manner provided in the bylaws of the corporation. The names and residences of the persons who shall serve as directors of the corporation until their successors are duly elected and qualified are as follows:

Name

Address

Daniel J. Brouillette

907 RR 620 S., Suite 301
Lakeway, Travis County, Texas 78734

Eric M. Mach

907 RR 620 S., Suite 301
Lakeway, Travis County, Texas 78734

W. Stephen Walker

907 RR 620 S., Suite 301
Lakeway, Travis County, Texas 78734

ARTICLE VII.

The corporation shall have members. The membership of the corporation shall be determined as provided in the bylaws, and such bylaws shall define the voting rights, powers and privileges of the members.

ARTICLE VIII.

No member of the corporation shall have the right of cumulative voting at any election of directors or upon any other matter.

ARTICLE IX.

The initial bylaws of the corporation shall be adopted by its Board of Directors. The power to alter, amend or repeal the bylaws or to adopt new bylaws shall be vested in the members, but such power may be delegated by the members to the Board of Directors.

ARTICLE X.

Upon the dissolution of the corporation, the Board of Directors shall, after paying or making provision for the payment of all of the liabilities of the corporation, dispose of all of the corporation's assets exclusively for the purposes of the corporation in such manner, or to such organization or organizations organized and operated exclusively for charitable, educational, religious or scientific purposes as shall at the time qualify as an exempt organization or organizations under Section 501 (c)(3) of the Code or as described in Section 170 (c)(1) or (2) of the Code or the corresponding provisions of any future United States Internal Revenue Law, as the Board of Directors shall determine. Any such assets not so disposed of shall be charged with a charitable public trust and

shall be thereafter administered and applied to public charitable purposes by a trustee or trustees to be appointed pursuant to law by a court of competent jurisdiction.

ARTICLE XI.

No director shall be liable to the corporation or its members for monetary damages for an act or omission in the director's capacity as director, except that this Article does not eliminate or limit the liability of a director to the extent the director is found liable for:

- (1) a breach of the director's duty of loyalty to the corporation;
- (2) an act or omission not in good faith that constitutes a breach of duty of the director to the corporation or an act or omission that involves intentional misconduct or a knowing violation of the law;
- (3) a transaction from which the director received an improper benefit, whether or not the benefit resulted from an action taken within the scope of the director's office; or
- (4) an act or omission for which the liability of the director is expressly provided by an applicable statute.

Any repeal or modification of this Article shall be prospective only and shall not adversely affect any limitation on the liability of a director of the corporation existing at the time of such repeal or modification.

ARTICLE XII.

The name and street address of the sole incorporator is:

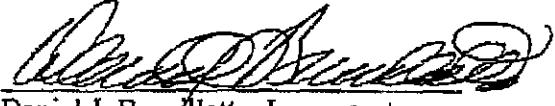
Name

Daniel J. Brouillette

Address

907 RR 620 S., Suite 301
Lakeway, Travis County, Texas 78734

EXECUTED BY THE UNDERSIGNED INCORPORATOR on this 8 day of
July, 2002.


Daniel J. Brouillette, Incorporator

ATTACHMENT 2

REGENTS HILLS HOMEOWNERS ASSOCIATION, INC.
BYLAWS

BY-LAWS
OF
REGENTS HILLS HOMEOWNERS ASSOCIATION, INC.

These By-Laws govern the affairs of Regents Hills Homeowners Association, Inc., a nonprofit corporation organized under the Texas Non-Profit Corporation Act (referred to as the "Act").

ARTICLE I

Offices and Agent

SECTION 1: The registered office of the corporation required by the Texas Business Corporation Act to be maintained in the State of Texas may be, but need not be, identical with the principal office in the State of Texas, as designated by the Board of Directors.

The address of the registered office may be changed from time to time by the Board of Directors. The registered agent of the corporation may be changed from time to time by the Board of Directors.

SECTION 2: The address of the initial registered office of the Corporation shall be 907 RR 620 S, Suite 301, Lakeway, Texas 78734.

SECTION 3: The principal office for the transaction of the business of the corporation is located at:

907 RR 620 S, Suite 301
Lakeway, Texas 78734

The Board of Directors has full power and authority to change the principal office from one location to another by noting the changed address and the effective date below:

Dated: _____

Dated: _____

Dated: _____

SECTION 4: The corporation may also have offices at such other places, within or without the State of Texas, where the corporation is qualified to do business, as the Board of Directors may from time to time designate, or the business of the corporation may require.

ARTICLE II

Meetings of Members

SECTION 1. Annual Meeting. Beginning in 2002, the Board of Directors shall hold an annual meeting of the members at 10:00 o'clock a.m. on the 15th day of October each year or at another time that the Board of Directors designates. If the day fixed for the annual meeting is a Saturday, Sunday, or legal holiday in the State of Texas, the meeting shall be held on the next business day. At the annual meeting, the members shall 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 of Directors shall call a special meeting of the members as soon thereafter as possible to conduct the election of directors.

SECTION 2. Special Meetings. Special meetings of the members may be called by the President, the Board of Directors, or not less than 50% of the voting members.

SECTION 3. Place of Meeting. The Board of Directors may designate any place, either within or without the State of Texas, as the place of meeting for any annual meeting or for any special meeting called by the Board of Directors. If the Board of Directors does not designate the place of meeting, the meeting shall be held at the registered office of the corporation in Texas.

SECTION 4. Notice of Meetings. Subject to the provisions of Section 2.11B of the Texas Non-Profit Corporation Act, written or printed notice of any meeting of members, not including the annual meeting, shall be delivered to each member entitled to vote at the meeting not less than ten (10) nor more than fifty (50) days before the date of the meeting. If the corporation has more than 1,000 members at

the time the meeting is scheduled or called, notice may be given by publication in any newspaper of general circulation in Austin, Texas.

The notice shall state the place, day, and time of the meeting, who called the meetings, and the general purpose or purposes for which the meeting is called. Notice shall be given by or at the direction of the president or secretary of the corporation, or the officers of persons calling the meeting. If all of the members meet and consent to the holding of a meeting, any corporate action may be taken at the meeting regardless of a lack of proper notice.

SECTION 5. Quorum. Except as may be otherwise provided in Section 2.12B of the Texas Non-Profit Corporation Act, the members holding 1/10 of the votes that may be cast at a meeting who attend the meeting in person or by proxy shall constitute a quorum at that meeting.

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 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 members required to constitute a quorum. If a quorum is not present at any time during a meeting, a majority of the members present may adjourn and reconvene the meeting one time without further notice.

SECTION 6. Actions of Membership. The membership shall try to act by consensus. However, the vote of a majority of voting members in good standing, present and entitled to vote at a meeting at which a quorum is present, shall be sufficient to constitute the act of the membership unless the vote of a greater number is required by law or the By-Laws. A member in good standing is one who has paid all required fees and dues and is not suspended as of the date of the meeting. Voting shall be by ballot or voice, except that any election of directors shall be by ballot if demanded by any voting member at the meeting before the voting begins. Notwithstanding the foregoing, the membership shall have no right to vote or act upon matters which are the subject of Article III, Section 1 hereof.

SECTION 7. Proxies. A member entitled to vote may vote by proxy executed in writing by the member. No proxy shall be valid after eleven (11) months from the date of its execution, unless otherwise provided in the proxy.

SECTION 8. Voting. Each member shall be entitled to vote on each matter submitted to a vote at a meeting of members. The number of votes entitled to be cast by each member shall be as set forth in the Declaration, as it may be amended from time to time. A member may vote either in person, or unless the Articles of Incorporation otherwise provide, by proxy executed in writing by the member or by his or her duly authorized attorney-in-fact. Where Directors or officers are to be elected by members, such elections may be conducted by mail.

SECTION 9. Voting by Mail. The Board of Directors may authorize members to vote by mail on the election of directors and officers or on any other matter that may be voted on by the members.

SECTION 10. Informal Action by Members. Any action required or permitted to be taken at a meeting of the members may be taken without a meeting if a consent in writing, setting forth the action to be taken, shall be signed by all the members entitled to vote with respect to the subject matter thereof.

SECTION 11. Attendance by Telephone. Subject to the provisions of the Texas Non-Profit Corporation Act and these Bylaws concerning notice of meetings and unless otherwise restricted by the Articles of Incorporation or these Bylaws, members may participate in and hold a meeting of such members by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other, and such participation shall constitute presence in person at such meeting, except where a person participates in the meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened.

SECTION 12. Legal Actions. No judicial or administrative proceedings shall be commenced or prosecuted by the corporation unless approved by members entitled to cast at least sixty (60%) percent of the votes present at a duly constituted meeting of the members. The foregoing shall not apply to actions brought by the corporation to enforce the provisions of these By-Laws, the Declaration of Covenants, Conditions and Restrictions for Regents Hills Subdivision (the "Declaration"), the imposition and collection of Assessments (as defined in the Declaration), proceedings involving challenges to real property taxes, or counterclaims brought by the corporation in proceedings instituted against it, which may be pursued if approved by the Board of Directors.

ARTICLE III

Board of Directors

SECTION 1. General Power. The business and affairs of the corporation shall be managed by its Board of Directors except as the Board of Directors shall delegate the power to so manage to the Executive Committee or other committee.

SECTION 2. Number, Tenure and Qualifications. The initial Board of Directors named in the Articles of Incorporation shall serve in

their capacity as directors until the first annual meeting of the shareholders of the corporation. Beginning with the first annual meeting of the shareholders, the number of directors composing the Board of Directors shall be THREE (3). Upon resolution of the Board of Directors, the number of directors may be increased or decreased, but no decrease shall have the effect of shortening the term of any incumbent director. Each director shall hold office until the next annual meeting of shareholders, unless earlier removed in accordance with the Articles of Incorporation, By-Laws, or law, and until his successor shall have been elected and qualified. A director need not be a resident of the State of Texas or a shareholder of the corporation.

SECTION 3. Regular Meetings. A regular meeting of the Board of Directors shall be held, without other notice than this By-Law, immediately after, and at the same place as, the annual meeting of the shareholders. The Board of Directors may provide, by resolution, the time and place, either within or without the State of Texas, for the holding of additional regular meetings without other notice than such resolution.

SECTION 4. Special Meeting. Special meetings of the Board of Directors may be called by or at the request of the President or any two directors. The person or persons authorized to call special meetings of the Board of Directors may fix any place, either within or without the State of Texas, as the place for holding any special meeting of the Board of Directors called by them.

SECTION 5. Notice. Notice of any special meeting shall be given at least two (2) days previous thereto by a written notice delivered personally or mailed to each director at his business address or by telegram. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail so addressed, with postage thereon prepaid. If notice be given by telegram, such notice shall be deemed to be delivered when the telegram is delivered to the telegraph company. Any director may waive notice of any meeting. The attendance of a director at a meeting shall constitute a waiver of notice of such meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of any business because that meeting is not lawfully called or convened. Neither the business to be transacted, nor the purpose of any regular or special meeting of the Board of Directors, need be specified in the notice or waiver of notice of such meeting.

SECTION 6. Quorum. A majority of the number of directors fixed in accordance with Section 2 of this Article II shall constitute a quorum for the transaction of business at any meeting of the Board of Directors, but, if less than such majority is present at a meeting, a

majority of the directors present may adjourn the meeting from time to time without further notice.

SECTION 7. Manner of Acting.

(a) Actions at a Meeting. Except as provided in Paragraph (b) of this Section, and except as provided in Section 12 of this Article, the act of the majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

(b) Actions Without a Meeting. Any action required or permitted to be taken at a meeting of the Board of Directors or the Executive Committee, or any other committee, may be taken without a meeting, if a consent in writing, setting forth the action so taken, is signed by all of the members of the Board of Directors, Executive Committee, or other committee, as the case may be. Such consent shall have the same force and effect as a unanimous vote at a meeting.

SECTION 8. Vacancies. Any vacancy occurring in the Board of Directors may be filled by the affirmative vote of a majority of the remaining directors, though less than a quorum of the Board of Directors. A director elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office. Any directorship to be filled by reason of an increase in the number of directors shall be filled by election at an annual meeting or at a special meeting of shareholders called for that purpose. A vacancy shall be deemed to exist by reason of the death, resignation, failure, or refusal to act by the person elected, or upon the failure of shareholders to elect directors to fill the unexpired term of directors removed in accordance with the provisions of Section 9 of this Article.

SECTION 9. Removal. At any meeting of the members called expressly for that purpose at which a quorum is present, any Director or the entire Board of Directors may be removed either for or without cause.

SECTION 10. Compensation. By resolution of the Board of Directors, the Directors may be paid their expenses, if any, of attendance at each meeting of the Board of Directors and may be paid a fixed sum for attendance at each meeting of the Board of Directors or a stated salary as Director; provided, however, that the amount of any compensation paid to a Director shall be reasonable and shall be only as permitted by the Texas Non-Profit Corporation Act and these Bylaws. No such payment shall preclude any Director from serving the Corporation in any other capacity and receiving reasonable compensation therefor; provided, however, that any compensation received by a Director for services to the Corporation that is determined in whole or in part to be

unreasonable by the Internal Revenue Service shall be reimbursed by such Director to the Corporation, and each Director, by virtue of becoming a Director, agrees to execute and deliver to the Corporation any and all documents reasonably requested by the Corporation in order to provide for such reimbursement.

SECTION 11. Presumption of Assent. A director of the corporation who is present at a meeting of the Board of Directors in which action on any corporate matter is taken shall be presumed to have assented to the action taken unless his dissent shall be entered in the minutes of the meeting, or unless he shall file his written dissent to such action with the person acting as secretary of the meeting before the adjournment thereof, or shall forward such dissent by registered mail to the Secretary of the corporation immediately after the adjournment of the meeting. Such right to dissent shall not apply to a director who voted in favor of such action.

SECTION 12. Executive and other Committees. The Board of Directors, by resolution adopted by a majority of the Directors in office, may from time to time designate one or more committees, including an Executive Committee, which, to the extent provided in such resolution, shall have and exercise the authority of the Board of Directors in the management of the Corporation. Each such committee shall consist of two (2) or more persons, a majority of whom are Directors; the remainder need not be Directors. Any non-Director who becomes a member of any such committee shall have the same responsibility with respect to such committee as a Director who is a member thereof. A majority of all the members of any such committee may determine its action and fix the time and place of its meetings, unless the Board of Directors shall otherwise provide. The Board of Directors shall have the power at any time to change the number and members of such committee, to fill vacancies and to discharge any such committee.

Other committees not having and exercising the authority of the Board of Directors in the management of the Corporation may be designated and appointed by a resolution adopted by a majority of the Directors at a meeting at which a quorum is present, or by the President thereunto authorized by a like resolution of the Board of Directors. Membership on such committees may, but need not be, limited to Directors.

ARTICLE IV

Officers

SECTION 1. Number. The officers of the corporation shall be a president, one or more vice presidents, secretary and treasurer, each of whom shall be elected by the Board of Directors. Such other officers and assistant officers as may be deemed necessary, may be elected or

appointed by the Board of Directors. Any two or more offices may be held by the same person, except for the president and secretary.

SECTION 2. Election and Term of Office. The officers of the corporation to be elected by the Board of Directors shall be elected annually by the Board of Directors at the meeting of the Board of Directors held after each annual meeting of the shareholders. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as may be convenient. Each officer shall hold office until his successor shall have been duly elected and shall have been qualified, or until his death, or until he shall resign or shall have been removed in the manner hereinafter provided.

SECTION 3. Removal. Any officer or agent elected or appointed by the Board of Directors may be removed by the Board of Directors whenever, in its judgment, the interests of the corporation would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed.

SECTION 4. Vacancies. A vacancy in any office because of death, resignation, removal, disqualification, or otherwise, may be filled by the Board of Directors for the unexpired portion of the term.

SECTION 5. Chairman of the Board. The Chairman of the Board, if one is elected, shall preside at all meetings of the Board of Directors and shall have such other powers and duties as may from time to time be prescribed by the Board of Directors, upon written directions given him pursuant to resolutions duly adopted by the Board of Directors.

SECTION 6. President. The President shall be the principal executive officer of the corporation and, subject to the control of the Board of Directors, shall in general supervise and control all of the business and affairs of the corporation. He shall, when present, preside at all meetings of the shareholders and of the Board of Directors. He may sign, with the Secretary or any other proper officers of the corporation thereunto authorized by the Board of Directors, certificates for shares of the corporation, any deeds, bonds, mortgages, contracts or other instruments which the Board of Directors has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these By-Laws to some other officer or agent of the corporation, or shall be required by law to be otherwise signed or executed; and in general shall perform all duties incident to the office of president and such other duties as may be prescribed by the Board of Directors from time to time. He shall further have the authority to appoint and remove, employ and discharge, and prescribe the duties and fix the compensation of all agents, employees and clerks of the corporation,

other than the duly appointed officers, subject to the approval of the Board of Directors, and control all of the officers, agents and employees of the corporation, subject to the direction of the Board of Directors.

SECTION 7. Vice Presidents. As may be deemed necessary and as may be elected by the Board of Directors, the Vice-President, if such office is held, shall have the following duties and responsibilities.

In the absence of the President or in the event of his death, inability or refusal to act, the Vice President (or should there be more than one vice president, the vice presidents in the order designated at the time of their election, or in the absence of any designation, then in the order of their election) shall perform the duties of President, and when so acting, shall have all the powers of and be subject to all the restrictions upon the President. Any Vice President may sign, with the Secretary or an assistant secretary, certificates for shares of the corporation, and shall perform such other duties as from time to time may be assigned to him by the President or by the Board of Directors.

SECTION 8. Secretary. The Secretary shall (a) keep the minutes of the shareholders' and the Board of Directors' meetings in one or more books provided for that purpose; (b) see that all notices are duly given in accordance with the provisions of these By-Laws, or as required by law; (c) be custodian of the corporate records and of the seal of the corporation, and see that the seal of the corporation is affixed to all documents, the execution of which, on behalf of the corporation under its seal, is duly authorized; (d) keep a register of the post office address of each shareholder, which shall be furnished to the Secretary by such shareholder; (e) sign with the President or a Vice President certificates for shares of the corporation, the issuance of which shall have been authorized by resolution of the Board of Directors; (f) have general charge of the stock transfer books of the corporation; and (g) in general, perform all duties incident to the office of the Secretary, and such other duties as from time to time may be designated to him by the President or by the Board of Directors.

SECTION 9. Treasurer. The Treasurer shall have the following duties and responsibilities. If required by the Board of Directors, the Treasurer shall give a bond for the faithful discharge of his duties in such sum, and with such surety or sureties, as the Board of Directors shall determine. He shall (a) have charge and custody of, and be responsible for, all funds and securities of the corporation from any source whatsoever, and deposit all such monies in the name of the corporation in such banks, trust companies, or other depositories as shall be selected by the Board of Directors; and (b) in general, perform all of the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him by the President or by the Board of Directors.

SECTION 10. Compensation; Restrictions on Loans and Dividends.

The Corporation may pay compensation in a reasonable amount of its Directors, officers and other agents for services rendered, but only as permitted by the Texas Non-Profit Corporation Act and these Bylaws. The salaries and other compensation of all officers and agents of the Corporation shall be fixed by the Board of Directors. Any compensation paid to any officer of the Corporation in the form of salary, commission, bonus or otherwise that is determined in whole or in part to be unreasonable by the Internal Revenue Service shall be reimbursed by such officer to the Corporation, and each officer, by virtue of becoming an officer, agrees to execute and deliver to the Corporation any and all documents reasonably requested by the Corporation in order to provide for such reimbursement. No dividend shall be paid and no part of the income of the Corporation shall be distributed to its Directors or officers. No loan shall be made by the Corporation to its Directors, officers or employees.

SECTION 11. Bond. If required by the Board of Directors, the Treasurer shall give the Corporation a bond of such type, character and amount as the Board of Directors may require.

ARTICLE V

Committees

SECTION 1. Establishment of Committees. The Board of Directors 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 shall include two or more directors and may include persons who are not directors. If the Board of Directors delegates any of its authority to a committee, the majority of the committee shall consist of directors. The Board of Directors may establish qualifications for membership on a committee. The Board of Directors may delegate to the President its power to appoint and remove members of a committee that has not been delegated any authority of the Board of Directors. The establishment of a committee or the delegation of authority to it shall not relieve the Board of Directors, or any individual director, of any responsibility imposed by the By-Laws or otherwise imposed by law. No committee shall have the authority of the Board of Directors to:

- (a) Amend the Articles of Incorporation.
- (b) Adopt a plan of merger or a plan of consolidation with another corporation.

- (c) Authorize the sale, lease, exchange, or mortgage of all or substantially all of the property and assets of the corporation.
- (d) Authorize the voluntary dissolution of the corporation.
- (e) Revoke proceedings for the voluntary dissolution of the corporation.
- (f) Adopt a plan for the distribution of the assets of the corporation.
- (g) Amend, alter or repeal the bylaws.
- (h) Elect, appoint, or remove a member of a committee or a director or officer of the corporation.
- (i) Approve any transaction to which the corporation is a party and that involves a potential conflict of interest as defined below.
- (j) Take any action outside the scope of authority delegated to it by the Board of Directors.
- (k) Take final action on a matter that requires the approval of the members.

SECTION 2. Authorization of Specific Committees. There may be the following committees: Membership, Nominating, and Program Committees. The Board of Directors shall define the activities and scope of authority of each committee by resolution.

SECTION 3. Term of Office. Each member of a committee shall continue to serve on the committee until the next annual meeting of the members of the corporation and until a successor is appointed. However, the term of a committee member may terminate earlier if the committee is terminated, or if the member dies, ceases to qualify, resigns, or is removed as a member. A vacancy on a committee may be filled by an appointment made in the same manner as an original appointment. A person appointed to fill a vacancy on a committee shall serve for the unexpired portion of the terminated committee member's term.

SECTION 4. Chair and Vice-Chair. One member of each committee shall be designated as the chair of the committee and another

member of each committee shall be designated as the vice-chair. The chair and vice-chair shall be appointed by the President of the corporation. The chair shall call and preside at all meetings of the committee. When the chair is absent, is unable to act, or refuses to act, the vice-chair shall perform the duties of the chair. When a vice-chair acts in place of the chair, the vice-chair shall have all the powers of and be subject to all the restrictions upon the chair.

SECTION 5. Notice of Meetings. Written or printed notice of a committee meeting shall be delivered to each member of a committee not less than five nor more than thirty days before the date of the meeting.

The notice shall state the place, day, and time of the meeting, and the purpose or purposes for which the meeting is called.

SECTION 6. Quorum. One-half of the number of members of a committee shall constitute a quorum for the transaction of business at any meeting of the committee. The committee members present at a duly called or held meeting at which a quorum is present may continue to transact business even if enough committee members 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 committee members required to constitute a quorum. If a quorum is not present at any time during the meeting, the chair may adjourn and reconvene the meeting one time without further notice.

SECTION 7. Actions of Committees. Committees shall try to take action by consensus. However, the vote of a majority of committee members present and voting at a meeting at which a quorum is present shall be sufficient to constitute the act of the committee unless the act of a greater number is required by law or by bylaws. A committee member who is present at a meeting and abstains from a vote is considered to be present and voting for the purpose of determining the act of the committee.

SECTION 8. Proxies. A committee member may vote by proxy executed in writing by the committee member. No proxy shall be valid after eleven months from the date of its execution.

SECTION 9. Compensation. Committee members may receive salaries for their services. The Board of Directors may adopt a resolution providing for payment to committee members of a fixed sum and expenses of attendance, if any, for attendance at each meeting of the committee. A committee member may serve the corporation in any other capacity and receive compensation for those services. Any compensation that the corporation pays to a committee member shall be commensurate with the services performed and shall be reasonable in amount.

SECTION 10. Rules. Each committee may adopt rules for its own operation not inconsistent with the bylaws or with rules adopted by the Board of Directors.

ARTICLE VI

Transactions of the Corporation

SECTION 1. Contracts. The Board of Directors may authorize any officer or agent of the corporation to enter into a contract or execute and deliver any instrument in the name of and on behalf of the corporation. 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.

SECTION 2. Deposits. All funds of the corporation shall be deposited to the credit of the corporation in banks, trust companies, or other depositories that the Board of Directors selects.

SECTION 3. Gifts. The Board of Directors may accept on behalf of the corporation any contribution, gift, bequest, or devise for the general purposes or for any special purpose of the corporation. The Board of Directors may make gifts and give charitable contributions that are not prohibited by the bylaws, the articles of incorporation, state law, and any requirements for maintaining the corporation's federal and state tax status.

SECTION 4. Conveyance of Land. The Corporation may convey land by deed, with or without the seal of Corporation, signed by the President or any Vice-President or attorney-in-fact of the Corporation when authorized by appropriate resolution of the Board of Directors or Members.

SECTION 5. Checks. All checks or demands for money and notes of the Corporation shall be signed by such officer or officers or such other person or persons as the Board of Directors may from time to time designate.

SECTION 6. Potential Conflicts of Interest. The corporation shall not make any loan to a director or officer of the corporation. A member, director, officer, or committee member of the corporation may lend money to and otherwise transact business with the corporation except as otherwise provided by the bylaws, articles of incorporation, and all applicable laws. Such a person transacting business with the corporation has the same rights and obligations relating to those matters as other persons transacting business with the corporation. The corporation shall not borrow money from or otherwise transact business

with a member, director, officer, or committee member of the corporation unless the transaction is described fully in a legally binding instrument and is in the best interests of the corporation. The corporation shall not borrow money from or otherwise transact business with a member, director, officer, or committee member of the corporation without full disclosure of all relevant facts and without the approval of the Board of Directors or the members, not including the vote of any person having a personal interest in the transaction.

SECTION 7. Prohibited Acts. As long as the corporation is in existence, and except with the prior approval of the Board of Directors or the members, no member, director, officer, or committee member of the corporation shall:

- (a) Do any act in violation of the bylaws or a binding obligation of the corporation.
- (b) Do any act with the intention of harming the corporation or any of its operations.
- (c) Do any act that would make it impossible or unnecessarily difficult to carry on the intended or ordinary business of the corporation.
- (d) Receive an improper personal benefit from the operation of the corporation.
- (e) Use the assets of this corporation, directly or indirectly, for any purpose other than carrying on the business of this corporation.
- (f) Wrongfully transfer or dispose of corporation property, including intangible property such as good will.
- (g) Use the name of the corporation (or any substantially similar name) or any trademark or trade name adopted by the corporation, except on behalf of the corporation in the ordinary course of the corporation's business.
- (h) Disclose any of the corporation business practices, trade secrets, or any other information not generally known to the business community to any person not authorized to receive it.

ARTICLE VII

Books and Records

SECTION 1. Required Books and Records. The corporation shall keep correct and complete books and records of account. The corporation's books and records shall include:

- (a) A file-endorsed copy of all documents filed with the Texas Secretary of State relating to the corporation, including, but not limited to, the articles of incorporation, and any articles of amendment, restated articles, articles of merger, articles of consolidation, and statement of change of registered office or registered agent.
- (b) A copy of the bylaws, and any amended versions or amendments to the bylaws.
- (c) Minutes of the proceedings of the members, Board of Directors, and committees having any of the authority of the Board of Directors.
- (d) A list of the names and addresses of the members, directors, officers, and any committee members of the corporation.
- (e) A financial statement showing the assets, liabilities, and net worth of the corporation at the end of the three most recent fiscal years.
- (f) A financial statement showing the income and expenses of the corporation for the three most recent fiscal years.
- (g) All rulings, letters, and other documents relating to the corporation's federal, state, and local tax status.
- (h) The corporation's federal, state, and local information or income tax returns for each of the corporation's three most recent tax years.

SECTION 2. Inspection and Copying. Any member, director, officer, or committee member of the corporation may inspect and receive copies of all books and records of the corporation required to be kept by the bylaws. Such a person may inspect or receive copies if the person has a proper purpose related to the person's interest in the corporation and if the person submits a request in writing. Any person entitled to inspect and copy the corporation's books and records may do so through his or her attorney or other duly authorized representative.

A person entitled to inspect the corporation's books and records may do so at a reasonable time no later than ten working days after the corporation's receipt of a proper written request. The Board of Directors may establish reasonable fees for copying the corporation's books and records by members. The corporation shall provide requested copies of books or records no later than ten working days after the corporation's receipt of a proper written request.

SECTION 3. Audits. Any member shall have the right to have an audit conducted of the corporation's books. The member requesting the audit shall bear 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 the audit. A member may not exercise these rights to compel audits so as to subject the corporation to an audit more than once in any fiscal year.

ARTICLE VIII

Fiscal Year

The Board of Directors shall, by resolution, fix the fiscal year of the corporation.

ARTICLE IX

Waiver of Notice

Whenever any notice is required to be given to any shareholder or director of the corporation under the provisions of these By-Laws under the provisions of the Articles of Incorporation, or under the provisions of the Texas Non-Profit Corporation Act, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

ARTICLE X

Procedure

Meetings of the members and of the Board of Directors shall be conducted in accordance with the procedure as contained in Robert's Rules of Order, to the extent applicable.

ARTICLE XI

Indemnification of and Insurance Covering Directors, Officers and Other Persons

SECTION 1. Power to Indemnify and to Purchase Indemnity Insurance. To the maximum extent permitted by Article 1396-2.22A of the Texas Non-Profit Corporation Act (without regard, however, to Section Q, of such Article), the Corporation shall indemnify any person who is or was a director or officer of the Corporation against any and all judgments, penalties, (including excise and similar taxes), fines, settlements, and reasonable expenses actually incurred by such person in connection with a proceeding (as defined in Article 1396-2.22A) because of that person's service or status as a director or officer. Further, the Corporation shall pay or reimburse reasonable expenses incurred by a director or officer who was, is or is threatened to be made a party in a proceeding, in advance of the final disposition of the proceeding, to the maximum extent permitted by Article 1396-2.22A; provided, however, that payment or reimbursement of expenses pursuant to the procedures set out in Section K of Article 1396-2.22A may be conditioned upon a showing, satisfactory to the Board of Directors in its sole discretion, of the financial ability of the officer or director in question to make the repayment referred to in such Section. Further, the Corporation may indemnify, and may reimburse or advance expenses to or purchase and maintain insurance or any other arrangement on behalf of, any person who is or was a director, officer, employee or agent to the Corporation, or who is or was serving at the request of the Corporation as a director, officer, partner, venturer, proprietor, director, employee, agent or similar functionary of another corporation, partnership, joint venture, sole proprietorship, trust, employee benefit plan or other enterprise, in connection with any liability asserted against such person because of such service or status, to such further extent, consistent with Article 1396-2.22A and other applicable law, as the Board of Directors may from time to time determine. The provisions of this section shall not be deemed exclusive of any other rights to which any such person may be entitled under any bylaw, agreement, insurance policy, or otherwise. No amendment, modification or repeal of this section shall in any manner terminate, reduce or impair the right of any person to be indemnified by the Corporation in accordance with the provisions of the section as in

effect immediately prior to such amendment, modification or repeal with respect to claims arising from or relating to matter occurring prior to such amendment, modification or repeal, regardless of when such claims may arise or be asserted.

ARTICLE XII

Participation of Directors and Officers in Related Business

Officers and directors of this corporation may hold positions as officers and directors of other corporations, in related businesses, and their efforts to advance the interest of those corporations will not create a breach of fiduciary capacity to this corporation in the absence of showing of bad faith.

ARTICLE XIV

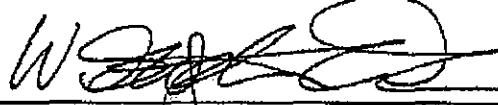
Amendments

The initial By-Laws shall be adopted by the Board of Directors of the corporation. The power to alter, amend, or repeal the By-Laws or adopt new By-Laws shall be vested in the Board of Directors.

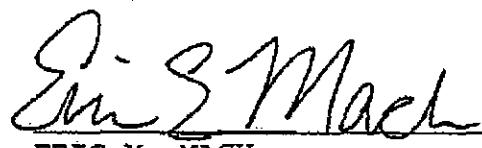
The foregoing By-Laws were adopted by the Board of Directors on the 3 day of May, 2002.



DANIEL J. BROUILLETTE
DIRECTOR



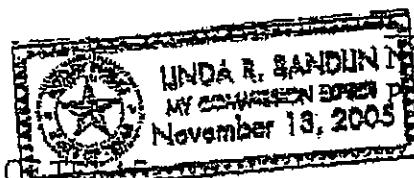
W. STEPHEN WALKER
DIRECTOR



ERIC M. MACH
DIRECTOR

THE STATE OF TEXAS §
§
COUNTY OF TRAVIS §

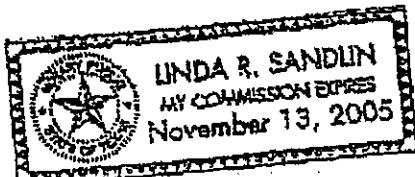
This instrument was acknowledged before me on the 12th day of August, 2002, by
Eric Mach, in his capacity as President of the Board of Regents Hills Homeowners Association, Inc.



Linda R. Sandlin

THE STATE OF TEXAS §
§
COUNTY OF TRAVIS §

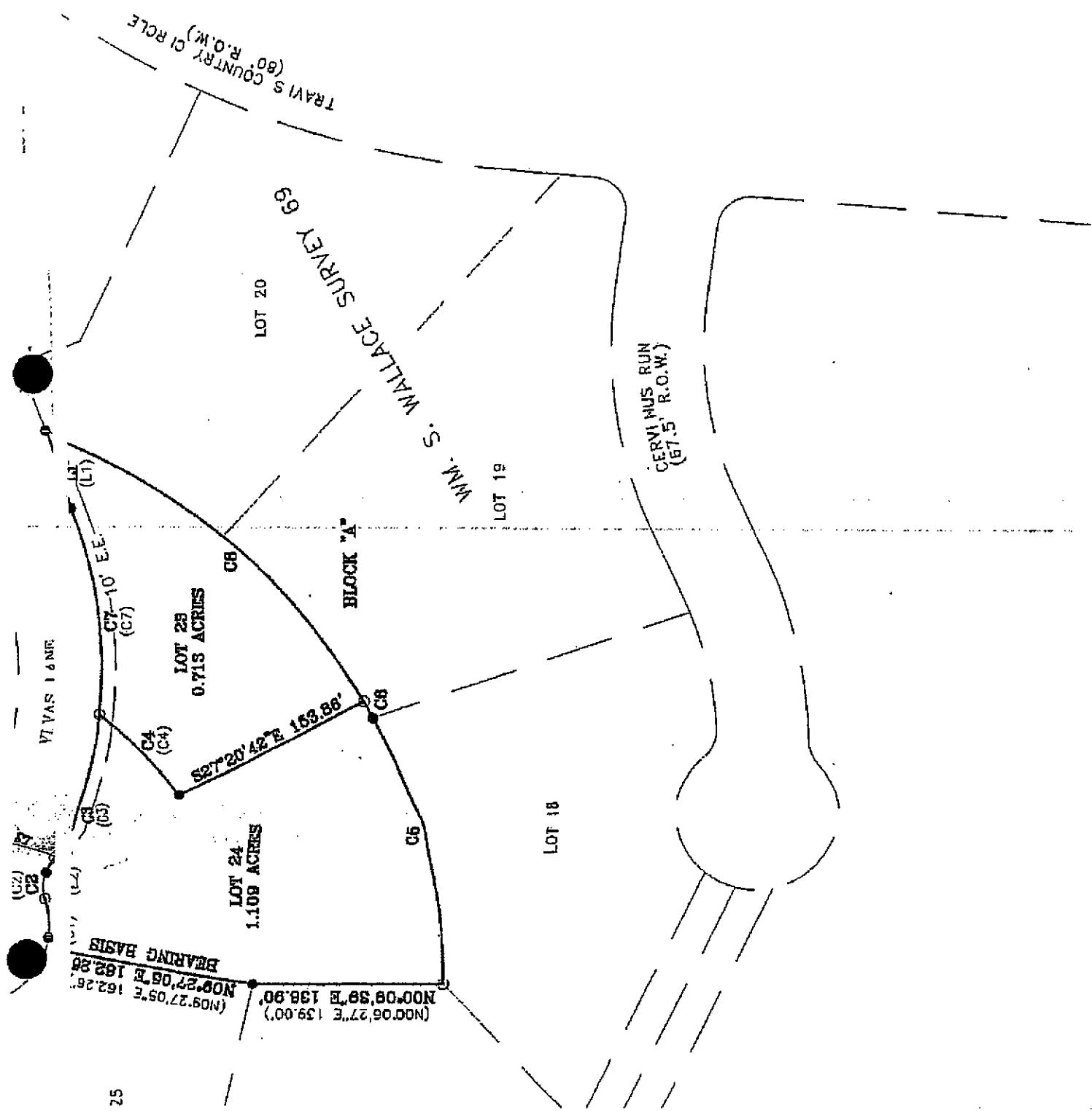
This instrument was acknowledged before me on the 12th day of August, 2002, by
Steve Krasoff, in his capacity as Secretary of the Board of Regents Hills Homeowners Association,
Inc.



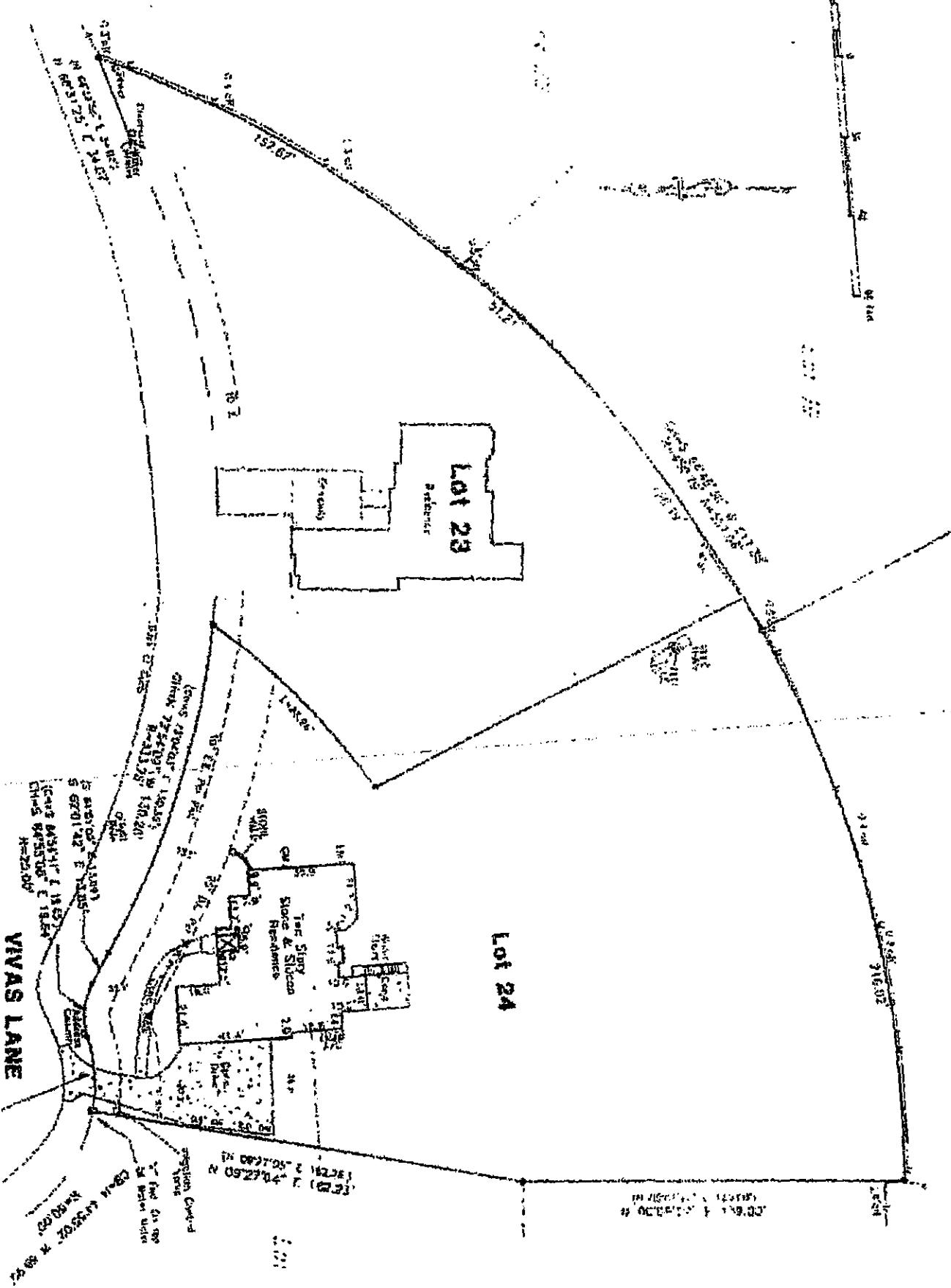
Linda Krasoff

NOTARY PUBLIC, State of Texas
Print Name: _____

Ex A
1 of 2



Ex A
2 of 2



Attachment B: Proposed Plat

STATE OF TEXAS §
COUNTY OF TRAVIS §

23

Amendment to By-Laws
of
Regents Hills Homeowners Association, Inc.

WHEREAS the existing By-Laws of Regents Hills Homeowners Association, Inc. ("By-Laws" and "Association", respectively) are attached hereto as Exhibit "A";

WHEREAS Article XIV of the By-Laws provides that they may be amended from time to time by the affirmative vote of the Board of Directors of the Association; and

WHEREAS the Board of Directors has voted to approve the amendment to the By-Laws provided herein:

THEREFORE the Board of Directors does hereby AMEND the By-Laws as follows:

1. By STRIKING and DELETING all of the language contained in Article III, Section 2 and REPLACING that language with the following:

"Section 2. Number, Tenure and Qualifications. The number of directors composing the Board of Directors shall be three (3). Upon resolution of the Board of Directors, the number of directors may be increased or decreased, but the change may not lower the number of directors below three (3), create an even number of directors, nor have the effect of shortening the term of any incumbent director. Directors shall be elected at a meeting of the membership, as specified in Article II, Section 1 of these By-Laws. The standard term for directors shall be three (3) years, with a director serving until his successor has been elected and qualified. The terms for directors shall be staggered, such that at each election only one-third (1/3rd) of the director seats (or as close thereto as possible) shall be open for election. Notwithstanding the foregoing, in order to institute staggered terms, the Board of Directors shall designate one director seat to be for an initial term of one (1) year, a second seat to be for an initial term of two (2) years, and the third seat to be for an initial term of three (3) years. All director terms shall thereafter be for the standard three (3) years, unless an increase or decrease in the total number of seats shall again require the Board of Directors to designate one or more seats to have an initial term of less than three (3) years, in order to ensure that terms remain staggered. If a director seat becomes vacant prior to the expiration of its full term, the vacancy shall be filled in accordance with Article III, Section 8 of these By-Laws. A director must be a member of the Association or an officer, director, trustee or other governing official of an entity holding membership in the Association."

AGREED TO and ADOPTED this 16th day of March, 2007.

REGENTS HILLS HOMEOWNERS ASSOCIATION, INC.

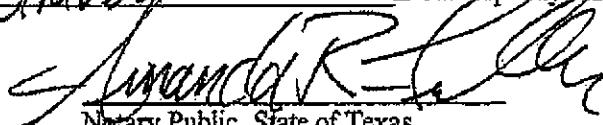
By: CHIP GRAVES
Title: PRESIDENT - RH HOA

Acknowledgement

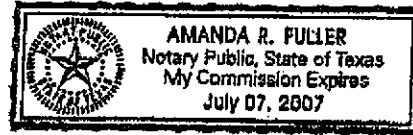
STATE OF TEXAS §

COUNTY OF TRAVIS §

This instrument was acknowledged before me on the 19th day of
March, 2007, by Chay Gravess, in the capacity stated
above.


Amanda R. Fuller
Notary Public, State of Texas

After recording, please return to:
Niemann & Niemann, L.L.P.
Attorneys At Law
Westgate Building, Suite 313
1122 Colorado Street
Austin, Texas 78701



FileServer:CLIENTS:RegentsHills:BylawsAmend2-07.doc

EXHIBIT "A"

BY-LAWS

OF

REGENTS HILLS HOMEOWNERS ASSOCIATION, INC.

These By-Laws govern the affairs of Regents Hills Homeowners Association, Inc., a nonprofit corporation organized under the Texas Non-Profit Corporation Act (referred to as the "Act").

ARTICLE I

Offices and Agent

SECTION 1: The registered office of the corporation required by the Texas Business Corporation Act to be maintained in the State of Texas may be, but need not be, identical with the principal office in the State of Texas, as designated by the Board of Directors. The address of the registered office may be changed from time to time by the Board of Directors. The registered agent of the corporation may be changed from time to time by the Board of Directors.

SECTION 2: The address of the initial registered office of the Corporation shall be 907 RR 620 S, Suite 301, Lakeway, Texas 78734.

SECTION 3: The principal office for the transaction of the business of the corporation is located at:

907 RR 620 S, Suite 301
Lakeway, Texas 78734

The Board of Directors has full power and authority to change the principal office from one location to another by noting the changed address and the effective date below:

Dated: _____

Dated: _____

Dated: _____

SECTION 4: The corporation may also have offices at such other places, within or without the State of Texas, where the corporation is qualified to do business, as the Board of Directors may from time to time designate, or the business of the corporation may require.

ARTICLE II

Meetings of Members

SECTION 1. Annual Meeting. Beginning in 2002, the Board of Directors shall hold an annual meeting of the members at 10:00 o'clock a.m. on the 15th day of October each year or at another time that the Board of Directors designates. If the day fixed for the annual meeting is a Saturday, Sunday, or legal holiday in the State of Texas, the meeting shall be held on the next business day. At the annual meeting, the members shall 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 of Directors shall call a special meeting of the members as soon thereafter as possible to conduct the election of directors.

SECTION 2. Special Meetings. Special meetings of the members may be called by the President, the Board of Directors, or not less than 50% of the voting members.

SECTION 3. Place of Meeting. The Board of Directors may designate any place, either within or without the State of Texas, as the place of meeting for any annual meeting or for any special meeting called by the Board of Directors. If the Board of Directors does not designate the place of meeting, the meeting shall be held at the registered office of the corporation in Texas.

SECTION 4. Notice of Meetings. Subject to the provisions of Section 2.11B of the Texas Non-Profit Corporation Act, written or printed notice of any meeting of members, not including the annual meeting, shall be delivered to each member entitled to vote at the meeting not less than ten (10) nor more than fifty (50) days before the date of the meeting. If the corporation has more than 1,000 members at

the time the meeting is scheduled or called, notice may be given by publication in any newspaper of general circulation in Austin, Texas.

The notice shall state the place, day, and time of the meeting, who called the meetings, and the general purpose or purposes for which the meeting is called. Notice shall be given by or at the direction of the president or secretary of the corporation, or the officers of persons calling the meeting. If all of the members meet and consent to the holding of a meeting, any corporate action may be taken at the meeting regardless of a lack of proper notice.

SECTION 5. Quorum. Except as may be otherwise provided in Section 2.12B of the Texas Non-Profit Corporation Act, the members holding 1/10 of the votes that may be cast at a meeting who attend the meeting in person or by proxy shall constitute a quorum at that meeting.

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 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 members required to constitute a quorum. If a quorum is not present at any time during a meeting, a majority of the members present may adjourn and reconvene the meeting one time without further notice.

SECTION 6. Actions of Membership. The membership shall try to act by consensus. However, the vote of a majority of voting members in good standing, present and entitled to vote at a meeting at which a quorum is present, shall be sufficient to constitute the act of the membership unless the vote of a greater number is required by law or the By-Laws. A member in good standing is one who has paid all required fees and dues and is not suspended as of the date of the meeting. Voting shall be by ballot or voice, except that any election of directors shall be by ballot if demanded by any voting member at the meeting before the voting begins. Notwithstanding the foregoing, the membership shall have no right to vote or act upon matters which are the subject of Article III, Section 1 hereof.

SECTION 7. Proxies. A member entitled to vote may vote by proxy executed in writing by the member. No proxy shall be valid after eleven (11) months from the date of its execution, unless otherwise provided in the proxy.

SECTION 8. Voting. Each member shall be entitled to vote on each matter submitted to a vote at a meeting of members. The number of votes entitled to be cast by each member shall be as set forth in the Declaration, as it may be amended from time to time. A member may vote either in person, or unless the Articles of Incorporation otherwise provide, by proxy executed in writing by the member or by his or her duly authorized attorney-in-fact. Where Directors or officers are to be elected by members, such elections may be conducted by mail.

SECTION 9. Voting by Mail. The Board of Directors may authorize members to vote by mail on the election of directors and officers or on any other matter that may be voted on by the members.

SECTION 10. Informal Action by Members. Any action required or permitted to be taken at a meeting of the members may be taken without a meeting if a consent in writing, setting forth the action to be taken, shall be signed by all the members entitled to vote with respect to the subject matter thereof.

SECTION 11. Attendance by Telephone. Subject to the provisions of the Texas Non-Profit Corporation Act and these Bylaws concerning notice of meetings and unless otherwise restricted by the Articles of Incorporation or these Bylaws, members may participate in and hold a meeting of such members by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other, and such participation shall constitute presence in person at such meeting, except where a person participates in the meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened.

SECTION 12. Legal Actions. No judicial or administrative proceedings shall be commenced or prosecuted by the corporation unless approved by members entitled to cast at least sixty (60%) percent of the votes present at a duly constituted meeting of the members. The foregoing shall not apply to actions brought by the corporation to enforce the provisions of these By-Laws, the Declaration of Covenants, Conditions and Restrictions for "Regents Hills Subdivision" (the "Declaration"), the imposition and collection of Assessments (as defined in the Declaration), proceedings involving challenges to real property taxes, or counterclaims brought by the corporation in proceedings instituted against it, which may be pursued if approved by the Board of Directors.

ARTICLE III

Board of Directors

SECTION 1. General Power. The business and affairs of the corporation shall be managed by its Board of Directors except as the Board of Directors shall delegate the power to so manage to the Executive Committee or other committee.

SECTION 2. Number, Tenure and Qualifications. The initial Board of Directors named in the Articles of Incorporation shall serve in

their capacity as directors until the first annual meeting of the shareholders of the corporation. Beginning with the first annual meeting of the shareholders, the number of directors composing the Board of Directors shall be THREE (3). Upon resolution of the Board of Directors, the number of directors may be increased or decreased, but no decrease shall have the effect of shortening the term of any incumbent director. Each director shall hold office until the next annual meeting of shareholders, unless earlier removed in accordance with the Articles of Incorporation, By-Laws, or law, and until his successor shall have been elected and qualified. A director need not be a resident of the State of Texas or a shareholder of the corporation.

SECTION 3. Regular Meetings. A regular meeting of the Board of Directors shall be held, without other notice than this By-Law, immediately after, and at the same place as, the annual meeting of the shareholders. The Board of Directors may provide, by resolution, the time and place, either within or without the State of Texas, for the holding of additional regular meetings without other notice than such resolution.

SECTION 4. Special Meeting. Special meetings of the Board of Directors may be called by or at the request of the President or any two directors. The person or persons authorized to call special meetings of the Board of Directors may fix any place, either within or without the State of Texas, as the place for holding any special meeting of the Board of Directors called by them.

SECTION 5. Notice. Notice of any special meeting shall be given at least two (2) days previous thereto by a written notice delivered personally or mailed to each director at his business address or by telegram. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail so addressed, with postage thereon prepaid. If notice be given by telegram, such notice shall be deemed to be delivered when the telegram is delivered to the telegraph company. Any director may waive notice of any meeting. The attendance of a director at a meeting shall constitute a waiver of notice of such meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of any business because that meeting is not lawfully called or convened. Neither the business to be transacted, nor the purpose of any regular or special meeting of the Board of Directors, need be specified in the notice or waiver of notice of such meeting.

SECTION 6. Quorum. A majority of the number of directors fixed in accordance with Section 2 of this Article II shall constitute a quorum for the transaction of business at any meeting of the Board of Directors, but, if less than such majority is present at a meeting, a

majority of the directors present may adjourn the meeting from time to time without further notice.

SECTION 7. Manner of Acting.

(a) Actions at a Meeting. Except as provided in Paragraph (b) of this Section, and except as provided in Section 12 of this Article, the act of the majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

(b) Actions Without a Meeting. Any action required or permitted to be taken at a meeting of the Board of Directors or the Executive Committee, or any other committee, may be taken without a meeting, if a consent in writing, setting forth the action so taken, is signed by all of the members of the Board of Directors, Executive Committee, or other committee, as the case may be. Such consent shall have the same force and effect as a unanimous vote at a meeting.

SECTION 8. Vacancies. Any vacancy occurring in the Board of Directors may be filled by the affirmative vote of a majority of the remaining directors, though less than a quorum of the Board of Directors. A director elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office. Any directorship to be filled by reason of an increase in the number of directors shall be filled by election at an annual meeting or at a special meeting of shareholders called for that purpose. A vacancy shall be deemed to exist by reason of the death, resignation, failure, or refusal to act by the person elected, or upon the failure of shareholders to elect directors to fill the unexpired term of directors removed in accordance with the provisions of Section 9 of this Article.

SECTION 9. Removal. At any meeting of the members called expressly for that purpose at which a quorum is present, any Director or the entire Board of Directors may be removed either for or without cause.

SECTION 10. Compensation. By resolution of the Board of Directors, the Directors may be paid their expenses, if any, of attendance at each meeting of the Board of Directors and may be paid a fixed sum for attendance at each meeting of the Board of Directors or a stated salary as Director; provided, however, that the amount of any compensation paid to a Director shall be reasonable and shall be only as permitted by the Texas Non-Profit Corporation Act and these Bylaws. No such payment shall preclude any Director from serving the Corporation in any other capacity and receiving reasonable compensation therefor; provided, however, that any compensation received by a Director for services to the Corporation that is determined in whole or in part to be

unreasonable by the Internal Revenue Service shall be reimbursed by such Director to the Corporation, and each Director, by virtue of becoming a Director, agrees to execute and deliver to the Corporation any and all documents reasonably requested by the Corporation in order to provide for such reimbursement.

SECTION 11. Presumption of Assent. A director of the corporation who is present at a meeting of the Board of Directors in which action on any corporate matter is taken shall be presumed to have assented to the action taken unless his dissent shall be entered in the minutes of the meeting, or unless he shall file his written dissent to such action with the person acting as secretary of the meeting before the adjournment thereof, or shall forward such dissent by registered mail to the Secretary of the corporation immediately after the adjournment of the meeting. Such right to dissent shall not apply to a director who voted in favor of such action.

SECTION 12. Executive and other Committees. The Board of Directors, by resolution adopted by a majority of the Directors in office, may from time to time designate one or more committees, including an Executive Committee, which, to the extent provided in such resolution, shall have and exercise the authority of the Board of Directors in the management of the Corporation. Each such committee shall consist of two (2) or more persons, a majority of whom are Directors; the remainder need not be Directors. Any non-Director who becomes a member of any such committee shall have the same responsibility with respect to such committee as a Director who is a member thereof. A majority of all the members of any such committee may determine its action and fix the time and place of its meetings, unless the Board of Directors shall otherwise provide. The Board of Directors shall have the power at any time to change the number and members of such committee, to fill vacancies and to discharge any such committee.

Other committees not having and exercising the authority of the Board of Directors in the management of the Corporation may be designated and appointed by a resolution adopted by a majority of the Directors at a meeting at which a quorum is present, or by the President thereunto authorized by a like resolution of the Board of Directors. Membership on such committees may, but need not be, limited to Directors.

ARTICLE IV

Officers

SECTION 1. Number. The officers of the corporation shall be a president, one or more vice presidents, secretary and treasurer, each of whom shall be elected by the Board of Directors. Such other officers and assistant officers as may be deemed necessary, may be elected or

appointed by the Board of Directors. Any two or more offices may be held by the same person, except for the president and secretary.

SECTION 2. Election and Term of Office. The officers of the corporation to be elected by the Board of Directors shall be elected annually by the Board of Directors at the meeting of the Board of Directors held after each annual meeting of the shareholders. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as may be convenient. Each officer shall hold office until his successor shall have been duly elected and shall have been qualified, or until his death, or until he shall resign or shall have been removed in the manner hereinafter provided.

SECTION 3. Removal. Any officer or agent elected or appointed by the Board of Directors may be removed by the Board of Directors whenever, in its judgment, the interests of the corporation would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed.

SECTION 4. Vacancies. A vacancy in any office because of death, resignation, removal, disqualification, or otherwise, may be filled by the Board of Directors for the unexpired portion of the term.

SECTION 5. Chairman of the Board. The Chairman of the Board, if one is elected, shall preside at all meetings of the Board of Directors and shall have such other powers and duties as may from time to time be prescribed by the Board of Directors, upon written directions given him pursuant to resolutions duly adopted by the Board of Directors.

SECTION 6. President. The President shall be the principal executive officer of the corporation and, subject to the control of the Board of Directors, shall in general supervise and control all of the business and affairs of the corporation. He shall, when present, preside at all meetings of the shareholders and of the Board of Directors. He may sign, with the Secretary or any other proper officers of the corporation thereunto authorized by the Board of Directors, certificates for shares of the corporation, any deeds, bonds, mortgages, contracts or other instruments which the Board of Directors has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these By-Laws to some other officer or agent of the corporation, or shall be required by law to be otherwise signed or executed; and in general shall perform all duties incident to the office of president and such other duties as may be prescribed by the Board of Directors from time to time. He shall further have the authority to appoint and remove, employ and discharge, and prescribe the duties and fix the compensation of all agents, employees and clerks of the corporation,

other than the duly appointed officers, subject to the approval of the Board of Directors, and control all of the officers, agents and employees of the corporation, subject to the direction of the Board of Directors.

SECTION 7. Vice Presidents. As may be deemed necessary and as may be elected by the Board of Directors, the Vice-President, if such office is held, shall have the following duties and responsibilities.

In the absence of the President or in the event of his death, inability or refusal to act, the Vice President (or should there be more than one vice president, the vice presidents in the order designated at the time of their election, or in the absence of any designation, then in the order of their election) shall perform the duties of President, and when so acting, shall have all the powers of and be subject to all the restrictions upon the President. Any Vice President may sign, with the Secretary or an assistant secretary, certificates for shares of the corporation, and shall perform such other duties as from time to time may be assigned to him by the President or by the Board of Directors.

SECTION 8. Secretary. The Secretary shall (a) keep the minutes of the shareholders' and the Board of Directors' meetings in one or more books provided for that purpose; (b) see that all notices are duly given in accordance with the provisions of these By-Laws, or as required by law; (c) be custodian of the corporate records and of the seal of the corporation, and see that the seal of the corporation is affixed to all documents, the execution of which, on behalf of the corporation under its seal, is duly authorized; (d) keep a register of the post office address of each shareholder, which shall be furnished to the Secretary by such shareholder; (e) sign with the President or a Vice President certificates for shares of the corporation, the issuance of which shall have been authorized by resolution of the Board of Directors; (f) have general charge of the stock transfer books of the corporation; and (g) in general, perform all duties incident to the office of the Secretary, and such other duties as from time to time may be designated to him by the President or by the Board of Directors.

SECTION 9. Treasurer. The Treasurer shall have the following duties and responsibilities. If required by the Board of Directors, the Treasurer shall give a bond for the faithful discharge of his duties in such sum, and with such surety or sureties, as the Board of Directors shall determine. He shall (a) have charge and custody of, and be responsible for, all funds and securities of the corporation from any source whatsoever, and deposit all such monies in the name of the corporation in such banks, trust companies, or other depositories as shall be selected by the Board of Directors; and (b) in general, perform all of the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him by the President or by the Board of Directors.

SECTION 10. Compensation; Restrictions on Loans and Dividends.

The Corporation may pay compensation in a reasonable amount of its Directors, officers and other agents for services rendered, but only as permitted by the Texas Non-Profit Corporation Act and these Bylaws. The salaries and other compensation of all officers and agents of the Corporation shall be fixed by the Board of Directors. Any compensation paid to any officer of the Corporation in the form of salary, commission, bonus or otherwise that is determined in whole or in part to be unreasonable by the Internal Revenue Service shall be reimbursed by such officer to the Corporation, and each officer, by virtue of becoming an officer, agrees to execute and deliver to the Corporation any and all documents reasonably requested by the Corporation in order to provide for such reimbursement. No dividend shall be paid and no part of the income of the Corporation shall be distributed to its Directors or officers. No loan shall be made by the Corporation to its Directors, officers or employees.

SECTION 11. Bond. If required by the Board of Directors, the Treasurer shall give the Corporation a bond of such type, character and amount as the Board of Directors may require.

ARTICLE V

Committees

SECTION 1. Establishment of Committees. The Board of Directors 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 shall include two or more directors and may include persons who are not directors. If the Board of Directors delegates any of its authority to a committee, the majority of the committee shall consist of directors. The Board of Directors may establish qualifications for membership on a committee. The Board of Directors may delegate to the President its power to appoint and remove members of a committee that has not been delegated any authority of the Board of Directors. The establishment of a committee or the delegation of authority to it shall not relieve the Board of Directors, or any individual director, of any responsibility imposed by the By-Laws or otherwise imposed by law. No committee shall have the authority of the Board of Directors to:

- (a) Amend the Articles of Incorporation.
- (b) Adopt a plan of merger or a plan of consolidation with another corporation.

- (c) Authorize the sale, lease, exchange, or mortgage of all or substantially all of the property and assets of the corporation.
- (d) Authorize the voluntary dissolution of the corporation.
- (e) Revoke proceedings for the voluntary dissolution of the corporation.
- (f) Adopt a plan for the distribution of the assets of the corporation.
- (g) Amend, alter or repeal the bylaws.
- (h) Elect, appoint, or remove a member of a committee or a director or officer of the corporation.
- (i) Approve any transaction to which the corporation is a party and that involves a potential conflict of interest as defined below.
- (j) Take any action outside the scope of authority delegated to it by the Board of Directors.
- (k) Take final action on a matter that requires the approval of the members.

SECTION 2. Authorization of Specific Committees. There may be the following committees: Membership, Nominating, and Program Committees. The Board of Directors shall define the activities and scope of authority of each committee by resolution.

SECTION 3. Term of Office. Each member of a committee shall continue to serve on the committee until the next annual meeting of the members of the corporation and until a successor is appointed. However, the term of a committee member may terminate earlier if the committee is terminated, or if the member dies, ceases to qualify, resigns, or is removed as a member. A vacancy on a committee may be filled by an appointment made in the same manner as an original appointment. A person appointed to fill a vacancy on a committee shall serve for the unexpired portion of the terminated committee member's term.

SECTION 4. Chair and Vice-Chair. One member of each committee shall be designated as the chair of the committee and another

member of each committee shall be designated as the vice-chair. The chair and vice-chair shall be appointed by the President of the corporation. The chair shall call and preside at all meetings of the committee. When the chair is absent, is unable to act, or refuses to act, the vice-chair shall perform the duties of the chair. When a vice-chair acts in place of the chair, the vice-chair shall have all the powers of and be subject to all the restrictions upon the chair.

SECTION 5. Notice of Meetings. Written or printed notice of a committee meeting shall be delivered to each member of a committee not less than five nor more than thirty days before the date of the meeting. The notice shall state the place, day, and time of the meeting, and the purpose or purposes for which the meeting is called.

SECTION 6. Quorum. One-half of the number of members of a committee shall constitute a quorum for the transaction of business at any meeting of the committee. The committee members present at a duly called or held meeting at which a quorum is present may continue to transact business even if enough committee members 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 committee members required to constitute a quorum. If a quorum is not present at any time during the meeting, the chair may adjourn and reconvene the meeting one time without further notice.

SECTION 7. Actions of Committees. Committees shall try to take action by consensus. However, the vote of a majority of committee members present and voting at a meeting at which a quorum is present shall be sufficient to constitute the act of the committee unless the act of a greater number is required by law or by bylaws. A committee member who is present at a meeting and abstains from a vote is considered to be present and voting for the purpose of determining the act of the committee.

SECTION 8. Proxies. A committee member may vote by proxy executed in writing by the committee member. No proxy shall be valid after eleven months from the date of its execution.

SECTION 9. Compensation. Committee members may receive salaries for their services. The Board of Directors may adopt a resolution providing for payment to committee members of a fixed sum and expenses of attendance, if any, for attendance at each meeting of the committee. A committee member may serve the corporation in any other capacity and receive compensation for those services. Any compensation that the corporation pays to a committee member shall be commensurate with the services performed and shall be reasonable in amount.

SECTION 10. Rules. Each committee may adopt rules for its own operation not inconsistent with the bylaws or with rules adopted by the Board of Directors.

ARTICLE VI

Transactions of the Corporation

SECTION 1. Contracts. The Board of Directors may authorize any officer or agent of the corporation to enter into a contract or execute and deliver any instrument in the name of and on behalf of the corporation. 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.

SECTION 2. Deposits. All funds of the corporation shall be deposited to the credit of the corporation in banks, trust companies, or other depositories that the Board of Directors selects.

SECTION 3. Gifts. The Board of Directors may accept on behalf of the corporation any contribution, gift, bequest, or devise for the general purposes or for any special purpose of the corporation. The Board of Directors may make gifts and give charitable contributions that are not prohibited by the bylaws, the articles of incorporation, state law, and any requirements for maintaining the corporation's federal and state tax status.

SECTION 4. Conveyance of Land. The Corporation may convey land by deed, with or without the seal of Corporation, signed by the President or any Vice-President or attorney-in-fact of the Corporation when authorized by appropriate resolution of the Board of Directors or Members.

SECTION 5. Checks. All checks or demands for money and notes of the Corporation shall be signed by such officer or officers or such other person or persons as the Board of Directors may from time to time designate.

SECTION 6. Potential Conflicts of Interest. The corporation shall not make any loan to a director or officer of the corporation. A member, director, officer, or committee member of the corporation may lend money to and otherwise transact business with the corporation except as otherwise provided by the bylaws, articles of incorporation, and all applicable laws. Such a person transacting business with the corporation has the same rights and obligations relating to those matters as other persons transacting business with the corporation. The corporation shall not borrow money from or otherwise transact business

with a member, director, officer, or committee member of the corporation unless the transaction is described fully in a legally binding instrument and is in the best interests of the corporation. The corporation shall not borrow money from or otherwise transact business with a member, director, officer, or committee member of the corporation without full disclosure of all relevant facts and without the approval of the Board of Directors or the members, not including the vote of any person having a personal interest in the transaction.

SECTION 7. Prohibited Acts. As long as the corporation is in existence, and except with the prior approval of the Board of Directors or the members, no member, director, officer, or committee member of the corporation shall:

- (a) Do any act in violation of the bylaws or a binding obligation of the corporation.
- (b) Do any act with the intention of harming the corporation or any of its operations.
- (c) Do any act that would make it impossible or unnecessarily difficult to carry on the intended or ordinary business of the corporation.
- (d) Receive an improper personal benefit from the operation of the corporation.
- (e) Use the assets of this corporation, directly or indirectly, for any purpose other than carrying on the business of this corporation.

- (f) Wrongfully transfer or dispose of corporation property, including intangible property such as good will.
- (g) Use the name of the corporation (or any substantially similar name) or any trademark or trade name adopted by the corporation, except on behalf of the corporation in the ordinary course of the corporation's business.
- (h) Disclose any of the corporation business practices, trade secrets, or any other information not generally known to the business community to any person not authorized to receive it.

ARTICLE VII

Books and Records

SECTION 1. Required Books and Records. The corporation shall keep correct and complete books and records of account. The corporation's books and records shall include:

- (a) A file-endorsed copy of all documents filed with the Texas Secretary of State relating to the corporation, including, but not limited to, the articles of incorporation, and any articles of amendment, restated articles, articles of merger, articles of consolidation, and statement of change of registered office or registered agent.
- (b) A copy of the bylaws, and any amended versions or amendments to the bylaws.
- (c) Minutes of the proceedings of the members, Board of Directors, and committees having any of the authority of the Board of Directors.
- (d) A list of the names and addresses of the members, directors, officers, and any committee members of the corporation.

- (e) A financial statement showing the assets, liabilities, and net worth of the corporation at the end of the three most recent fiscal years.
- (f) A financial statement showing the income and expenses of the corporation for the three most recent fiscal years.
- (g) All rulings, letters, and other documents relating to the corporation's federal, state, and local tax status.
- (h) The corporation's federal, state, and local information or income tax returns for each of the corporation's three most recent tax years.

SECTION 2. Inspection and Copying. Any member, director, officer, or committee member of the corporation may inspect and receive copies of all books and records of the corporation required to be kept by the bylaws. Such a person may inspect or receive copies if the person has a proper purpose related to the person's interest in the corporation and if the person submits a request in writing. Any person entitled to inspect and copy the corporation's books and records may do so through his or her attorney or other duly authorized representative. A person entitled to inspect the corporation's books and records may do so at a reasonable time no later than ten working days after the corporation's receipt of a proper written request. The Board of Directors may establish reasonable fees for copying the corporation's books and records by members. The corporation shall provide requested copies of books or records no later than ten working days after the corporation's receipt of a proper written request.

SECTION 3. Audits. Any member shall have the right to have an audit conducted of the corporation's books. The member requesting the audit shall bear 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 the audit. A member may not exercise these rights to compel audits so as to subject the corporation to an audit more than once in any fiscal year.

ARTICLE VIII

Fiscal Year

The Board of Directors shall, by resolution, fix the fiscal year of the corporation.

ARTICLE IX

Waiver of Notice

Whenever any notice is required to be given to any shareholder or director of the corporation under the provisions of these By-Laws under the provisions of the Articles of Incorporation, or under the provisions of the Texas Non-Profit Corporation Act, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

ARTICLE X

Procedure

Meetings of the members and of the Board of Directors shall be conducted in accordance with the procedure as contained in Robert's Rules of Order, to the extent applicable.

ARTICLE XI

Indemnification of and Insurance Covering Directors, Officers and Other Persons

SECTION 1. Power to Indemnify and to Purchase Indemnity Insurance. To the maximum extent permitted by Article 1396-2.22A of the Texas Non-Profit Corporation Act (without regard, however, to Section Q, of such Article), the Corporation shall indemnify any person who is or was a director or officer of the Corporation against any and all judgments, penalties, (including excise and similar taxes), fines, settlements, and reasonable expenses actually incurred by such person in connection with a proceeding (as defined in Article 1396-2.22A) because of that person's service or status as a director or officer. Further, the Corporation shall pay or reimburse reasonable expenses incurred by a director or officer who was, is or is threatened to be made a party in a proceeding, in advance of the final disposition of the proceeding, to the maximum extent permitted by Article 1396-2.22A; provided, however, that payment or reimbursement of expenses pursuant to the procedures set out in Section K of Article 1396-2.22A may be conditioned upon a showing, satisfactory to the Board of Directors in its sole discretion, of the financial ability of the officer or director in question to make the repayment referred to in such Section. Further, the Corporation may indemnify, and may reimburse or advance expenses to or purchase and maintain insurance or any other arrangement on behalf of, any person who is or was a director, officer, employee or agent to the Corporation, or who is or was serving at the request of the Corporation as a director, officer, partner, venturer, proprietor, director, employee, agent or similar functionary of another corporation, partnership, joint venture, sole proprietorship, trust, employee benefit plan or other enterprise, in connection with any liability asserted against such person because of such service or status, to such further extent, consistent with Article 1396-2.22A and other applicable law, as the Board of Directors may from time to time determine. The provisions of this section shall not be deemed exclusive of any other rights to which any such person may be entitled under any bylaw, agreement, insurance policy, or otherwise. No amendment, modification or repeal of this section shall in any manner terminate, reduce or impair the right of any person to be indemnified by the Corporation in accordance with the provisions of the section as in

effect immediately prior to such amendment, modification or repeal with respect to claims arising from or relating to matter occurring prior to such amendment, modification or repeal, regardless of when such claims may arise or be asserted.

ARTICLE XIII

Participation of Directors and Officers in Related Business

Officers and directors of this corporation may hold positions as officers and directors of other corporations, in related businesses; and their efforts to advance the interest of those corporations will not create a breach of fiduciary capacity to this corporation in the absence of showing of bad faith.

ARTICLE XIV

Amendments

The initial By-Laws shall be adopted by the Board of Directors of the corporation. The power to alter, amend, or repeal the By-Laws or adopt new By-Laws shall be vested in the Board of Directors.

The foregoing By-Laws were adopted by the Board of Directors on the 3 day of September, 2002.



DANIEL J. BROUILLETTE

DIRECTOR



W. STEPHEN WALKER

DIRECTOR



ERIC M. MACH

DIRECTOR

THE STATE OF TEXAS

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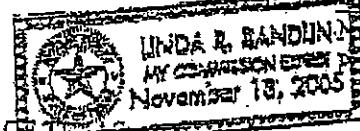
COUNTY OF TRAVIS

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This instrument was acknowledged before me on the 11th day of August, 2002, by Eric Mach, in his capacity as President of the Board of Regents Hills Homeowners Association, Inc.

Linda R. Sandlin



LINDA R. SANDLIN, NOTARY PUBLIC, State of Texas

My Commission Expires Print Name:

November 13, 2005

THE STATE OF

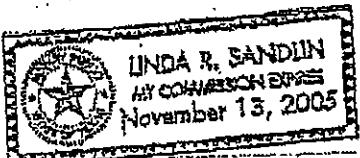
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COUNTY OF TRAVIS

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This instrument was acknowledged before me on the 11th day of August, 2002, by Steve Krasoff, in his capacity as Secretary of the Board of Regents Hills Homeowners Association, Inc.

Steve Krasoff



LINDA R. SANDLIN, NOTARY PUBLIC, State of Texas

Print Name:

ATTACHMENT 3

REGENTS HILLS HOMEOWNERS ASSOCIATION, INC.
SOLAR DEVICE POLICY
ENERGY EFFICIENT ROOFING POLICY

Terms used but not defined in this policy will have the meaning subscribed to such terms in that certain Regents Hills Declaration of Covenants, Conditions and Restrictions, recorded under Document No. 2001018577 of the Official Public Records of Travis County, Texas, as amended and as the same may be amended and supplemented from time to time.

Note: Texas statutes presently render null and void any restriction in the Declaration which prohibits the installation of solar devices or energy efficient roofing on a residential lot. The Board and/or the architectural approval authority under the Declaration has adopted this policy in lieu of any express prohibition against solar devices or energy efficient roofing, or any provision regulating such matters which conflict with Texas law, as set forth in the Declaration

A. DEFINITIONS AND GENERAL PROVISIONS

1. **Solar Energy Device Defined.** A "Solar Energy Device" means a system or series of mechanisms designed primarily to provide heating or cooling or to produce electrical or mechanical power by collecting and transferring solar-generated energy. The term includes a mechanical or chemical device that has the ability to store solar-generated energy for use in heating or cooling or in the production of power.

2. **Energy Efficiency Roofing Defined.** As used in this Policy, "Energy Efficiency Roofing" means shingles that are designed primarily to: (a) be wind and hail resistant; (b) provide heating and cooling efficiencies greater than those provided by customary composite shingles; or (c) provide solar generation capabilities.

3. **Architectural Review Approval Required.** Approval by the Architectural Committee under the Declaration is required prior to installing a Solar Energy Device or Energy Efficient Roofing. All Solar Energy Devices are restricted to the back or side yard, are to be located behind the property fence and not visible from the street. The Architectural Committee is not responsible for: (i) errors in or omissions in the application submitted to the Architectural Committee for approval; (ii) supervising the installation or construction to confirm compliance with an approved application; or (iii) the compliance of approved application with governmental codes and ordinances, state and federal laws.

B. SOLAR ENERGY DEVICE PROCEDURES AND REQUIREMENTS

1. **Approval Application.** To obtain Architectural Committee approval of a Solar Energy Device, the Owner shall provide the Architectural Committee with the following information: (i) the proposed installation location of the Solar Energy Device; and (ii) a description of the Solar Energy Device, including the dimensions, manufacturer, and photograph or other accurate depiction (the "Solar Application"). A Solar Application may only be submitted by an Owner unless the Owner's tenant provides written confirmation at the time of submission that the Owner consents to the Solar Application.

2. Approval Process. The decision of the Architectural Committee will be made within a reasonable time, or within the time period otherwise required by the principal deed restrictions which govern the review and approval of improvements. The Architectural Committee will approve a Solar Energy Device if the Solar Application complies with Section B.3 below unless the Architectural Committee makes a written determination that placement of the Solar Energy Device, despite compliance with Section B.3, will create a condition that substantially interferes with the use and enjoyment of the property within the community by causing unreasonable discomfort or annoyance to persons of ordinary sensibilities. The Architectural Committee's right to make a written determination in accordance with the foregoing sentence is negated if all Owners of property immediately adjacent to the Owner/applicant provide written approval of the proposed placement. Notwithstanding the foregoing provision, a Solar Application submitted to install a Solar Energy Device on property owned or maintained by the Association or property owned in common by members of the Association will not be approved despite compliance with Section B.3. Any proposal to install a Solar Energy Device on property owned or maintained by the Association or property owned in common by members of the Association must be approved in advance and in writing by the Board, and the Board need not adhere to this policy when considering any such request.

Each Owner is advised that if the Solar Application is approved by the Architectural Committee, installation of the Solar Energy Device must: (i) strictly comply with the Solar Application; (ii) commence within thirty (30) days of approval; and (iii) be diligently prosecuted to completion. If the Owner fails to cause the Solar Energy Device to be installed in accordance with the approved Solar Application, the Architectural Committee may require the Owner to: (i) modify the Solar Application to accurately reflect the Solar Energy Device installed on the property; or (ii) remove the Solar Energy Device and reinstall the device in accordance with the approved Solar Application. Failure to install a Solar Energy Device in accordance with the approved Solar Application or an Owner's failure to comply with the post-approval requirements constitutes a violation of this policy and may subject the Owner to fines and penalties. Any requirement imposed by the Architectural Committee to resubmit a Solar Application or remove and relocate a Solar Energy Device in accordance with the approved Solar Application shall be at the Owner's sole cost and expense.

3. Approval Conditions. Unless otherwise approved in advance and in writing by the Architectural Committee, each Solar Application and each Solar Energy Device to be installed in accordance therewith must comply with the following:

(i) The Solar Energy Device must be located on the roof of the residence located on the Owner's lot, entirely within a fenced area of the Owner's lot, or entirely within a fenced patio located on the Owner's lot. If the Solar Energy Device will be located on the roof of the residence, the Architectural Committee may designate the location for placement unless the location proposed by the Owner increases the estimated annual energy production of the Solar Energy Device, as determined by using a publicly available modeling tool provided by the National Renewable Energy Laboratory, by more than 10 percent above the energy production of the Solar Energy Device if installed in the location designated by the Architectural Committee. If the Owner desires to contest the alternate location proposed by the Architectural Committee, the Owner should submit information to the Architectural Committee which demonstrates that the Owner's proposed location meets the foregoing criteria. If the Solar Energy Device will be located in the fenced area of the Owner's lot or patio, no portion of the Solar Energy Device may extend above the fence line.

(ii) If the Solar Energy Device is mounted on the roof of the principal residence located on the Owner's lot, then: (A) the Solar Energy Device may not extend higher than or beyond the roofline; (B) the Solar Energy Device must conform to the slope of the roof and the top edge of the Solar Device must be parallel to the roofline; (C) the frame, support brackets, or visible piping or wiring associated with the Solar Energy Device must be silver, bronze or black.

C. **ENERGY EFFICIENT ROOFING**

The Architectural Committee will not prohibit an Owner from installing Energy Efficient Roofing provided that the Energy Efficient Roofing shingles: (i) resemble the shingles used or otherwise authorized for use within the community; (ii) are more durable than, and are of equal or superior quality to, the shingles used or otherwise authorized for use within the community; and (iii) match the aesthetics of adjacent property.

An Owner who desires to install Energy Efficient Roofing will be required to comply with the architectural review and approval procedures set forth in the Declaration. In conjunction with any such approval process, the Owner should submit information which will enable the Architectural Committee to confirm the criteria set forth in the previous paragraph.

ATTACHMENT 4

REGENTS HILLS HOMEOWNERS ASSOCIATION, INC.

RAINWATER HARVESTING SYSTEM POLICY

Terms used but not defined in this policy will have the meaning subscribed to such terms in that certain Regents Hills Declaration of Covenants, Conditions and Restrictions, recorded under Document No. 2001018577 of the Official Public Records of Travis County, Texas, as amended and as the same may be amended and supplemented from time to time.

Note: Texas statutes presently render null and void any restriction in the Declaration which prohibits the installation of rain barrels or a rainwater harvesting system on a residential lot. The Board and/or the architectural approval authority under the Declaration has adopted this policy in lieu of any express prohibition against rain barrels or rainwater harvesting systems, or any provision regulating such matters which conflict with Texas law, as set forth in the Declaration

A. ARCHITECTURAL REVIEW APPROVAL REQUIRED.

Approval by the Architectural Committee under the Declaration is required prior to installing rain barrels or rainwater harvesting system on a residential lot (a "Rainwater Harvesting System"). A Rainwater Harvesting System is restricted to the back yard or side yard, is to also be located behind the property fence, and not visible from the street. The Architectural Committee is not responsible for: (i) errors in or omissions in the application submitted to the Architectural Committee for approval; (ii) supervising installation or construction to confirm compliance with an approved application; or (iii) the compliance of an approved application with governmental codes and ordinances, state and federal laws.

B. RAINWATER HARVESTING SYSTEM PROCEDURES AND REQUIREMENTS

1. **Approval Application.** Approval by the Architectural Committee is required prior to installing a Rainwater Harvesting System. To obtain Architectural Committee approval of a Rainwater Harvesting System, the Owner shall provide the Architectural Committee with the following information: (i) the proposed installation location of the Rainwater Harvesting System; and (ii) a description of the Rainwater Harvesting System, including the color, dimensions, manufacturer, and photograph or other accurate depiction (the "Rain System Application"). A Rain System Application may only be submitted by an Owner unless the Owner's tenant provides written confirmation at the time of submission that the Owner consents to the Rain System Application.
2. **Approval Process.** The decision of the Architectural Committee will be made within a reasonable time, or within the time period otherwise required by the principal deed restrictions which govern the review and approval of improvements. A Rain System Application submitted to install a Rainwater Harvesting System on property owned by the Association or property owned in common by members of the Association will not be approved. Any proposal to install a Rainwater Harvesting System on property owned by the Association or property owned in common by members of the Association must be approved in advance and in writing by the Board, and the Board need not adhere to this policy when considering any such request.

Each Owner is advised that if the Rain System Application is approved by the Architectural Committee, installation of the Rainwater Harvesting System must: (i) strictly comply with the Rain System Application; (ii) commence within thirty (30) days of approval; and (iii) be diligently prosecuted to completion. If the Owner fails to cause the Rain System Application to be installed in accordance with the approved Rain System Application, the Architectural Committee may require the Owner to: (i) modify the Rain System Application to accurately reflect the Rain System Device installed on the property; or (ii) remove the Rain System Device and reinstall the device in accordance with the approved Rain System Application. Failure to install a Rain System Device in accordance with the approved Rain System Application or an Owner's failure to comply with the post-approval requirements constitutes a violation of this policy and may subject the Owner to fines and penalties. Any requirement imposed by the Architectural Committee to resubmit a Rain System Application or remove and relocate a Rain System Device in accordance with the approved Rain System shall be at the Owner's sole cost and expense.

3. Approval Conditions. Unless otherwise approved in advance and in writing by the Architectural Committee, each Rain System Application and each Rain System Device to be installed in accordance therewith must comply with the following:

- (i) The Rain System Device must be consistent with the color scheme of the residence constructed on the Owner's lot, as reasonably determined by the Architectural Committee.
- (ii) The Rain System Device does not include any language or other content that is not typically displayed on such a device.
- (iii) The Rain System Device is in no event located between the front of the residence constructed on the Owner's lot and any adjoining or adjacent street.
- (iv) There is sufficient area on the Owner's lot to install the Rain System Device, as reasonably determined by the Architectural Committee.
- (v) Any and all Rain System Devices shall be shielded from view from the street and neighboring properties.
- (vi) If the Rain System Device will be installed on or within the side yard of a lot, or would otherwise be visible from a street, common area, or another Owner's property, the Architectural Committee may regulate the size, type, shielding of, and materials used in the construction of the Rain System Device.

4. Guidelines for Certain Rain System Devices. If the Rain System Device will be installed on or within the side yard of a lot, or would otherwise be visible from a street, common area, or another Owner's property, the Architectural Committee may regulate the size, type, shielding of, and materials used in the construction of the Rain System Device. Accordingly, when submitting a Rain Device Application, the application should describe methods proposed by the Owner to shield the Rain System Device from the view of any street, common area, or another Owner's property. When reviewing a Rain System Application for a Rain System Device that will be installed on or within the side yard of a lot, or would otherwise be visible from a street, common area, or another Owner's property, any additional regulations imposed by the Architectural Committee to regulate the size, type, shielding of, and materials

used in the construction of the Rain System Device may not prohibit the economic installation of the Rain System Device, as reasonably determined by the Architectural Committee.

ATTACHMENT 5

REGENTS HILLS HOMEOWNERS ASSOCIATION, INC. **FLAG DISPLAY AND FLAGPOLE INSTALLATION POLICY**

Terms used but not defined in this policy will have the meaning subscribed to such terms in that certain Regents Hills Declaration of Covenants, Conditions and Restrictions, recorded under Document No. 2001018577 of the Official Public Records of Travis County, Texas, as amended and as the same may be amended and supplemented from time to time.

Note: Texas statutes presently render null and void any restriction in the Declaration which restricts or prohibits the display of certain flags or the installation of certain flagpoles on a residential lot in violation of the controlling provisions of Section 202.011 of the Texas Property Code or any federal or other applicable state law. The Board and/or the architectural approval authority under the Declaration has adopted this policy in lieu of any express prohibition against certain flags and flagpoles, or any provision regulating such matters which conflict with Texas law, as set forth in the Declaration.

A. ARCHITECTURAL REVIEW APPROVAL.

1. Approval Not Required. In accordance with the general guidelines set forth in this policy, an Owner is permitted to display the flag of the United States of America, the flag of the State of Texas, and an official or replica flag of any branch of the United States Military ("Permitted Flag") and is permitted to install a flagpole no more than five feet (5') in length affixed to the front of a residence near the principal entry or affixed to the rear of a residence ("Permitted Flagpole"). Only two (2) permitted Flagpoles are allowed per residence. A Permitted Flag or Permitted Flagpole need not be approved in advance by the architectural review authority under the Declaration.

2. Approval Required. Approval by the Architectural Committee is required prior to installing vertical freestanding flagpoles installed in the front yard area, side yard area or back yard area of any residential lot ("Freestanding Flagpole"). The Architectural Committee is not responsible for: (i) errors in or omissions in the application submitted to the Architectural Committee for approval; (ii) supervising installation or construction to confirm compliance with an approved application; or (iii) the compliance of an approved application with governmental codes and ordinances, state and federal laws.

B. PROCEDURES AND REQUIREMENTS

1. Approval Application. To obtain Architectural Committee approval of any Freestanding Flagpole, the Owner shall provide the Architectural Committee with the following information: (a) the location of the flagpole to be installed on the property; (b) the type of flagpole to be installed; (c) the dimensions of the flagpole; and (d) the proposed materials of the flagpole (the "Flagpole Application"). A Flagpole Application may only be submitted by an Owner UNLESS the Owner's tenant provides written confirmation at the time of submission that the Owner consents to the Flagpole Application.

2. Approval Process. The decision of the Architectural Committee will be made within a reasonable time, or within the time period otherwise required by the principal deed restrictions which govern the review and approval of improvements. A Flagpole Application submitted to install a Freestanding Flagpole on property owned by the Association or property owned in common by members of the Association will not be approved. Any proposal to install a Freestanding Flagpole on property

owned by the Association or property owned in common by members of the Association must be approved in advance and in writing by the Board, and the Board need not adhere to this policy when considering any such request.

Each Owner is advised that if the Flagpole Application is approved by the Architectural Committee, installation of the Freestanding Flagpole must: (i) strictly comply with the Flagpole Application; (ii) commence within thirty (30) days of approval; and (iii) be diligently prosecuted to completion. If the Owner fails to cause the Freestanding Flagpole to be installed in accordance with the approved Flagpole Application, the Architectural Committee may require the Owner to: (i) modify the Flagpole Application to accurately reflect the Freestanding Flagpole installed on the property; or (ii) remove the Freestanding Flagpole and reinstall the flagpole in accordance with the approved Flagpole Application. Failure to install a Freestanding Flagpole in accordance with the approved Flagpole Application or an Owner's failure to comply with the post-approval requirements constitutes a violation of this policy and may subject the Owner to fines and penalties. Any requirement imposed by the Architectural Committee to resubmit a Flagpole Application or remove and relocate a Freestanding Flagpole in accordance with the approved Flagpole Application shall be at the Owner's sole cost and expense.

3. Installation, Display and Approval Conditions. Unless otherwise approved in advance and in writing by the Architectural Committee, Permitted Flags, Permitted Flagpoles and Freestanding Flagpoles, installed in accordance with the Flagpole Application, must comply with the following:

- (a) No more than one (1) Freestanding Flagpole OR no more than two (2) Permitted Flagpoles are permitted per residential lot, on which only Permitted Flags may be displayed;
- (b) Any Permitted Flagpole must be no longer than five feet (5') in length and any Freestanding Flagpole must be no more than twenty feet (20') in height;
- (c) Any Permitted Flag displayed on any flagpole may not be more than three feet in height by five feet in width (3'x5');
- (d) With the exception of flags displayed on common area owned and/or maintained by the Association and any lot which is being used for marketing purposes by a builder, the flag of the United States of America must be displayed in accordance with 4 U.S.C. Sections 5-10 and the flag of the State of Texas must be displayed in accordance with Chapter 3100 of the Texas Government Code;
- (e) The display of a flag, or the location and construction of the flagpole must comply with all applicable zoning ordinances, easements and setbacks of record;
- (f) Any flagpole must be constructed of permanent, long-lasting materials, with a finish appropriate to the materials used in the construction of the flagpole and harmonious with the dwelling;
- (g) A flag or a flagpole must be maintained in good condition and any deteriorated flag or deteriorated or structurally unsafe flagpole must be repaired, replaced or removed;

(h) Any flag may be illuminated by no more than one (1) halogen landscaping light of low beam intensity which shall not be aimed towards or directly affect any neighboring property; and

(i) Any external halyard of a flagpole must be secured so as to reduce or eliminate noise from flapping against the metal of the flagpole.

ATTACHMENT 6

REGENTS HILLS HOMEOWNERS ASSOCIATION, INC.
DISPLAY OF CERTAIN RELIGIOUS ITEMS POLICY

1. **Display of Certain Religious Items Permitted.** An Owner or resident is permitted to display or affix to the entry of the Owner's or resident's dwelling one or more religious items, the display of which is motivated by the Owner's or resident's sincere religious belief. This Policy outlines the standards which shall apply with respect to the display or affixing of certain religious items on the entry to the Owner's or resident's dwelling.

2. **General Guidelines.** Religious items may be displayed or affixed to an Owner or resident's entry door or door frame of the Owner or resident's dwelling; provided, however, that individually or in combination with each other, the total size of the display is no greater than twenty-five square inches (5" x 5" = 25 square inches).

3. **Prohibitions.** No religious item may be displayed or affixed to an Owner or resident's dwelling that: (a) threatens the public health or safety; (b) violates applicable law; or (c) contains language, graphics or any display that is patently offensive. No religious item may be displayed or affixed in any location other than the entry door or door frame and in no event may extend past the outer edge of the door frame of the Owner or resident's dwelling. Nothing in this Policy may be construed in any manner to authorize an Owner or resident to use a material or color for an entry door or door frame of the Owner or resident's dwelling or make an alteration to the entry door or door frame that is not otherwise permitted pursuant to the Association's governing documents.

4. **Removal.** The Association may remove any item which is in violation of the terms and provisions of this Policy.

5. **Covenants in Conflict with Statutes.** To the extent that any provision of the Association's recorded covenants restrict or prohibit an Owner or resident from displaying or affixing a religious item in violation of the controlling provisions of Section 202.018 of the Texas Property Code, the Association shall have no authority to enforce such provisions and the provisions of this Policy shall hereafter control.

ATTACHMENT 7

REGENTS HILLS HOMEOWNERS ASSOCIATION, INC. **FINE AND ENFORCEMENT POLICY**

1. **Background.** Regents Hills is subject to that certain Regents Hills Declaration of Covenants, Conditions and Restrictions, recorded under Document No. 2001018577 of the Official Public Records of Travis County, Texas, as amended and as the same may be amended and supplemented from time to time ("Declaration"). In accordance with the Declaration, the Regents Hills Homeowners Association, Inc., a Texas non-profit corporation (the "Association") was created to administer the terms and provisions of the Declaration. Unless the Declaration or applicable law expressly provides otherwise, the Association acts through a majority of its board of directors (the "Board"). The Association is empowered to enforce the covenants, conditions and restrictions of the Declaration, Bylaws and any rules and regulations of the Association (collectively, the "Restrictions"), including the obligation of Owners to pay assessments pursuant to the terms and provisions of the Declaration and the obligations of the Owners to compensate the Association for costs incurred by the Association for enforcing violations of the Restrictions.

The Board hereby adopts this Fine and Enforcement Policy to establish equitable policies and procedures for the levy of fines within the Association in compliance with the Chapter 209 of the Texas Property Code, titled the "Texas Residential Property Owners Protection Act," as it may be amended (the "Act"). To the extent any provision within this policy is in conflict the Act or any other applicable law, such provision shall be modified to comply with the applicable law.

Terms used in this policy, but not defined, shall have the meaning subscribed to such term in the Restrictions.

2. **Policy.** The Association uses fines to discourage violations of the Restrictions, and to encourage compliance when a violation occurs – not to punish violators or generate revenue for the Association. Although a fine may be an effective and efficient remedy for certain types of violations or violators, it is only one of several methods available to the Association for enforcing the Restrictions. The Association's use of fines does not interfere with its exercise of other rights and remedies for the same violation.
3. **Owner's Liability.** An Owner is liable for fines levied by the Association for violations of the Restrictions by the Owner and the relatives, guests, employees, and agents of the Owner and residents. Regardless of who commits the violation, the Association may direct all communications regarding the violation to the Owner.
4. **Amount.** The Association may set fine amounts on a case by case basis, provided the fine is reasonable in light of the nature, frequency, and effects of the violation. The Association may establish a schedule of fines for certain types of violations. The amount and cumulative total of a fine must be reasonable in comparison to the violation, and should be uniform for similar violations of the same provision of the Restrictions. If the Association allows fines to accumulate, the Association may establish a maximum amount for a particular fine, at which point the total fine will be capped.

5. **Violation Notice.** Before levying a fine, the Association will give the Owner a written violation notice and an opportunity to be heard. This requirement may not be waived. The Association's written violation notice will contain the following items: (1) the date the violation notice is prepared or mailed; (2) a description of the violation; (3) a reference to the rule or provision that is being violated; (4) a description of the action required to cure the violation; (5) the timeframe in which the violation is required to be cured; (6) the amount of the fine; (7) a statement that not later than the thirtieth (30th) day after the date of the violation notice, the Owner may request a hearing before the Board to contest the violation; and (8) the date the fine attaches or begins accruing, subject to the following:
 - a. **New Violation.** If the Owner has not been given notice and a reasonable opportunity to cure the same or similar violation within the preceding six (6) months, the notice will state a specific timeframe by which the violation must be cured to avoid the fine. The notice must state that any future violation of the same rule may result in the levy of a fine.
 - b. **Repeat Violation.** In the case of a repeat of the same or similar violation of which the Owner was previously notified and the violation was cured within the preceding six (6) month time period, the notice will state that, because the Owner was given notice and a reasonable opportunity to cure the same or similar violation but the violation has occurred again, the fine attaches from the date of the expiration of the cure period in the violation notice.
 - c. **Continuous Violation.** If an Owner has been notified of either a new violation or a repeat violation in the manner and for the fine amounts as set forth in the Schedule of Fines below and the Owner has never cured the violation in response to either the notices or the fines, in its sole discretion, the Board may determine that such a circumstance is a continuous violation which warrants a levy of a fine based upon a daily, monthly, or quarterly amount as determined by the Board. The fine shall begin accruing upon the expiration of the cure period in the violation notice informing the Owner of the Board's decision and amount of fine and the Owner's failure and/or refusal to cure as requested.
6. **Violation Hearing.** An Owner may request in writing a hearing before the Board to contest the fine. To request a hearing before the Board, the Owner must submit a written request to the Association's manager (or the Board if there is no manager) within thirty (30) days after the date of the violation notice. Within fifteen (15) days after the Owner's request for a hearing, the Association will give the Owner at least fifteen (15) days advance notice of the date, time, and place of the hearing. The hearing will be scheduled to provide a reasonable opportunity for both the Board and the Owner to attend. Pending the hearing, the Association may continue to exercise its other rights and remedies for the violation, as if the declared violation were valid. The Owner's request for a hearing suspends only the levy of a fine. The hearing will be held in a closed or executive session of the Board. At the hearing, the Board will consider the facts and circumstances surrounding the violation. The Owner may attend the hearing in person, or may be represented by another person or written communication. If an Owner intends to make an audio recording of the hearing, such Owner's request for hearing shall include a statement noticing the Owner's intent to make an audio recording of the hearing, otherwise, no audio or video recording of the hearing may be made, unless otherwise approved by the Board. The minutes of the hearing must contain a statement of the results of the hearing and the fine, if any.

imposed. A copy of the violation notice and request for hearing should be placed in the minutes of the hearing. If the Owner appears at the meeting, the notice requirements will be deemed satisfied. Unless otherwise agreed by the Board, each hearing shall be conducted in accordance with the agenda attached hereto as Exhibit A.

7. Levy of Fine. Within thirty (30) days after levying the fine, the Board must give the Owner notice of the levied fine. If the fine is levied at the hearing at which the Owner is actually present, the notice requirement will be satisfied if the Board announces its decision to the Owner at the hearing. Otherwise, the notice must be in writing. In addition to the initial levy notice, the Association will give the Owner periodic written notices of an accruing fine or the application of an Owner's payments to reduce the fine. The periodic notices may be in the form of monthly statements or delinquency notices.
8. Collection of Fines. The Association is not entitled to collect a fine from an Owner to whom it has not given notice and an opportunity to be heard. The Association may not foreclose its assessment lien on a debt consisting solely of fines. The Association may not charge interest or late fees for unpaid fines.
9. Amendment of Policy. This policy may be revoked or amended from time to time by the Board. This policy will remain effective until the Association records an amendment to this policy in the county's official public records. The notice may be published and distributed in an Association newsletter or other community-wide publication.

Schedule of Fines

The Board has adopted the following general schedule of fines. The number of notices set forth below does not mean that the Board is required to provide each notice prior to exercising additional remedies as set forth in the Restrictions. The Board may elect to pursue such additional remedies at any time in accordance with applicable law. The Board also reserves the right to set fine amounts on a case by case basis, provided the fine is reasonable in light of the nature, frequency, and effect of the violation:

FINES:

<u>New Violation:</u>	<u>Fine Amount:</u>
1 st Notice	Warning
2 nd Notice	\$25.00
3 rd Notice	\$50.00
4 th Notice	\$100.00
Each Subsequent Notice:	\$125.00

Repeat Violation:

1 st Notice	\$50.00
2 nd Notice	\$75.00
3 rd Notice	\$100.00
4 th Notice	\$125.00
Each Subsequent Notice:	\$150.00

Continuous Violation:

Final Notice	Amount TBD
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EXHIBIT A

HEARING BEFORE THE BOARD

Note: An individual will act as the presiding hearing officer. The hearing officer will provide introductory remarks and administer the hearing agenda.

I. Introduction:

Hearing Officer. The Board has convened for the purpose of hearing an appeal by _____ from the penalties imposed by the Association for violation of the Restrictions.

The hearing is being conducted as required by Section 209.007(a) of the Texas Property Code, and is an opportunity for the appealing party to discuss, verify facts, and resolve the matter at issue. The Board would like to resolve the dispute at this hearing. However, the Board may elect to take the appeal under advisement and conclude the hearing. If the matter is taken under advisement, a final decision will be communicated in writing within fifteen (15) days.

II. Presentation of Facts:

Hearing Officer. This portion of the hearing is to permit a representative of the Association the opportunity to describe the violation and to present photographs or other material relevant to the violation, fines or penalties. After the Association's representative has finished his presentation, the Owner or its representative will be given the opportunity to present photographs or other material relevant to the violation, fines or penalties. The Board may ask questions during either party's presentation. It is requested that questions by the appealing party be held until completion of the presentation by the Association's representative.

[Presentations]

III. Discussion:

Hearing Officer. This portion of the hearing is to permit the Board and the Owner to discuss factual disputes relevant to the violation. Discussion regarding any fine or penalty is also appropriate. Discussion should be productive and designed to seek, if possible, an acceptable resolution of the dispute. The Hearing Officer retains the right to conclude this portion of the hearing at any time.

IV. Resolution:

Hearing Officer. This portion of the hearing is to permit discussion between the Board and the appealing party regarding the final terms of the settlement if a resolution was agreed upon during the discussion phase of the hearing.

If no settlement was agreed upon, the Hearing Officer may: (i) request that the Board enter into executive session to discuss the matter; (ii) request that the Board take the matter under advisement and adjourn the hearing; or (iii) adjourn the hearing.

ATTACHMENT 8

REGENTS HILLS HOMEOWNERS ASSOCIATION, INC. **ASSESSMENT COLLECTION POLICY**

Regents Hills is a community (the "Community") created by and subject to the Regents Hills Declaration of Covenants, Conditions and Restrictions, recorded under Document No. 2001018577 of the Official Public Records of Travis County, Texas, as amended and as the same may be amended and supplemented from time to time ("Declaration"). The operation of the Community is vested in the Regents Hills Homeowners Association, Inc. (the "Association"), acting through its board of directors (the "Board"). The Association is empowered to enforce the covenants, conditions and restrictions of the Declaration, the Bylaws and rules of the Association (collectively, the "Restrictions"), including the obligation of Owners to pay Annual Assessments and Special Assessments pursuant to the terms and provisions of the Declaration.

The Board hereby adopts this Assessment Collection Policy to establish equitable policies and procedures for the collection of Annual Assessments and Special Assessments levied pursuant to the Restrictions. Terms used in this policy, but not defined, shall have the meaning subscribed to such term in the Restrictions.

Section 1. DELINQUENCIES, LATE CHARGES & INTEREST

- 1-A. Due Date. An Owner will timely and fully pay Regular Annual Assessments and Special Assessments. Regular Annual Assessments are assessed annually and are due and payable on the first calendar day of the month at the beginning of the fiscal year, or in such other manner as the Board may designate in its sole and absolute discretion.
- 1-B. Delinquent. Any Regular Annual Assessments or Special Assessments that are not fully paid when due are delinquent. When the account of an Owner becomes delinquent, it remains delinquent until paid in full.
- 1-C. Late Fees & Interest. If the Association does not receive full payment of a Regular Annual Assessment or Special Assessment by 5:00 p.m. after the due date established by the Board, the Association may levy a late fee plus interest per month, pursuant to the Declaration, or at the highest rate allowed by applicable usury laws then in effect on the amount of the Annual Assessment or Special Assessment from the due date therefore (or if there is no such highest rate, then at the rate of one and one-half percent (1.5%) per month) until paid in full.
- 1-D. Insufficient Funds. The Association may levy a charge of \$25 for any check returned to the Association marked "not sufficient funds" or the equivalent.
- 1-E. Collection Costs. The defaulting Owner is liable to the Association for any costs incurred for title reports, credit reports, certified mail, long distance calls, court costs, filing fees, recording fees and other reasonable costs incurred by the Association in collecting the delinquency.
- 1-F. Attorney's Fees. The defaulting Owner is liable to the Association for any attorney or other legal fees, costs and expenses incurred by the Association in collecting the delinquency.

1-G. Waiver. Properly levied collection costs, late fees, interest and attorney's fees may only be waived by a majority of the Board.

Section 2. INSTALLMENTS & ACCELERATION

If an assessment, other than an Annual Assessment, is payable in installments, and if an Owner defaults in the payment of any installment, the Association may declare the entire assessment in default and accelerate the due date on all remaining installments of the assessment. An assessment, other than an Annual Assessment, payable in installments may be accelerated only after the Association gives the Owner at least fifteen (15) days prior notice of the default and the Association's intent to accelerate the unpaid balance if the default is not timely cured. Following acceleration of the indebtedness, the Association has no duty to reinstate the installment program upon partial payment by the Owner.

Section 3. PAYMENTS

3-A. Application of Payments. After the Association notifies the Owner of a delinquency and the Owner's liability for late fees or interest, and collection costs, any payment received by the Association shall be applied in the following order, starting with the oldest charge in each category, until that category is fully paid, regardless of the amount of payment, notations on checks, and the date the obligations arose:

(1) Delinquent assessments	(4) Other attorney's fees not associated with delinquent assessments
(2) Current assessments	(5) Fines
(3) Attorney fees and costs associated with delinquent assessments, or third party collection costs associated with delinquent assessments, or any other charge that could provide for the basis for foreclosure	(6) Any other amount

3-B. Payment Plans. The Association shall offer a payment plan to a delinquent Owner with a minimum term of at least three (3) months and a maximum term of eighteen (18) months from the date the payment plan is requested for which the Owner may be charged reasonable administrative costs and interest. The Association will determine the actual term of each payment plan offered to an Owner. An Owner is not entitled to a payment plan if the Owner has defaulted on a previous payment plan in the last two (2) years. If an Owner is in default at the time the Owner submits a payment, the Association is not required to follow the application of payments schedule set forth in Paragraph 3-A.

3-C. Form of Payment. The Association may require that payment of delinquent assessments be made only in the form of cash, cashier's check, or certified funds.

3-D. Partial and Conditioned Payment. The Association may refuse to accept partial payment (i.e., less than the full amount due and payable) and payments to which the payer attaches conditions or directions contrary to the Board's policy for applying payments. The Association's endorsement and deposit of a payment does not constitute acceptance. Instead, acceptance by the

Association occurs when the Association posts the payment to the Owner's account. If the Association does not accept the payment at that time, it will promptly refund the payment to the payer. A payment that is not refunded to the payer within thirty (30) days after being deposited by the Association may be deemed accepted as to payment, but not as to words of limitation or instruction accompanying the payment. The acceptance by the Association of partial payment of delinquent assessments does not waive the Association's right to pursue or to continue pursuing its remedies for payment in full of all outstanding obligations.

- 3-E. Notice of Payment. If the Association receives full payment of the delinquency after recording a notice of lien, the Association will cause a release of notice of lien to be publicly recorded, a copy of which will be sent to the Owner. The Association may require the Owner to prepay the cost of preparing and recording the release.
- 3-F. Correction of Credit Report. If the Association receives full payment of the delinquency after reporting the defaulting Owner to a credit reporting service, the Association will report receipt of payment to the credit reporting service.

Section 4. COLLECTION PROCEDURES

- 4-A. Delegation of Collection Procedures. From time to time, the Association may delegate some or all of the collection procedures, as the Board in its sole discretion deems appropriate, to the Association's managing agent, an attorney, or a debt collector.
- 4-B. Delinquency Notices. If the Association has not received full payment of an assessment by the due date, the Association may send written notice of nonpayment to the defaulting Owner, by hand delivery, first class mail, and/or by certified mail, stating the amount delinquent. The Association's delinquency-related correspondence may state that if full payment is not timely received, the Association may pursue any or all of the Association's remedies, at the sole cost and expense of the defaulting Owner.
- 4-C. Verification of Owner Information. The Association may obtain a title report to determine the names of the Owners and the identity of other lien-holders, including the mortgage company.
- 4-D. Collection Agency. The Board may employ or assign the debt to one or more collection agencies.
- 4-E. Notification of Mortgage Lender. The Association may notify the mortgage lender of the default obligations.
- 4-F. Notification of Credit Bureau. The Association may report the defaulting Owner to one or more credit reporting services.
- 4-G. Collection by Attorney. If the Owner's account remains delinquent for a period of ninety (90) days, the manager of the Association or the Board of the Association shall refer the delinquent account to the Association's attorney for collection. In the event an account is referred to the Association's attorney, the Owner will be liable to the Association for its legal fees and expenses. Upon referral of a delinquent account to the Association's attorney, the Association's attorney will provide the following notices and take the following actions unless otherwise directed by the Board:

- (1) Initial Notice: Preparation of the Initial Notice of Demand for Payment Letter. If the account is not paid in full within 30 days (unless such notice has previously been provided by the Association , then
- (2) Lien Notice: Preparation of the Lien Notice of Demand for Payment Letter and record a Notice of Unpaid Assessment Lien. If the account is not paid in full within 30 days, then
- (3) Final Notice: Preparation of the Final Notice of Demand for Payment Letter and Intent to Foreclose and Notice of Intent to Foreclose to Lender . If the account is not paid in full within 30 days, then
- (4) Foreclosure of Lien: Only upon specific approval by a majority of the Board.

4-H. Notice of Lien. The Association's attorney may cause a notice of the Association's assessment lien against the Owner's home to be publicly recorded. In that event, a copy of the notice will be sent to the defaulting Owner, and may also be sent to the Owner's mortgagee.

4-I. Cancellation of Debt. If the Board deems the debt to be uncollectible, the Board may elect to cancel the debt on the books of the Association, in which case the Association may report the full amount of the forgiven indebtedness to the Internal Revenue Service as income to the defaulting Owner.

4-J. Suspension of Use of Certain Facilities or Services. The Board may suspend the use of the Common Area amenities by an Owner, or his tenant, whose account with the Association is delinquent for at least thirty (30) days.

Section 5. GENERAL PROVISIONS

5-A. Independent Judgment. Notwithstanding the contents of this detailed policy, the officers, directors, manager, and attorney of the Association may exercise their independent, collective, and respective judgment in applying this policy.

5-B. Other Rights. This policy is in addition to and does not detract from the rights of the Association to collect assessments under the Association's Restrictions and the laws of the State of Texas.

5-C. Limitations of Interest. The Association, and its officers, directors, managers, and attorneys, intend to conform strictly to the applicable usury laws of the State of Texas. Notwithstanding anything to the contrary in the Restrictions or any other document or agreement executed or made in connection with this policy, the Association will not in any event be entitled to receive or collect, as interest, a sum greater than the maximum amount permitted by applicable law. If from any circumstances whatsoever, the Association ever receives, collects, or applies as interest a sum in excess of the maximum rate permitted by law, the excess amount will be applied to the reduction of unpaid Special Assessments and Annual Assessments, or reimbursed to the Owner if those assessments are paid in full.

5-D. Notices. Unless the Restrictions, applicable law, or this policy provide otherwise, any notice or other written communication given to an Owner pursuant to this policy will be deemed

delivered to the Owner upon depositing same with the U.S. Postal Service, addressed to the Owner at the most recent address shown on the Association's records, or on personal delivery to the Owner. If the Association's records show that an Owner's property is owned by two (2) or more persons, notice to one co-Owner is deemed notice to all co-Owners. Similarly, notice to one resident is deemed notice to all residents. Written communications to the Association, pursuant to this policy, will be deemed given on actual receipt by the Association's president, secretary, managing agent, or attorney.

5-E. Amendment of Policy. This policy may be amended from time to time by the Board.

ATTACHMENT 9

REGENTS HILLS HOMEOWNERS ASSOCIATION, INC. **RECORDS INSPECTION, COPYING AND RETENTION POLICY**

Terms used but not defined in this policy will have the meaning subscribed to such terms in that certain Regents Hills Declaration of Covenants, Conditions and Restrictions, recorded under Document No. 2001018577 of the Official Public Records of Travis County, Texas, as amended and as the same may be amended and supplemented from time to time.

Note: Texas statutes presently render null and void any restriction in the Declaration which restricts or prohibits the inspection, copying and/or retention of association records and files in violation of the controlling provisions of the Texas Property Code or any other applicable state law. The Board has adopted this policy in lieu of any express prohibition or any provision regulating such matters which conflict with Texas law, as set forth in the Declaration.

1. *Written Form.* The Association shall maintain its records in written form or in another form capable of conversion into written form within a reasonable time.

2. *Request in Writing; Pay Estimated Costs In Advance.* An Owner (or an individual identified as an Owner's agent, attorney or certified public accountant, provided the designation is in writing and delivered to the Association) may submit a written request via certified mail to the Association's mailing address or authorized representative listed in the management certificate to access the Association's records. The written request must include sufficient detail describing the books and records requested and whether the Owner desires to inspect or copy the records. Upon receipt of a written request, the Association may estimate the costs associated with responding to each request, which costs may not exceed the costs allowed pursuant to Texas Administrative Code Section 70.3, as may be amended from time to time (a current copy of which is attached hereto). Before providing the requested records, the Association will require that the Owner remit such estimated amount to the Association. The Association will provide a final invoice to the Owner on or before the 30th business day after the records are provided by the Association. If the final invoice includes additional amounts due from the requesting party, the additional amounts, if not reimbursed to the Association before the 30th business day after the date the invoice is sent to the Owner, may be added to the Owner's account as an assessment. If the estimated costs exceeded the final invoice amount, the Owner is entitled to a refund, and the refund shall be issued to the Owner not later than the 30th business day after the date the final invoice is sent to the Owner.

3. *Period of Inspection.* Within ten (10) business days from receipt of the written request, the Association must either: (1) provide the copies to the Owner; (2) provide available inspection dates; or (3) provide written notice that the Association cannot produce the documents within the ten (10) days along with either: (i) another date within an additional fifteen (15) days on which the records may either be inspected or by which the copies will be sent to the Owner; or (ii) after a diligent search, the requested records are missing and can not be located.

4. *Records Retention.* The Association shall keep the following records for at least the times periods stated below:

- a. **PERMANENT:** The Articles of Incorporation or the Articles of Incorporation, the Bylaws and the Declaration, any and all other governing documents, guidelines, rules, regulations and policies and all amendments thereto recorded in the property records to be effective against any Owner and/or Member of the Association.
- b. **FOUR (4) YEARS:** Contracts with a term of more than one (1) year between the Association and a third party. The four (4) year retention term begins upon expiration of the contract term.
- c. **FIVE (5) YEARS:** Account records of each Owner. Account records include debit and credit entries associated with amounts due and payable by the Owner to the Association, and written or electronic records related to the Owner and produced by the Association in the ordinary course of business.
- d. **SEVEN (7) YEARS:** Minutes of all meetings of the Board and the Owners.
- e. **SEVEN (7) YEARS:** Financial books and records produced in the ordinary course of business, tax returns and audits of the Association.
- f. **GENERAL RETENTION INSTRUCTIONS:** "Permanent" means records which are not to be destroyed. Except for contracts with a term of one (1) year or more (See item 4.b. above), a retention period starts on the last day of the year in which the record is created and ends on the last day of the year of the retention period. For example, if a record is created on June 14, 2012, and the retention period is five (5) years, the retention period begins on December 31, 2012 and ends on December 31, 2017. If the retention period for a record has elapsed and the record will be destroyed, the record should be shredded or otherwise safely and completely destroyed. Electronic files should be destroyed to ensure that data cannot be reconstructed from the storage mechanism on which the record resides.

5. **Confidential Records.** As determined in the discretion of the Board, certain Association records may be kept confidential such as personnel files, Owner account or other personal information (except addresses) unless the Owner requesting the records provides a court order or written authorization from the person whose records are sought.

6. **Attorney Files.** Attorney's files and records relating to the Association (excluding invoices requested by a Owner pursuant to Texas Property Code Section 209.008(d)), are not records of the Association and are not: (a) subject to inspection by the Owner; or (b) subject to production in a legal proceeding. If a document in an attorney's files and records relating to the Association would be responsive to a legally authorized request to inspect or copy Association documents, the document shall be produced by using the copy from the attorney's files and records if the Association has not maintained a separate copy of the document. The Association is not required under any circumstance to produce a document for inspection or copying that constitutes attorney work product or that is privileged as an attorney-client communication.

7. *Presence of Board Member or Manager; No Removal.* At the discretion of the Board or the Association's manager, certain records may only be inspected in the presence of a Board member or employee of the Association's manager. No original records may be removed from the office without the express written consent of the Board.

TEXAS ADMINISTRATIVE CODE
TITLE 1, PART 3, CHAPTER 70
RULE §70.3 - CHARGES FOR PROVIDING COPIES OF PUBLIC INFORMATION

(a) The charges in this section to recover costs associated with providing copies of public information are based on estimated average costs to governmental bodies across the state. When actual costs are 25% higher than those used in these rules, governmental bodies other than agencies of the state, may request an exemption in accordance with §70.4 of this title (relating to Requesting an Exemption).

(b) Copy charge.

(1) Standard paper copy. The charge for standard paper copies reproduced by means of an office machine copier or a computer printer is \$.10 per page or part of a page. Each side that has recorded information is considered a page.

(2) Nonstandard copy. The charges in this subsection are to cover the materials onto which information is copied and do not reflect any additional charges, including labor, that may be associated with a particular request. The charges for nonstandard copies are:

- (A) Diskette--\$1.00;
- (B) Magnetic tape--actual cost
- (C) Data cartridge--actual cost;
- (D) Tape cartridge--actual cost;
- (E) Rewritable CD (CD-RW)--\$1.00;
- (F) Non-rewritable CD (CD-R)--\$1.00;
- (G) Digital video disc (DVD)--\$3.00;
- (H) JAZ drive--actual cost;
- (I) Other electronic media--actual cost;
- (J) VHS video cassette--\$2.50;
- (K) Audio cassette--\$1.00;
- (L) Oversize paper copy (e.g.: 11 inches by 17 inches, greenbar, bluebar, not including maps and photographs using specialty paper--See also §70.9 of this title)--\$.50;
- (M) Specialty paper (e.g.: Mylar, blueprint, blueline, map, photographic--actual cost.

(c) Labor charge for programming. If a particular request requires the services of a programmer in order to execute an existing program or to create a new program so that requested information may be accessed and copied, the governmental body may charge for the programmer's time.

(1) The hourly charge for a programmer is \$28.50 an hour. Only programming services shall be charged at this hourly rate.

(2) Governmental bodies that do not have in-house programming capabilities shall comply with requests in accordance with §552.231 of the Texas Government Code.

(3) If the charge for providing a copy of public information includes costs of labor, a governmental body shall comply with the requirements of §552.261(b) of the Texas Government Code.

(d) Labor charge for locating, compiling, manipulating data, and reproducing public information.

(1) The charge for labor costs incurred in processing a request for public information is \$15 an hour. The labor charge includes the actual time to locate, compile, manipulate data, and reproduce the requested information.

(2) A labor charge shall not be billed in connection with complying with requests that are for 50 or fewer pages of paper records, unless the documents to be copied are located in:

- (A) Two or more separate buildings that are not physically connected with each other; or
- (B) A remote storage facility.

(3) A labor charge shall not be recovered for any time spent by an attorney, legal assistant, or any other person who reviews the requested information:

(A) To determine whether the governmental body will raise any exceptions to disclosure of the requested information under the Texas Government Code, Subchapter C, Chapter 552; or

(B) To research or prepare a request for a ruling by the attorney general's office pursuant to §552.301 of the Texas Government Code.

(4) When confidential information pursuant to a mandatory exception of the Act is mixed with public information in the same page, a labor charge may be recovered for time spent to redact, blackout, or otherwise obscure confidential information in order to release the public information. A labor charge shall not be made for redacting confidential information for requests of 50 or fewer pages, unless the request also qualifies for a labor charge pursuant to Texas Government Code, §552.261(a)(1) or (2).

(5) If the charge for providing a copy of public information includes costs of labor, a governmental body shall comply with the requirements of Texas Government Code, Chapter 552, §552.261(b).

(6) For purposes of paragraph (2)(A) of this subsection, two buildings connected by a covered or open sidewalk, an elevated or underground passageway, or a similar facility, are not considered to be separate buildings.

(e) Overhead charge.

(1) Whenever any labor charge is applicable to a request, a governmental body may include in the charges direct and indirect costs, in addition to the specific labor charge. This overhead charge would cover such costs as depreciation of capital assets, rent, maintenance and repair, utilities, and administrative overhead. If a governmental body chooses to recover such costs, a charge shall be made in accordance with the methodology described in paragraph (3) of this subsection. Although an exact calculation of costs will vary, the use of a standard charge will avoid complication in calculating such costs and will provide uniformity for charges made statewide.

(2) An overhead charge shall not be made for requests for copies of 50 or fewer pages of standard paper records unless the request also qualifies for a labor charge pursuant to Texas Government Code, §552.261(a)(1) or (2).

(3) The overhead charge shall be computed at 20% of the charge made to cover any labor costs associated with a particular request. Example: if one hour of labor is used for a particular request, the formula would be as follows: Labor charge for locating, compiling, and reproducing, $\$15.00 \times .20 = \3.00 ; or Programming labor charge, $\$28.50 \times .20 = \5.70 . If a request requires one hour of labor charge for locating, compiling, and reproducing information (\$15.00 per hour); and one hour of programming labor charge (\$28.50 per hour), the combined overhead would be: $\$15.00 + \$28.50 = \$43.50 \times .20 = \8.70 .

(f) Microfiche and microfilm charge.

(1) If a governmental body already has information that exists on microfiche or microfilm and has copies available for sale or distribution, the charge for a copy must not exceed the cost of its reproduction. If no copies of the requested microfiche or microfilm are available and the information on the microfiche or microfilm can be released in its entirety, the governmental body should make a copy of the microfiche or microfilm. The charge for a copy shall not exceed the cost of its reproduction. The Texas State Library and Archives Commission has the capacity to reproduce microfiche and microfilm for governmental bodies. Governmental bodies that do not have in-house capability to reproduce microfiche or microfilm are encouraged to contact the Texas State Library before having the reproduction made commercially.

(2) If only a master copy of information in microfilm is maintained, the charge is \$.10 per page for standard size paper copies, plus any applicable labor and overhead charge for more than 50 copies.

(g) Remote document retrieval charge.

(1) Due to limited on-site capacity of storage documents, it is frequently necessary to store information that is not in current use in remote storage locations. Every effort should be made by governmental bodies to store current records on-site. State agencies are encouraged to store inactive or non-current records with the Texas State Library and Archives Commission. To the extent that the retrieval of documents results in a charge to comply with a request, it is permissible to recover costs of such services for requests that qualify for labor charges under current law.

(2) If a governmental body has a contract with a commercial records storage company, whereby the private company charges a fee to locate, retrieve, deliver, and return to storage the needed record(s), no additional labor charge shall be factored in for time spent locating documents at the storage location by the private company's personnel. If after delivery to the governmental body, the boxes must still be searched for records that are responsive to the request, a labor charge is allowed according to subsection (d)(1) of this section.

(h) Computer resource charge.

(1) The computer resource charge is a utilization charge for computers based on the amortized cost of acquisition, lease, operation, and maintenance of computer resources, which might include, but is not limited to, some or all of the following: central processing units (CPUs), servers, disk drives, local area networks (LANs), printers, tape drives, other peripheral devices, communications devices, software, and system utilities.

(2) These computer resource charges are not intended to substitute for cost recovery methodologies or charges made for purposes other than responding to public information requests.

(3) The charges in this subsection are averages based on a survey of governmental bodies with a broad range of computer capabilities. Each governmental body using this cost recovery charge shall determine which category(ies) of computer system(s) used to fulfill the public information request most closely fits its existing system(s), and set its charge accordingly. Type of System--Rate: mainframe--\$10 per CPU minute; Midsize--\$1.50 per CPU minute; Client/Server--\$2.20 per clock hour; PC or LAN--\$1.00 per clock hour.

(4) The charge made to recover the computer utilization cost is the actual time the computer takes to execute a particular program times the applicable rate. The CPU charge is not meant to apply to programming or printing time; rather it is solely to recover costs associated with the actual time required by the computer to execute a program. This time, called CPU time, can be read directly from the CPU

clock, and most frequently will be a matter of seconds. If programming is required to comply with a particular request, the appropriate charge that may be recovered for programming time is set forth in subsection (d) of this section. No charge should be made for computer print-out time. Example: If a mainframe computer is used, and the processing time is 20 seconds, the charges would be as follows: $\$10 / 3 = \3.33 ; or $\$10 / 60 \times 20 = \3.33 .

(5) A governmental body that does not have in-house computer capabilities shall comply with requests in accordance with the §552.231 of the Texas Government Code.

(i) Miscellaneous supplies. The actual cost of miscellaneous supplies, such as labels, boxes, and other supplies used to produce the requested information, may be added to the total charge for public information.

(j) Postal and shipping charges. Governmental bodies may add any related postal or shipping expenses which are necessary to transmit the reproduced information to the requesting party.

(k) Sales tax. Pursuant to Office of the Comptroller of Public Accounts' rules sales tax shall not be added on charges for public information (34 TAC, Part 1, Chapter 3, Subchapter O, §3.341 and §3.342).

(l) Miscellaneous charges: A governmental body that accepts payment by credit card for copies of public information and that is charged a "transaction fee" by the credit card company may recover that fee.

(m) These charges are subject to periodic reevaluation and update.

Source Note: The provisions of this §70.3 adopted to be effective September 18, 1996, 21 TexReg 8587; amended to be effective February 20, 1997, 22 TexReg 1625; amended to be effective December 3, 1997, 22 TexReg 11651; amended to be effective December 21, 1999, 24 TexReg 11255; amended to be effective January 16, 2003, 28 TexReg 439; amended to be effective February 11, 2004, 29 TexReg 1189; transferred effective September 1, 2005, as published in the Texas Register September 29, 2006, 31 TexReg 8251; amended to be effective February 22, 2007, 32 TexReg 614

ATTACHMENT 10

REGENTS HILLS HOMEOWNERS ASSOCIATION, INC.
STATUTORY NOTICE OF POSTING AND RECORDATION OF
ASSOCIATION GOVERNING DOCUMENTS

Terms used but not defined in this policy will have the meaning subscribed to such terms in that certain Regents Hills Declaration of Covenants, Conditions and Restrictions, recorded under Document No. 2001018577 of the Official Public Records of Travis County, Texas, as amended and as the same may be amended and supplemented from time to time.

1. **Dedicatory Instruments.** As set forth in Texas Property Code Section 202.001, "dedicatory instrument" means each document governing the establishment, maintenance or operation of a residential subdivision, planned unit development, condominium or townhouse regime, or any similar planned development. The term includes the declaration or similar instrument subjecting real property to: (a) restrictive covenants, bylaws, or similar instruments governing the administration or operation of a property Owners' association; (b) properly adopted rules and regulations of the property Owners' association; or (c) all lawful amendments to the covenants, bylaws, instruments, rules, or regulations, or as otherwise referred to in this notice as the "Governing Documents."

2. **Recordation of All Governing Documents.** The Association shall file all of the Governing Documents in the real property records of each county in which the property to which the documents relate is located. Any dedicatory instrument comprising one of the Governing Documents of the Association has no effect until the instrument is filed in accordance with this provision, as set forth in Texas Property Code Section 202.006.

3. **Online Posting of Governing Documents.** The Association shall make all of the Governing Documents relating to the Association or subdivision and filed in the county deed records available on a website if the Association has, or a management company on behalf of the Association maintains, a publicly accessible website.

ATTACHMENT 11

REGENTS HILLS HOMEOWNERS ASSOCIATION, INC.
STATUTORY NOTICE OF ANNUAL MEETING, ELECTIONS AND VOTING

Terms used but not defined in this policy will have the meaning subscribed to such terms in that certain Regents Hills Declaration of Covenants, Conditions and Restrictions, recorded under Document No. 2001018577 of the Official Public Records of Travis County, Texas, as amended and as the same may be amended and supplemented from time to time.

Note: Texas statutes presently render null and void any restriction in the Declaration which restricts or prohibits annual meetings, certain election requirements and voting processes and other conduct related to annual meetings, elections and voting in violation of the controlling provisions of the Texas Property Code or any other applicable state law.

1. **Annual Meetings Mandatory.** As set forth in Texas Property Code Section 209.014, the Association is required to call an annual meeting of the Members of the Association.

2. **Notice of Election or Association Vote.** Not later than the tenth (10th) day or earlier than the sixtieth (60th) day before the date of an election or vote, the Association must give written notice of the election or vote to: (a) each Owner in the Association for purposes of an Association-wide election or vote; or (b) each Owner in the Association entitled to vote to elect Board Members.

3. **Election of Board Members.** Except during any development period established in the Declaration (see Paragraph 11 below), any Board Member whose term has expired must be elected by Owners in the Association. A Board Member may be appointed by the Board only to fill a vacancy caused by a resignation, death, or disability. A Board Member appointed to fill a vacant position shall serve the unexpired term of the predecessor board member.

4. **Eligibility for Board Membership.** The Association may not restrict an Owner's right to run for a position on the Board. If the Board is presented with written and documented evidence from a database or other record maintained by a governmental law enforcement authority that a Board Member has been convicted of a felony or crime involving moral turpitude, the Board Member is then immediately ineligible to serve on the Board, automatically considered removed from the Board, and prohibited from future service on the Board.

5. **Right to Vote.** Except during any development period established in the Declaration (see Paragraph 11 below), any provision in the Association's governing documents that would disqualify an Owner from voting in an Association election of Board Members or on any matter concerning the rights or responsibilities of the Owner is void.

6. **Voting; Quorum.** The voting rights of an Owner may be cast or given: (a) in person or by proxy at a meeting of the Association; (b) by absentee ballot; (c) by electronic ballot; or (d) by any method of representative or delegated voting provided by the Association's governing documents.

7. **Written Ballots.** Any vote cast in an election or vote by a Member of the Association must be in writing and signed by the member. Electronic votes constitute written and signed ballots. In an Association-wide election, written and signed ballots are not required for uncontested races.

8. **Absentee or Electronic Ballots.** An absentee or electronic ballot: (a) may be counted as an Owner present and voting for the purpose of establishing a quorum only for items appearing on the ballot; (b) may not be counted, even if properly delivered, if the Owner attends any meeting to vote in person, so that any vote cast at a meeting by an Owner supersedes any vote submitted by absentee or electronic ballot previously submitted for that proposal; and (c) may not be counted on the final vote of a proposal if the proposal was amended at the meeting to be different from the exact language on the absentee or electronic ballot.

a. **Meaning of Electronic Ballot.** Notwithstanding any contrary provision in the governing document of the Association, "electronic ballot" means a ballot: (a) given by email, facsimile or posting on a website; (b) for which the identity of Owner submitting the ballot can be confirmed; and (c) for which the Owner may receive a receipt of the electronic transmission and receipt of the Owner's ballot. If an electronic ballot is posted on a website, a notice of the posting shall be sent to each Owner that contains instructions on obtaining access to the posting on the website.

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

9. **Tabulation of and Access to Ballots.** A person who is a candidate in an Association election or who is otherwise the subject of an Association vote, or a person related to that person within the third degree by consanguinity or affinity may not tabulate or otherwise be given access to the ballots cast in that election or vote. A person tabulating votes in an Association election or vote may not disclose to any other person how an individual voted.

10. **Recount of Votes.** Any Owner may, not later than the fifteenth (15th) day after the date of the meeting at which the election was held, require a recount of the votes. A demand for a recount must be submitted in writing either: (a) by certified mail, return receipt requested, or by delivery by the U.S. Postal Service with signature confirmation service to the Association's mailing address as reflected on the latest management certificate; or (b) in person to the Association's managing agent as reflected on the latest management certificate or to the address to which absentee and proxy ballots are mailed. The Owner requesting the recount will be required to pay, in advance, expenses associated with the recount as estimated by the Association. Any recount must be performed on or before the thirtieth (30th) day after the date of

receipt of a request and payment for a recount is submitted to the Association for a vote tabulator as set forth below.

- a. Vote Tabulator. At the expense of the Owner requesting the recount, the Association shall retain for the purpose of performing the recount, the services of a person qualified to tabulate votes. The Association shall enter into a contract for the services of a person who: (a) is not a Member of the Association or related to a Member of the Association Board within the third degree by consanguinity or affinity; and (b) is either a person agreed on by the Association and any person requesting a recount or is a current or former county judge, county elections administrator, justice of the peace or county voter registrar.
- b. Reimbursement for Recount Expenses. If the recount changes the results of the election, the Association shall reimburse the requesting Owner for the cost of the recount to the extent such costs were previously paid by the Owner to the Association. The Association shall provide the results of the recount to each Owner who requested the recount.
- c. Board Action. Any action taken by the Board in the period between the initial election vote tally and the completion of the recount is not affected by any recount.

ATTACHMENT 12

REGENTS HILLS HOMEOWNERS ASSOCIATION, INC.
STATUTORY NOTICE OF CONDUCT OF BOARD MEETINGS

Terms used but not defined in this policy will have the meaning subscribed to such terms in that certain Regents Hills Declaration of Covenants, Conditions and Restrictions, recorded under Document No. 2001018577 of the Official Public Records of Travis County, Texas, as amended and as the same may be amended and supplemented from time to time.

Note: Texas statutes presently render null and void any restriction in the Declaration which restricts or prohibits open board meetings and other conduct related to board meetings in violation of the controlling provisions of the Texas Property Code or any other applicable state law.

1. Definition of Board Meetings. As set forth in Texas Property Code Section 209.0051, "board meeting" means: (a) a deliberation between a quorum of the Board, or between a quorum of the Board and another person, during which Association business is considered and the Board takes formal action; but does not include: (b) the gathering of a quorum of the Board at a social function unrelated to the business of the Association or the attendance by a quorum of the Board at a regional, state, or national convention, ceremonial event, or press conference, if formal action is not taken and any discussion of Association business is incidental to the social function, convention, ceremonial event, or press conference.

2. Open Board Meetings. All regular and special Board meetings must be open to Owners. However, the Board has the right to adjourn a meeting and reconvene in closed executive session to consider actions involving: (a) personnel; (b) pending or threatened litigation; (c) contract negotiations; (d) enforcement actions; (e) confidential communications with the Association's attorney; (f) matters involving the invasion of privacy of individual Owners, or matters that are to remain confidential by request of the affected parties and agreement of the Board. Following an executive session, any decision made by the Board in executive session must be summarized orally in general terms and placed in the minutes, without breaching the privacy of individual Owners, violating any privilege, or disclosing information that was to remain confidential at the request of the affected parties. The oral summary must include a general explanation of expenditures approved in executive session.

3. Location. Except if otherwise held by electronic or telephonic means, a Board meeting must be held in the county in which all or a party of the property in the subdivision is located or in a county adjacent to that county, as determined in the discretion of the Board.

4. Record; Minutes. The Board shall keep a record of each regular or special Board meeting in the form of written minutes of the meeting. The Board shall make meeting records, including approved minutes, available to a Member for inspection and copying on the Member's written request to the Association's managing agent at the address appearing on the most recently filed management certificate or, if there is not a managing agent, to the Board.

5. ***Notices.*** Members shall be given notice of the date, hour, place, and general subject of a regular or special board meeting, including a general description of any matter to be brought up for deliberation in executive session. The notice shall be: (a) mailed to each property Owner not later than the tenth (10th) day or earlier than the sixtieth (60th) day before the date of the meeting; or (b) provided at least seventy-two (72) hours before the start of the meeting by: (i) posting the notice in a conspicuous manner reasonably designed to provide notice to Association members in a place located on the Association's common area property or on any website maintained by the Association; and (ii) sending the notice by e-mail to each Owner who has registered an e-mail address with the Association. It is an Owner's duty to keep an updated e-mail address registered with the Association. The Board may establish a procedure for registration of email addresses, which procedure may be required for the purpose of receiving notice of Board meetings. If the Board recesses a regular or special Board meeting to continue the following regular business day, the Board is not required to post notice of the continued meeting if the recess is taken in good faith and not to circumvent this section. If a regular or special Board meeting is continued to the following regular business day, and on that following day the Board continues the meeting to another day, the Board shall give notice of the continuation in at least one manner as set forth above within two (2) hours after adjourning the meeting being continued.

6. ***Meeting without Prior Notice.*** A Board may meet by any method of communication, including electronic and telephonic, without prior notice to Owners if each director may hear and be heard and may take action by unanimous written consent to consider routine and administrative matters or a reasonably unforeseen emergency or urgent necessity that requires immediate Board action. Any action taken without notice to Owners 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. The Board may not, without prior notice to Owners under Paragraph 5 above 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;
- (f) levying of special assessments;
- (g) appeals from a denial of architectural control approval; or
- (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.



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OFFICIAL PUBLIC RECORDS

Dana DeBeauvoir

DANA DEBEAUVOIR, COUNTY CLERK
TRAVIS COUNTY, TEXAS

July 18 2013 10:59 AM

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