

**Henderson County
Mary Margaret Wright
County Clerk
Athens, TX 75751**

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As

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Parties: SPORTSMANS PARADISE PROPERTY OWNERS ASSOCIATION ET AL

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Mary Margaret Wright

County Clerk
Henderson County, Texas

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CHANDLER, TX 75758



SPORTSMAN'S PARADISE PROPERTY OWNER'S ASSOCIATION

Amended SEPTEMBER 5, 2020

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1. PURPOSE

The Sportsman's Paradise Property Owner's Association (hereinafter referred to as the **POA**) is organized and shall be operated exclusively as a property owners association within the meaning of Section 528 of the Internal Revenue Code of 1986, as amended, or the corresponding provision or provisions of any subsequent United States Internal Revenue law or laws.

The primary purposes of the POA are:

- a. To govern, operate, preserve, and maintain the Common Areas including Certain Streets, The Community Building, Boat Ramp, Fishing Pier, Playground, and Swimming Pool;
- b. To provide architectural control and compliance with the covenants and restrictions set forth in the Sportsman's Paradise Restrictive Covenants (herein referred to as the **Covenants**) dated the 18th day of April, 1977 executed by Double D Development (hereinafter referred to as the "**Developer**"), and recorded in Volume 808, Page 676 of the Real Property Records of Henderson County, Texas, as amended and/or restated from time to time; and
- c. To preserve the Subdivision's common scheme of development, protect the value of the real property in the Subdivision, and benefit the Members and the Subdivision as a whole; and
- d. To exercise all powers and perform all duties and obligations of a property owners' association, as specifically authorized by these Bylaws, the Covenants, and the other dedicatory instruments, as amended or restated from time to time.

2. DEFINITIONS AND INTERPRETATION

When used in these By-laws, unless the context otherwise specifies or requires, the following words and phrases shall have the meanings hereinafter specified:

- (a) "**Articles**" means the Articles of Incorporation of Sportsman's Paradise Property Owner's Association, which is filed in the office of the Secretary of State of the State of Texas, as the same may from time to time be amended.
- (b) "**Assessment**" means any dues, assessments, or other charges of any kind levied by the Association against a Lot and/or Member under the terms and provisions of the Restrictive Covenants.
- (c) "**Association Property**" means all real or personal property now or hereafter owned by the Association, including, but not limited to, all easement estates, licenses, leasehold estates, and other interests of any kind in and to real or personal property which are now or hereafter owned or held by the Association.
- (d) "**Association Restrictions**" means the Restrictive Covenants as the same may be amended from time to time, together with the Articles, By-laws, and Association Rules from time to time in effect.
- (e) "**Association Rules**" means all policies, procedures, rules, and regulations adopted by the Board pursuant to the Restrictive Covenants, as the same may be amended from time to time.
- (f) "**Board**" means the Board of Directors of the Association.
- (g) "**By-laws**" means these By-laws as adopted by the Board and as from time to time amended.
- (h) "**Common Areas**" means those areas of the Association Property which are designated for use by all residents, including but not limited to grounds, parking lots and entrances, exits, corridors, public driveways, trash bins, playgrounds, and swimming pools.
- (i) "**Dedicatory instruments**" means each governing instrument covering the establishment,

maintenance, and operation of the subdivision, including but not limited to the Restrictive Covenants, these Bylaws and the Certificate of Formation; any policies, procedures, rules, or regulations; and all similar instruments governing the administration or operation of the Association; and all lawful amendments to those documents.

(j) "**Fiscal year**" of the Association means the period each year commencing on September 1 and ending on August 31.

(k) "**Lot**" means any parcel(s) of land within the Property, together with all improvements located thereon.

(l) "**Member**" means any person(s), entity, or entities holding membership privileges in the Association as provided in the Restrictive Covenants.

(m) "**Mortgage**" means any mortgages or deeds of trust covering any portion of the Property given to secure the payment of a debt.

(n) "**Mortgagee**" means the holder or holders of any lien or liens upon any portion of the Property.

(o) "**Owner**" means the person(s), entity, or entities, holding a fee simple interest in any Lot, but shall not include the Mortgagee of a Mortgage.

(p) "**Property**" means that tract or parcel of land situated in Henderson County, Texas, which is more fully described in the Restrictive Covenants.

(q) "**Subdivision**" means the real property comprising Sportsman's Paradise Section ONE & TWO, a real estate subdivision situated on Lake Palestine in Henderson County Texas, as identified on the plat which is filed of record in Volume C, Page 335, in the Plat Records of Henderson County, Texas. The term shall include the Common Areas and Lots.

(r) "**verified mail**" means any method of mailing for which evidence of mailing is provided by the United States Postal Service or a common carrier.

3. MEETING OF MEMBERS

3.1 Annual and Special Meetings

(a) The annual meeting of the Members shall be held on the second Saturday of September, and if held on that date, these Bylaws shall constitute sufficient notice of such meeting, and no additional notice must be given. The Board may designate a different annual meeting date provided all property owners are given notice no later than at least August 1. Under no circumstances shall the Board be allowed to schedule the annual meeting any later than September 30th of each year.

(b) Special meetings of the Members may be called at any time by the President or the Board, or upon written request of the Members who are entitled to vote fifteen percent (15%) or more of the votes of the Association.

3.2 Place of Meetings

All annual and special meetings of the Members shall be held at Sportsman's Paradise Community Building or at such other suitable and convenient place as may be permitted by law, no more than thirty-five miles from the front gate of the Association, and from time to time fixed by the Board and designated in the notices of such meetings.

3.3 Notice of Meetings

Notice of annual and special meetings of the Members shall be given by, or at the direction of, the Secretary or person authorized to call the meeting, at least ten (10) and no more than sixty (60) days prior to any such meeting, to each Member entitled to vote at the meeting, by U.S. mail addressed to the Member's last known address. Notice of any regular meeting can be given by posting the information regarding the date and time of the meeting on the Sportsman's POA Information Board located on the Sportsman's Drive side of the Community Building, or any other method allowed by law.

Any such notice shall specify the place, date, and time of the meeting, and, in the case of a special meeting, the purpose of the meeting.

3.4 Quorum

Except as otherwise required or allowed by the terms of the Restrictive Covenants with regard to amendment of the Restrictive Covenants, the quorum required for any action authorized to be taken by the Members pursuant to these By-laws shall be the presence in person or by proxy or by absentee ballot of Members entitled to cast at least ten percent of the total votes, or the presence of at least three members of the Board of Directors.

3.5 Membership and Voting

(a) **Form of Proxy or Ballot.** The Board may dictate the form for all proxies, ballots, or other voting instruments or vehicles. No form other than the form put forth by the Board will be accepted.

(b) **Deadline for Return of Ballots.** The Board may establish a deadline, which may be communicated on each ballot, or otherwise communicated to the membership, for return of electronic and absentee ballots.

3.6 Recount Procedure

Any Owner may, within 15 days following the meeting at which an election or vote was held or the date of the announcement of the results of such election or vote, request a recount of the votes in writing. Such request, and the subsequent recount procedure, must be in accordance with the provisions of §209.0057 of the Property Code.

3.7 Membership and Voting Rights

Every Owner of an interest in one or more Lots in the Subdivision shall automatically be a Member of the Association. A person or entity holding a lien or interest in a Lot solely to secure performance of an obligation shall not be considered an Owner or Member. Membership is appurtenant to and may not be separated from ownership of a Lot. Every Member shall have the right to vote in all elections of board members, and all votes on any matter concerning the rights or responsibilities of the owners, without regard to whether he or she has paid all Assessments and other charges owed to the Association. Every Member shall have the right to run for a position as a Director in any election, without regard to whether he or she has paid all Assessments and other charges owed to the Association. The right to cast votes, and the number of votes that may be cast, for election of Members to the Board and on all other matters to be voted upon by the Members, shall be calculated as follows:

(a) Each Member shall have one (1) vote for each Lot, as such term is defined in the Restrictive Covenants, so owned.

(b) The holder of at least one (1) vote may exercise all rights of a Member, including but not limited to the right to make a motion and second other members' motion.

(c) When more than one person shares ownership of a lot, all such persons shall be members, but only one vote shall be cast per Lot. The vote for such Lot shall be exercised as its Owners, among themselves, may determine. In the event of any dispute regarding voting among multiple owners of a lot, the first person listed as owner of record in the Henderson County tax rolls shall have the right to cast the vote.

3.8 Order Of Business

The order of business at all meetings of the Members shall be as follows:

- (a) Call to Order
- (b) Proof of notice of meeting or waiver of notice
- (c) Reading of minutes of preceding meeting
- (d) Election of Directors, if applicable
- (e) Unfinished business
- (f) New business

3.9 Adjourned Meeting

If any meeting of the Members for which proper notice has been given cannot be organized because a quorum has not attended, the Members who are present, either in person or by proxy (even if less than a quorum) may adjourn the meeting until the required quorum is attained, as provided in Section 3.4.

4. BOARD OF DIRECTORS

4.1 Number and Qualifications

The affairs of the Association shall be governed by a Board of Directors composed of 5 persons, of which at least 2 Directors must be full-time residents of the development. The person holding office of President must be one of these two full time residents. The members of the Board of Directors shall act in such capacity and shall manage the affairs of the Association until their successors are elected. Only Members shall be eligible to serve as a member of the Board of Directors.

If the Board is presented with written, documented evidence from a database or other record maintained by a governmental law enforcement authority that a director was convicted of a felony or crime involving moral turpitude not more than 20 years before the date the Board is presented with the evidence, the director is immediately ineligible to serve on the Board, automatically considered removed from the Board, and prohibited from future service on the Board.

4.2 Term of Office

Directors shall be elected for a term of 2 years.

A Director shall cease to be eligible to serve as a Director and shall automatically be considered to have

resigned, effective on the date the Director ceases to own any Lot in the POA.

4.3 Removal And Vacancies

Any Director may be removed from the Board, with or without cause, by a majority vote of the Members of the Association. In the event of death, resignation, or removal of a Director, his successor shall be selected by the remaining members of the Board and shall serve out the remaining term of his predecessor.

4.4 Compensation

No Director shall receive compensation for any service he may render to the Association. However, any Director may be reimbursed for his actual expenses incurred in the performance of his duties.

4.5 Action Taken Without A Meeting

The Directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of a majority of the Directors, provided that each of the Directors shall have a reasonable opportunity to vote and express their opinion with regard to such action. Such approval may be obtained by email or other electronic or digital method. Any action so approved shall have the same effect as though taken at a meeting of the Directors. Any such action may be taken without prior notice to the Owners only if it is in respect of an issue that does not require prior notice to be given to the Owners.

4.6 Powers And Duties

The Board shall have the powers and duties necessary for the operation and maintenance of the Association Property and the administration of the other responsibilities and affairs of the Association, including, but not limited to, the powers and duties set forth in the Restrictive Covenants. Subject to the provisions of the preceding sentence, the Board may do all such acts and things that are not by these By-laws or by the Restrictive Covenants reserved to the exclusive power to act by the Members.

4.7 Additional Powers And Duties

The Board shall have the following additional powers and duties:

- (a) To administer and enforce the covenants, conditions, restrictions, uses, limitations, obligations, and other provisions of the Restrictive Covenants.
- (b) To establish and enforce rules, conditions, restrictions, limitations, and other provisions necessary for the orderly operation, use and maintenance of the Association Property.
- (c) To adopt and publish the Association Rules, including regulations governing the use of the Association Property and facilities, and the personal conduct of the Members and their guests thereon, and to establish penalties for the infraction thereof. A copy of such rules shall be delivered or mailed to each Member promptly upon the adoption thereof.
- (d) To keep in good order, condition, and repair the Association Property.
- (e) To fix, levy, and collect the initiation fee, Assessments, abeyance fees, other fees, and fines to be paid by each Owner in accordance with the terms of the Restrictive Covenants as amended from time to time; and by majority vote of the Board to decrease or increase such fees and Assessments, subject to the

provisions of the Restrictive Covenants; to levy and collect special Assessments in order to meet increased operating expenses and costs for which a special Assessment is authorized under the Restrictive Covenants. All Assessments shall be in itemized statement form and shall set forth in detail the various expenses for which the Assessments are being made.

(f) To collect delinquent fees, fines, or assessments by suit, lien foreclosure, or otherwise, and to enjoin or seek damages from an Owner for violation of the Restrictive Covenants or the Association Rules.

(g) To protect and defend the Association Property from loss and damage by suit or otherwise.

(h) To borrow funds in order to pay for any required expenditure or outlay; to execute all such instruments evidencing such indebtedness; and to mortgage, pledge, or hypothecate any or all Association Property as security for money borrowed or debts incurred in connection with the affairs of the Association.

(i) To establish a bank account for the common treasury for all separate funds which are required or may be deemed advisable by the Board.

(j) To maintain complete and accurate books and records showing all of the receipts, expenses, or disbursements and to permit examination thereof at any reasonable time by each of the Members and any Mortgagee. The Association shall cause to be prepared and delivered annually to each Member, a statement showing all receipts, expenses, or disbursements since the last such statement. Such financial statements shall be available to any Mortgagee, on request, within ninety (90) days following the fiscal year end of the Association. Any Member may require that the Association cause to be prepared and delivered, at such Member's expense, an audited financial statement of the Association. In addition, the Board shall adopt a policy meeting the requirements of state law, allowing each Member to inspect and/or obtain copies of the the books and records of the Association, except for information not required to be disclosed.

(k) In general, to carry on the administration of the Association and to further the communal use and enjoyment of the Association Property.

4.8 Committees

The Board may establish one or more advisory committees and committees for the purpose of administering or managing the Association Property, or routine or special projects of the Association. The Board may appoint the members of such committees by procedures to be established by the Board. Members and those residing on the Property shall be eligible to serve on such advisory committees.

4.9 Nomination

Nomination for election to the Board shall preferably be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a chairman, who shall be a member of the Board and two (2) additional members of the Association. The Nominating Committee shall be appointed by the Board prior to or during each annual meeting of the Members. The Nominating Committee shall make as many nominations for election to the Board as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Nominations may also be made from the floor at the annual meeting for any open position.

4.10 Election

Each owner must be allowed to vote by absentee ballot or proxy. The Board may allow votes to be cast in person, by electronic ballot, or by any other reasonably secure method of representative or delegated voting. At such election, the Members or their proxies may cast, with respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Restrictive Covenants. A separate vote shall be conducted to fill each vacant Director position, and the person receiving the largest number of votes shall be elected to that position. Cumulative voting is not permitted. Each candidate shall be entitled

to name one person to observe the vote counting, provided that no such observer shall be allowed to see the name of the person who cast any ballot, and provided that any disruptive observer may be removed.

5. MEETINGS OF DIRECTORS

5.1 Regular Meetings

Regular meetings of the Board shall be held annually or at such other frequency as determined by the Board, at such place and time as may be fixed from time to time by resolution of the Board. Notice of regular meetings of the Board shall be given to each Director, either personally, or by telephone or facsimile transmission at least three (3) days prior to such meeting, by deposit of notice in the U.S. Mail, postage prepaid, at least seven (7) days prior to such meeting, or by any other method allowed by law.

5.2 Special Meetings

Special meetings of the Board may be called by the President of the Association or by any two (2) Directors. The President or Secretary shall give written notice to each Director of the time, place, and purpose of the meeting, either personally, by telephone, or by facsimile transmission at least three (3) days prior to the day named for such meeting, or by deposit of notice in the U.S. Mail, postage prepaid, at least seven (7) days prior to the day named for such meeting, or by any other method allowed by law.

5.3 Telephone Meetings

The Board may hold any meeting by electronic or telephonic means provided that:

- (a) each Board member can hear and be heard by every other Board member; and
- (b) except for any portion of the meeting conducted in executive session:
 - (i) all Owners attending such meeting can hear all Board members; and
 - (ii) Owners are allowed to attend using any electronic or telephonic communication method used or expected to be used by a Board member to participate in such meeting; and
- (c) in addition to such other requirements for the giving of notice under the provisions of these By-laws or Chapter 209 of the Texas Property Code, the notice of such meeting includes instructions for Owners to access any communication method required to be accessible under subparagraph (b)(ii) above.

Participation in such a meeting shall constitute presence in person, except where a person participates in the meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called or convened.

Special notice of any action taken by the Board in the course of such meeting shall be posted on any sign or marquee, and on any website maintained by the Association as soon as practicable after such action. Any such notice on a website shall disclose how each Director voted on any such action.

5.4 Actions Requiring Notice to Owners

The Board shall not, unless done in an open meeting for which prior notice was given to the Owners, consider or vote on any of the following items:

- (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 Committee approval,
- (h) suspension of rights of an individual Owner before such Owner has an opportunity to attend a Board meeting to present such Owner's position, including any defense on the issue,
- (i) lending or borrowing money,
- (j) adoption or amendment of a dedicatory instrument,
- (k) approval of an annual budget or approval of an amendment of an annual budget that increases the budget by more than 10%,
- (l) sale or purchase of real property,
- (m) filling a vacancy on the Board,
- (n) construction of capital improvements other than the repair, replacement or enhancement of existing capital improvements, or
- (o) election of an officer.

5.5 Waiver Of Notice

Before or at any meeting of the Board, any Director may, in writing, waive notice to the director of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any meeting of the Board shall be a waiver of notice of the meeting to him. If all the Directors are present at any meeting of the Board, no notice to any of the Directors shall be required, and any

business may be transacted at such meeting. Waiver of notice of a meeting by a Director shall not eliminate the requirement that the Members be given proper notice of each such meeting.

5.6 Quorum

At all meetings of the Board, a majority of Directors shall constitute a quorum for the transaction of business, and the act of the majority of the Directors present at the meeting at which a quorum is present shall be the act of the Board. If, at any meeting of the Board, there is less than a quorum present, the majority of those present may adjourn and reconvene the meeting from time to time.

6. OFFICERS

6.1 Designation

The officers of the Association shall be a President and one Vice President, a Secretary, a Treasurer, and a member at large.

6.2 Election Of Officers

The election of officers shall take place at the first meeting of the Board, immediately following each annual meeting of the Members.

6.3 Term

The officers of the Association shall be elected annually by the Board and each shall hold office for (2) years unless he resigns earlier, is removed, or is otherwise disqualified to serve.

6.4 Special Appointments

The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

6.5 Resignation And Removal

Upon an affirmative vote of the majority of the members of the Board, any officer may be removed, with or without cause, and his successor may be elected at any regular meeting of the Board or at any special meeting of the Board called for such purposes.

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

6.6 Vacancies

A vacancy in any office may be filled through appointment by the Board. The officer appointed to fill such vacancy shall serve for the remainder of the term of the officer he replaces.

6.7 Multiple Offices

The offices of Secretary and Treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except that one person may hold an office identified in Section 6.1 at the same time he or she holds a special appointment as described in Section 6.4.

6.8 Offices

The duties of the officers are as follows:

(a) **President.** The President shall be the chief executive officer of the Association. The President shall preside at all meetings of both the Association and the Board, and shall have all the general powers and duties which are usually vested in the office of President of an association, including, but not limited to, the power to appoint committees from among the Members to assist in the administration of the affairs of the Association, and the duty to see that the orders and resolutions of the Board are carried out. The President, or his designated alternate, shall represent the Association at all meetings of the Association. President shall: receive and deposit in appropriate bank accounts all monies of the Association.

(b) **Vice President.** The Vice President shall generally assist the President and shall have such powers and perform such duties and services as shall, from time to time, be prescribed or delegated to him by the President or the Board. The Vice President shall perform the functions of President in the President's absence. The Vice President may receive and deposit in appropriate bank accounts all monies of the Association.

(c) **Secretary.** The Secretary shall: record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members; serve notice of meetings of the Board and of the Members; keep appropriate current records listing all Members of the Association, together with their current addresses; and perform such other duties as required by the Board. The Secretary may receive and deposit in appropriate bank accounts all monies of the Association.

(d) **Treasurer.** Any Treasurer shall: receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board; co-sign all checks and promissory notes of the Association; keep proper books of account in appropriate form such that they could be audited by a public accountant whenever ordered by the Board or the membership; and prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular meeting and deliver a copy of each to the Members. If there is no Treasurer currently serving, the Secretary shall be empowered with the Treasurer's duties.

(e) **Member at Large.** Any Member at large is not assigned any specific duty other than to assist the other officers and participate in any and all board member functions including voting.

6.9 Assistant Officers

The Board may appoint such assistant secretaries and treasurers as the Board deems to be in the best interest of the Association to carry out the routine and day-to-day operations of the Association, as authorized by the Board.

7. OBLIGATIONS OF THE OWNERS

7.1 Fees And Assessments

All Owners shall be obligated to timely pay all Assessments, other fees, fines, and charges of any kind owed to or imposed by the Association. A Member shall be deemed to be in good standing within the meaning of these By-laws, only if he is current in payment of all such Assessments and other charges. The annual assessment is due January 1 of each year. All unpaid Assessments will be charged interest at ten percent per annum on any unpaid balances 60 days past the due date. As provided in the Restrictive Covenants, each Member is obligated to pay to the Association Assessments which are secured by a continuing lien upon the property against which the Assessments are made. No Owner may waive or otherwise escape liability for the Assessments provided for herein by nonuse of the Association Property or abandonment of his Lot(s). Notwithstanding any provision herein to the contrary, the Association may only levy Assessments to defray costs which are incurred in furtherance of the sole purpose of the Association as set forth in the Restrictive Covenants and/or costs which are incurred in connection with the exercise of powers incident to such purpose as set forth in the Restrictive Covenants.

7.2 Use Of The Common Areas

Each Member may use the Common Areas in accordance with the purposes for which it is intended, subject to reasonable regulations regarding use, as adopted by the Board. The Board shall have the right to suspend a Member's right to use the Association Property (i) in the event such Member is delinquent in the payment of any Assessments, as provided in the Restrictive Covenants, and (ii) for a reasonable period, at the Board's discretion, in response to any infraction of the Association Rules.

7.3 General

Each Owner shall comply strictly with the provisions of the Restrictive Covenants; any policies, procedures, rules, and/or regulations adopted by the Board; the Articles of Incorporation and these Bylaws, and any other dedicatory instruments. Each Owner is responsible for ensuring that his or her tenants, guests, and visitors coming in the Subdivision and/or using any part of the Property to comply with the provisions of the dedicatory instruments.

7.4 Email and Mailing Address

The Association may communicate with and provide any required notification to its Members by U.S. mail; posting notices on a sign or bulletin board in the Subdivision; electronic mail or other electronic means; posting notice on the POA website; or any other legal means. All members are responsible for immediately notifying the Secretary of any change of their physical address, mailing address, telephone, or email address. Any formal complaints shall be submitted in writing to the POA's mailing address.

8. RECORD PRODUCTION

8.1 Effective Date

The following policy regarding records production, set forth in Article 8 of these Bylaws, was adopted by the POA on January 1, 2012.

8.2 Conflict With Other Provisions

If there are any conflicts between the provisions of Article 8 and any provision in any other governing document (except for the Restrictive Covenants), the provisions of this Article 8 will control. If there are any conflicts between the provisions of Article 8 and the legal requirements applicable to the POA (including but not limited to Texas Property Code Section 209.005 as it exists on the date of adoption of these Bylaws and as it is subsequently amended and/or interpreted by courts of competent jurisdiction), then the applicable law will control.

8.3 Request For Records

An Owner or the Owner's authorized representative requesting Association records must submit a written request by certified mail to the mailing address of the Association or authorized representative as reflected on the most current filed management certificate. The written request must contain:

- (a) sufficient detail to describe the books and records requested, and
- (b) a formal request either to inspect the books and records before obtaining copies or to have the Association forward copies of the requested books and records.

8.4 Timeline For Record Production

(a) **If inspection requested.** If an inspection is requested, the Association will respond within ten (10) business days by sending written notice by mail, fax, or email setting out the date(s) and times during normal business hours that the inspection may occur. Any inspection will take place at a mutually-agreed time during normal business hours, and the requesting party must identify any books and records the party wishes the Association to copy.

(b) **If copies requested.** If copies are requested, the Association will produce the copies within ten (10) business days of the request.

(c) **Extension of timeline.** If the Association is unable to produce the copies within 10 business days of the request, the Association will send written notice to the Owner by mail, fax, or email, within fifteen (15) business days of the date of the Association's notice, that the copies or inspection will be available.

8.5 Format

The Association may produce documents in hard copy, electronic form, or other format of its choosing.

8.6 Charges

In accordance with State law, the Association may charge for time spent compiling and producing all records, and may charge for copy costs if copies are requested. These charges will be the maximum amount then allowed bylaw under the Texas Administrative Code. The Association may require advance payment of actual or estimated costs. As of July 2011, the maximum allowable charges for common items are:

- (a) Paper copies – 10¢ per page

- (b) CD - \$1 per disc
- (c) DVD - \$3 per disc
- (d) Labor charge for requests of more than 50 pages - \$15 per hour
- (e) Overhead charge for requests of more than 50 pages – 20% of the labor charge
- (f) Labor and overhead may be charged for request for fewer than 50 pages if the records are kept in a remote location and must be retrieved.

8.7 Private Information Exempted From Production

In accordance with State law, the Association has no obligation to provide any information made confidential by law, including but not limited to the following:

- (a) history of an Owner's violations;
- (b) personal financial information of an Owner;
- (c) contact information for an Owner, other than the Owner's address;
- (d) personnel files or any other information relating to Association employees;
- (e) any document that constitutes the work product of the Association's attorney or that is privileged as an attorney-client communication;
- (f) files and records of the POA's attorney relating to the POA, excluding invoices created by an owner under Texas Property Code section 209.008(d) and
- (g) any other information that is considered confidential, privileged, private, non-disclosable, or exempt from disclosures under any other provision of Texas law or Federal Law;

8.8 Existing Records Only

The duty to provide documents on request applies only to existing books and records. The Association has no obligation to create a new document, prepare a summary of information, or compile and report data.

9. RECORD RETENTION

9.1 Effective Date

The following policy regarding records retention, set forth in Article 9 of these Bylaws, was adopted by the POA on January 1, 2012.

9.2 Conflict With Other Provisions

If there are any conflicts between the provisions of Article 9 and any provision in any other governing document (except for the Restrictive Covenants), the provisions of this Article 9 will control. If there are any conflicts between the provisions of Article 9 and the legal requirements applicable to the POA (including but not limited to Texas Property Code Section 209.005(m) as it exists on the date of adoption of these Bylaws and as it is subsequently amended and/or interpreted by courts of competent jurisdiction), then the applicable law will control.

9.3 Record Retention

The Association will keep the following records for at least the minimum time periods shown below:

- (a) Contracts with terms of at least one year – **4 years after expiration of contract**
- (b) Account records of current owners – **5 years**
- (c) Minutes of Owner meetings and Board meetings – **7 years**
- (d) Tax returns and audits – **7 years**
- (e) Financial books and records (other than account records of current Owners) – **7 years**
- (f) Governing documents including Articles of Incorporation, Bylaws, Restrictive Covenants, rules and all amendments – **permanently**.

9.4 Other Records

Records not listed above may be maintained or discarded in the Association's sole discretion.

PAYMENT PLANS

10.1 Effective Date

The following policy regarding payment plans, set forth in Article 10 of these Bylaws, was adopted by the POA on January 1, 2012.

10.2 Eligibility for Payment Plan

An Owner is eligible for a Standard Payment Plan *only if*:

- (a) The Owner has not been granted a payment plan with the Association in the immediately preceding 12month period;
- (b) The Owner has not defaulted under a prior payment plan with the Association in the immediately

preceding 24-month period;

(c) The Owner requests a payment plan no later than thirty (30) days after the Association sends notice to the Owner via verified mail notifying the Owner of the amount due, providing 30 days for payment, and describing the options for curing the delinquency. The Owner is responsible for confirming that the Association has received the Owner's request for a payment plan within the 30-day period. It is recommended that requests be in writing; and

(d) The Association receives the Payment Plan sent to the owner and the first payment within fifteen (15) days of the Payment Plan being sent via email, fax, mail, or hand-delivered to the Owner.

An Owner who is NOT eligible for a Standard Payment Plan may still request that the Association's Board grant the owner an alternate payment plan. Any such request must be directed to the person or entity currently handling the collection of the debt (the property manager or the Association's attorney). The decision to grant or deny an alternate payment plan, and the terms and conditions for any such plan, will be at the sole discretion of the Board.

10.3 Standard Payment Plan

The terms and conditions for a Standard Payment Plan are as follows:

(a) **Term.** Standard Payment Plans are for a term of 12 months (subject to the Board's discretion under Section 10.6).

(b) **Payments.** Payments will be made at least monthly and in approximately equal amounts, or, in the Board's sole discretion, the initial payment may be larger with smaller subsequent payments. A small initial payment with a large balloon payment at the end of the term is NOT allowed. Each payment must be received by the Association at the designated address by the required payment date, and may not be rejected, returned, dishonored, or denied by the Owner's bank for any reason. The Association may require ACH payments under any Payment Plan. Payments will be applied to the amounts owed in the following order: (i) delinquent assessments; (ii) current assessments; (iii) attorney's fees or third party collection costs; (iv) fines; then (v) any other amounts owed.

(c) **Assessments and Other Amounts Coming Due.** The Owner pay all current assessments and other charges of any kind which become due and owing in connection with any Lot owned by the Owner, throughout the term of the Payment Plan. The Board may, in its sole discretion, include those sums in calculating the payments due under the plan.

(d) **Additional Charges.** The Owner is responsible for reasonable charges related to negotiating, preparing and administering the payment plan. All payment plans shall include interest at the rate of ten percent (10%) per annum, all of which shall be included in calculating the total amount due under the payment plan and the amount of the related payments. The Owner will not be charged late fees or other charges related to the delinquency during the time the Owner is full compliance with all terms of a payment plan and all other provisions of the dedicatory instruments.

(e) **Contact Information.** The owner must provide relevant contact information and keep the same up-to-date.

(f) **Additional Conditions.** The Board may in its sole discretion impose additional conditions under the plan, which shall be contained in the payment plan agreement, and the Owner shall comply with all such

conditions.

(g) **Default.** The Owner will be in default under the payment plan if the Owner fails to comply with any requirements of the dedicatory instruments, or with any provision in the payment plan agreement.

10.4 Account Sent for Collection

An Owner does not have the right to a Standard Payment Plan after the 30-day period referred to in Section 10.2(c). Once the Owner's account is sent to an attorney or agent for collection, the delinquent Owner must communicate with that attorney or agent to arrange for payment of the debt. The decision to grant or deny the Owner an alternate payment plan, and the terms and conditions of any such plan, is solely at the discretion of the Board.

10.5 Default

If the Owner defaults under any payment plan, the Association may proceed with any collection activity authorized under the dedicatory instruments or other provisions of law without further notice, including but not limited to expedited foreclosure. If the Association elects to provide notice of default, the Owner will be responsible for all fees and costs associated with the drafting and sending of such notice. All late fees and other charges that otherwise would have been posted to the Owner's account may also be assessed to the Owner's account in the event of a default.

10.6 Board Discretion

The Board may vary the obligations imposed on Owners under these Bylaws on a case-by-case basis, including curtailing or lengthening the payment plan terms as it may deem appropriate and reasonable. The term length set forth in Section 10.3 shall be the default term length absent Board action setting a different term length. No such action shall be construed as a general abandonment or waiver of these Bylaws, nor vest rights in any other Owner to receive a payment plan at variance with the requirements set forth in these Bylaws.

10.7 Legal Compliance

This Article 10 is intended to comply with the relevant requirements established under Texas Property Code §209. In case of ambiguity, uncertainty, or conflict, this Article 10 shall be interpreted in a manner consistent with all such legal requirements.

11. AMENDMENTS TO BY-LAWS

These By-laws may be amended, at a regular or special meeting of Members, by a majority vote of the Board of Directors, on the express condition that the Members shall be notified of the proposed amendments at least 21 days before the meeting at which they are to be considered.

In the event of any conflict between the Restrictive Covenants and these By-laws, the Restrictive Covenants shall control.

12. MORTGAGES

12.1 Notice Of Unpaid Assessments

The Association shall, at the request of a Mortgagee of a Lot, report the amount and payment history of any unpaid Assessments and other charges which are due and owing from the Owner of such Lot. In addition, the Association shall provide all information required to be disclosed by law, including but not limited to a resale certificate as described in Texas Property Code Section 207.003.

13. NON-PROFIT ASSOCIATION

13.1 Non-Profit Purpose

The Association is not organized for profit. No Owner, Member, Director, or person from whom the Association may receive any property or funds shall receive or shall be lawfully entitled to receive any pecuniary profit from the operation thereof, and in no event shall any part of the funds or assets of the Association be paid as a salary or compensation to or inure to the benefit of any Director, provided, however that: (i) reasonable compensation may be paid to any Member while acting as an agent or employee of the Association for services rendered in effecting one or more of the purposes of the Association, and (ii) any Director may, from time to time, be reimbursed for his actual and reasonable expenses incurred in connection with the administration of the affairs of the Association, subject to prior approval of the Board.

13.2 Filing Of Papers

The Board shall cause to be filed with all applicable government agencies, such certificates, reports, and other paperwork as necessary to assure that the Association, to the greatest extent possible, retains its tax-exempt status as a Texas non-profit corporation operating exclusively as a homeowners association within the meaning of Section 528 of the Internal Revenue Code of 1986, as amended, or the corresponding provision(s) of any subsequent United States Internal Revenue law(s).

14. INDEMNIFICATION

14.1 Definitions

For the purposes of this Article:

(a) "Indemnatee" means (i) any present or former director, advisory director or officer of the Association; (ii) any person who, while serving in any of the capacities referred to in clause (i) hereof, served at the Association's request as a director, officer, partner, proprietor, trustee, employee, agent, or similar functionary of another foreign or domestic corporation, partnership, joint venture, trust, employee benefit plan or other enterprise; and (iii) any person nominated or designated by (or pursuant to authority granted by) the Board or any committee thereof to serve in any of the capacities referred to in clauses (i) and (ii) hereof.

(b) "Official Capacity" means (i) when used with respect to a Director, the office of the Director, and (ii) when used with respect to a person other than a Director, the elective or appointive office of the Association held by such person, or the employment or agency relationship undertaken by such person on behalf of the Association, but in each case does not include service for any other foreign or domestic corporation, or any partnership, joint venture, sole proprietorship, trust, employee benefit plan, or other enterprise.

(c) "Proceeding" means any threatened, pending, or completed action, suit or proceeding, whether civil, criminal, administrative, arbitral or investigative, any appeal in such an action, suit or proceeding, and any inquiry or investigation that could lead to such an action, suit or proceeding.

14.2 Indemnification

The Association shall indemnify every Indemnitee against all judgments, penalties (including excise and similar taxes), fines, amounts paid in settlement, and reasonable expenses actually incurred by the Indemnitee in connection with any Proceeding in which he was, is, or is threatened to be named a defendant or respondent, or in which he was or is a witness without being named a defendant or a respondent, by reason, in whole or in part, of his serving or having served, or having been nominated or designated to serve, in any of the capacities referred to in Section 14.1(a), if it is determined that the Indemnitee, in accordance with Section 14.4 (i) conducted himself in good faith; (ii) reasonably believed, in the case of conduct in his Official Capacity, that his conduct was in the Association's best interests and, in all other cases, that his conduct was, at the least, not opposed to the Association's best interests; and (iii) in the case of any criminal proceeding, had no reasonable cause to believe that his conduct was illegal. Such indemnification is provided, however, that in the event that an Indemnitee is found liable to the Association or is found liable on the basis that personal benefit was improperly received by the Indemnitee, the indemnification (i) is limited to reasonable expenses actually incurred by Indemnitee in connection with the Proceeding and (ii) shall not be made in respect of any Proceeding in which Indemnitee shall have been found liable for willful or intentional misconduct in the performance of his duty to the Association. Except as provided in the immediately preceding proviso to the first sentence of this Section 14.2, no indemnification shall be made under this Section 14.2 in respect of any Proceeding in which such Indemnitee shall have been (i) found liable on the basis that personal benefit was improperly received by him, whether or not the benefit resulted from an action taken in the Indemnitee's Official Capacity, or (ii) found liable to the Association.

The termination of any Proceeding by judgment, order, settlement, or conviction, or on a plea of *nolo contendere* or its equivalent, is not of itself determinative that Indemnitee did not meet the requirements set forth in clauses (i), (ii), or (iii) in the first sentence of this Section 14.2. An Indemnitee shall be deemed to have been found liable in respect of any claim, issue, or matter only after the Indemnitee shall have been so adjudged by a court of competent jurisdiction after exhaustion of all appeals therefrom. Reasonable expenses shall include, but are not limited to, all court costs and all fees and disbursements of attorneys for the Indemnitee.

14.3 Successful Defense

If an Indemnitee has been wholly successful, on the merits or otherwise, in defense of a Proceeding in which he is a witness or a named defendant or respondent because he served in any of the capacities referred to in Section 14.1(a), the Association, without limitation of Section 14.2 and in addition to the indemnification provided for in Section 14.2, shall indemnify the Indemnitee against reasonable expenses incurred by Indemnitee in connection with such a Proceeding.

14.4 Determinations

Any indemnification under Section 14.2 (unless ordered by a court of competent jurisdiction) shall be made by the Association only upon a determination that indemnification of the Indemnitee is proper in the circumstances because he has met the applicable standard of conduct.

Any such determination shall be made (i) by the Board by a majority vote of a quorum consisting of Directors who, at the time of such vote, are not named as defendants or respondents in the Proceeding; (ii) if such a quorum cannot be obtained, then by a majority vote of all Directors (in which designation Directors who are named defendants or respondents in the Proceedings may participate), such committee to consist solely of two (2) or more Directors who, at the time of the committee vote, are not named defendants or respondents in the Proceeding; (iii) by special legal counsel chosen by the Board or a committee thereof by vote as set forth in clauses (i) or (ii) of this Section 14.4, or, if the requisite quorum of Directors cannot be obtained and such committee cannot be established, by a majority vote of all Directors (including any Directors who are named defendants or respondents in the Proceeding); or (iv) by the Members in a vote that excludes the Directors who are named defendants or respondents in the Proceeding. Determination of "reasonable expenses" shall be made in the same manner as the determination of indemnification, except that if the determination that indemnification is permissible is made by special legal counsel, the determination of "reasonable expenses" must be made in the manner specified in clause (iii) of the preceding paragraph for the selection of special legal counsel. In the event that the Indemnitee has met the applicable standard of conduct as to some matters but not as to others, amounts to be indemnified may be reasonably prorated.

14.5 Payment Of Expenses

Any reasonable expenses (including court costs and attorney's fees) incurred by an Indemnitee who was or is a witness, or who is or is threatened to be named a defendant or respondent in a Proceeding, shall be paid by the Association at reasonable intervals prior to the final disposition of such Proceeding, without making any of the determinations specified in Section 14.4, after receipt by the Association of (i) a written affirmation by such Indemnitee that he believes in good faith that he has met the standard of conduct necessary for indemnification by the Association under this Article 14 and (ii) a written undertaking by or on behalf of such Indemnitee to repay the amount paid or reimbursed by the Association if Indemnitee is ultimately determined by the Association to not be entitled to indemnification, as authorized in this Article 14. Such written undertaking shall be an unlimited obligation of the Indemnitee, but need not be secured and it may be accepted without reference to any financial ability to repay such sums. Notwithstanding any other provision of this Article 14, the Association may pay or reimburse expenses incurred by an Indemnitee in connection with his appearance as a witness or other participation in a Proceeding in which he is not named a defendant or respondent in the Proceeding.

14.6 Other Indemnification And Insurance

The indemnification provided in this Article 14 shall (i) not be exclusive of, or preclude, any other rights to which those seeking indemnification may at any time be entitled under the Articles, any applicable law, agreement or vote of Members or disinterested Directors, or otherwise, or under any policy or policies of insurance purchased and maintained by the Association on Indemnitee's behalf, both as to action in his Official Capacity and as to action in any other capacity, (ii) continue as to a person who has ceased to be in the capacity by reason of which he was an Indemnitee with respect to matters arising during the period he was in such capacity, and (iii) inure to the benefit of the heirs, successors, and assigns of such Indemnitee.

14.7 Notice

Any indemnification of an Indemnitee or any payment of expenses to an Indemnitee in accordance with this Article 14 shall be reported in writing to the Members, with or before the notice or waiver of notice of the next meeting of the Members, or with or before the next submission to the Members of a consent to action without a meeting. Any such notice shall occur within the twelve (12) month period immediately following the date of indemnification or advance.

14.8 Invalidity

The indemnification provided by this Article 14 shall be subject to all valid and applicable laws, including, but not limited to, Article 2.02-1 of the Texas Business Association Act. In the event this Article 14 or any of the provisions herein, or the indemnification contemplated hereby, are found to be inconsistent with or contrary to any such laws, the applicable laws shall be deemed to control and this Article 14 shall be regarded as modified accordingly, and, as so modified, to continue in full force and effect.

14.9 Continuing Offer, Reliance, etc.

The provisions of this Article 14 (i) are for the benefit of, and may be enforced by, each Indemnitee of the Association the same as if set forth in their entirety in a written instrument duly executed and delivered by the Association and such Indemnitee, and (ii) constitute a continuing offer to all present and future Indemnities.

By the adoption of these By-laws, the Association (i) acknowledges and agrees that each Indemnitee of the Association has relied upon and will continue to rely upon the provisions of this Article 14 in becoming, and serving in any of the capacities referred to in Section 14.1(a) herein, (ii) waives reliance upon, and all notices of acceptance of, such provisions by such Indemnities, and (iii) acknowledges and agrees that no present or future Indemnitee shall be prejudiced in his right to enforce the provisions of this Article 14 in accordance with their terms by any act or failure to act on the part of the Association.

14.10 Effect Of Amendment

No amendment, modification, or repeal of this Article 14 or any provision hereof shall, in any manner, terminate, reduce, or impair the right of any past, present, or future Indemnities to be indemnified by the Association, nor the obligation of the Association to indemnify any such Indemnities under and in accordance with the provisions of this Article 14 as in effect immediately prior to such amendment, modification, or repeal with respect to claims arising from, or relating to, matters occurring, in whole or in part, prior to such amendment, modification or repeal, regardless of when such claims may arise or be asserted.

15. FLAGS

15.1 General

An Owner may display flags only on his/her Lot and only in compliance with this Article 15. An Owner may not display flags on the Common Areas, or on any other lands owned or maintained by the Association

for any reason or at any time.

15.2 Additional Requirements For Flags

(a) Flags must be displayed on a flagpole or mount approved by the POA. Flags may not be displayed in any other manner.

(b) No more than one flag at a time may be displayed on a flag mount. No more than two flags at a time may be displayed on a flagpole.

(c) Flags on flagpoles must be hoisted, flown, and lowered in a respectful manner. Flags must never be flown upside down and must never touch the ground.

(d) If both the U.S. and Texas flags are displayed on a flagpole, they must be of approximately equal size, and the Texas Flag must be no higher than the US Flag.

(e) Only all-weather flags may be displayed during inclement weather.

(f) Flags must be no larger than 8' x10' in size.

15.3 Materials And Appearance Of Flagpoles And Mounts

A flag mount attached to a dwelling or a freestanding flagpole must be constructed of permanent, long-lasting materials, with a finish appropriate to the materials used in the construction of the mount or flagpole and harmonious with the dwelling, in the sole discretion of the Committee.

The following additional requirements shall also apply to flagpoles installed on Lots:

(a) No more than three flagpoles may be installed at one residence.

(b) The flagpole must be free-standing and installed vertically.

(c) The flagpole must be no greater than 20' in height measured from grade level.

(d) The location and construction of the flagpole must comply with applicable zoning ordinances, may not be located in any easements (including drainage easements), and comply with all setback requirements.

(e) Unless otherwise approved by the Architectural Review Committee, the location of the flagpole must be within 10' of one of the side-most building lines of the home, and within 10' of the front-most building line of the home. The Committee may require the pole to be installed on a particular location on the Lot.

(f) The Owner must ensure that external halyards (hoisting ropes) used on the flagpole do not create an unreasonable amount of noise.

15.4 Lighting Of Flag Displays

Any lights installed for the purpose of illuminating a flag must be pre-approved by the Association. Such light installations must be of a reasonable size and intensity and placed in a reasonable location, so that the lights do not unreasonably disturb other residents or neighbors. All flag illumination lighting must be specifically dedicated to that purpose. No other interior or exterior lighting (including security floodlights or spotlights) may be directed toward a displayed flag for purposes of illuminating the flag.

15.5 Maintenance

An Owner is responsible for ensuring that a displayed flag, flagpole, flag mount(s), lighting and related equipment are maintained in good and attractive condition at all times, at the Owner's expense. Any flag, flagpole, flag mount, light, or related equipment or item that is in a deteriorated or unsafe condition must be repaired, replaced, or removed promptly upon the discovery of its condition.

16. SOLAR ENERGY DEVICES

16.1 Conflict With Other Provisions

If there are any conflicts between the provisions of this Article 16 and any provision in any other governing document, the provisions of this Article 16 will control.

16.2 Definition

For the purposes of this Article 16, "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. All solar devices not meeting this definition are prohibited.

16.3 Prior Approval Required

An Owner may install solar energy devices only on property solely owned and solely maintained by the Owner, and only in accordance with the restrictions provided in this Article. Owners may not install solar energy devices except in accordance with this Article. Prior to installation of any solar energy device, the Owner must submit plans for the device and all appurtenances thereto to the Architectural Review Committee. The plans must provide an as-built rendering, and give details of the location, size, materials, and color of the solar device, and provide calculations of the estimated energy production of the proposed solar device.

16.4 Prohibited Devices

Owners may not install solar energy devices that:

- (a) Threaten the public health or safety;
- (b) Violate a law;
- (c) Are located on property owned by the Association;
- (d) Are located in an area owned in common by the Members;
- (e) Are located in an area on the Owner's property other than:
 - (i) On the roof of the home (or of another structure on the Owner's Lot allowed under the Restrictive Covenants; or
 - (ii) In a fenced yard or patio owned and maintained by the Owner;
- (f) Are installed in a manner that voids material warranties;
- (g) Are installed without prior approval of the Committee; or
- (h) Substantially interfere with the use and enjoyment of land by causing unreasonable discomfort or annoyance to persons of ordinary sensibilities. **This determination may be made at any time, and the Committee may require removal of any device in violation of this or any other requirement.**

16.5 Limitations On Roof-Mounted Devices

If the device is mounted on the roof of the Owner's home, it must:

- (a) Not extend higher than or beyond the roofline;
- (b) Be located only on the back of the home (the side of the roof opposite the street). The Committee may grant a variance in accordance with State law if the alternate location is substantially more efficient, i.e. if the alternate location increases the estimated annual energy production of the device by more than 1 percent. It is the Owner's responsibility to determine and provide sufficient evidence to the Committee of all energy production calculations. All calculations must be performed by an industry professional;
- (c) Conform to the slope of the roof, and have all top edges parallel to the roofline; and
- (d) Not have a frame, support bracket, or visible piping or wiring that is any color other than silver, bronze, or black tone commonly available in the marketplace.

16.6 Limitations On Devices In A Fenced Yard Or Patio

If the device is located in a fenced yard or patio, it may not be taller than the fence line.

16.7 Solar Shingles

All solar shingles must:

(a) Be designed primarily to (i) be wind and hail resistant; (ii) provide heating/cooling efficiencies greater than those provided by customary composite shingles, or (iii) provide solar generation capabilities; AND

(b) When installed: (i) resemble the shingles used or otherwise authorized for use on property in the subdivision; (ii) be more durable than and of equal or superior quality to the shingles used or otherwise authorized for use on property in the subdivision; and (iii) match the aesthetics of the property surrounding the Owner's Lot.

17. RAINWATER COLLECTION

17.1 Prior Approval Required

Owners may install rain barrels or rainwater collection systems only with prior written approval from the Architectural Committee, and only in accordance with the restrictions described in this Article 17. Owners wishing to install such systems must submit plans showing the proposed location, color(s), materials, shielding, dimensions of the proposed installations, and whether any part of the proposed installations will be visible from the street, another Lot, or a Common Areas (and if so, what parts will be visible). The location details must provide measurements as to how far the installations will be from the side, front and back property lines of the Owner's Lot.

17.2 Prohibited Locations

Owners are prohibited from installing rain barrels or rainwater collection systems, or any part thereof, in the following locations:

(a) on property owned by the Association;

(b) on property owned in common by the Members of the Association; or

(c) on property between the front of the Owner's home and an adjoining or adjacent street.

17.3 Appearance Restrictions

Owners are prohibited from installing rain barrels or rainwater collection systems that:

(a) are of a color that is inconsistent with the color scheme of the Owner's home;

(b) display any language or other content that is not typically displayed by such a barrel or system as manufactured; or

(c) are not constructed in accordance with the plans approved by the Committee.

17.4 Additional Restrictions

If any part of the installation is installed in a side yard, or will be visible from the street, another Lot, or a Common Area, the Association may impose restrictions on the size, type, materials, and shielding of, the installation, through denial of plans or conditional approval of plans.

18. RELIGIOUS DISPLAYS

18.1 General

State statute allows Owners to display certain religious items in the Owner's entry, and further allows the Association to impose certain limitations on such entry displays. This Article outlines the limitations on religious displays in an Owner's entry area. Notwithstanding any other language in the Restrictive Covenants to the contrary, residents may display on the entry door or doorframe of the resident's home one or more religious items, subject to the restrictions outlined in Section 18.2 below. Allowed religious displays are limited to displays motivated by the resident's sincere religious belief.

18.2 Prohibited Items

No religious item(s) displayed in an entry area may:

- (a) threaten the public health or safety;
- (b) violate a law;
- (c) contain language, graphics, or any display that is patently offensive to a passerby;
- (d) be located anywhere other than the main entry door or doorframe of the dwelling;
- (e) extend past the outer edge of the door frame; or
- (f) have a total size (individually or in combination) of greater than twenty-five (25) square inches.

18.3 Remedies For Violations

Per State statute, if a religious item is displayed in violation of this Article, the Association may remove the offending item without prior notice. This remedy is in addition to any other remedies the Association may have under the Restrictive Covenants or State law.

18.4 Seasonal Religious Holiday Decorations

This Article will not be interpreted to apply to otherwise-permitted temporary seasonal religious holiday decorations such as Christmas lighting or wreaths. The Board has the sole discretion to determine what

items qualify as "seasonal religious holiday decorations" and may impose time limits and other restrictions on the display of such decorations. Seasonal religious holiday decorations must comply with all other provisions of the Restrictive Covenants, but are not subject to this Article 18.

18.5 Other Displays

Non-religious displays in the entry area to an Owner's residence and all displays (religious or otherwise) outside of the entry area to an Owner's residence are governed by the provisions of the Restrictive Covenants and these Bylaws.

19. VIOLATIONS AND ENFORCEMENT

19.1 Suspension of Privileges; Fines

In the event of a violation of the Restrictive Covenants, Bylaws, Association Rules, or any other governing document the Board, acting on behalf of the Association, in addition to any other remedies provided by the Restrictive Covenants, Bylaws, or Association Rules and remedies available pursuant to State statute or other law, may upon giving proper notice:

- (a) suspend or condition the right of an Owner and any tenants, occupants, or guests to use the Common Areas and facilities situated on Association Property;
- (b) record a notice of non-compliance encumbering an Owner's Lot(s);
- (c) levy a damage assessment against the Lot(s) for damages caused by an Owner's actions in violation of the Restrictive Covenants, Bylaws, Association Rules or other governing documents;
- (d) levy collection or deed restriction enforcement costs against an Owner;
- (e) assess a fine, late fee, and collection and enforcement costs against an Owner and Lots(s) for the violation by Owner, his/her tenants, occupants, or guests in an amount to be determined by the Board; and
- (f) after notice, enter an Owner's property, including structure(s), for the purposes of curing or causing to be cured a violation of a governing document, or otherwise cure a violation or cause it to be cured on behalf of an Owner, and charge all costs of such cure to the Owner's account; provided, however, that no notice shall be required in the event of an emergency.

The Owner shall have a reasonable period of time to cure the violation, if the violation is of a curable nature and does not pose a threat to public health or safety. The Owner shall have 30 days from the date of mailing of the notice to request a hearing before the Board of Directors.

Any amounts charged to an Owner under these procedures may be collected in the same manner as assessments under the Restrictive Covenants. Owners are responsible for all violations of their occupants, tenants, guests, agents and invitees. The Association may foreclose the lien in any manner authorized by the Restrictive Covenants or by State law, and shall expressly have a power of sale and right to appoint a Trustee to carry out such sale.

It is the Owner's responsibility to notify the Association, in writing, when a violation has been

enured so as to stop any fines from being assessed. Fines may continue to be assessed until the Association receives such notice from the Owner.

19.2 Attorneys' Fees

The Association may assess reasonable attorneys' fees to an Owner's account for consequences of amounts due or other violations of the Restrictive Covenants, Bylaws or Association Rules.

19.3 Non-Waiver

The failure of the Association to enforce any provisions of the Restrictive Covenants, Bylaws or Association Rules shall not constitute a waiver of the right to enforce the same thereafter. All provisions of the Restrictive Covenants, Bylaws and Association Rules are cumulative and not exclusive.

19.4 Payments

The Association shall not be bound to apply any payment according to the Owner's instructions. All payments shall be applied to the following, in this order:

- (1) any delinquent assessment;
- (2) any current assessment;
- (3) any attorney's fees or third party collection costs incurred by the association associated solely with assessments or any other charge that could provide the basis for foreclosure;
- (4) any attorney's fees incurred by the association that are not subject to Subdivision (3);
- (5) any fines assessed by the association; then
- (6) any other amount owed to the association.

The Association may at any time require payments from one or more Owners to be made in cash or certified funds.

19.5 Enforcement Action at Board's Discretion

The decision to pursue enforcement action in any particular case shall be left to the Board's discretion, except that the Board shall not be arbitrary or capricious in taking enforcement action, and shall not unlawfully discriminate against any person.

20. CERTIFICATION

These Bylaws supersede any and all previous Bylaws, amendments, and addendums to the Bylaws of Sportsman's Paradise Property Owner's Association written prior to the date this document was filed at the Henderson County Texas County Clerk's office.

IN WITNESS WHEREOF, we, being the Directors of Sportsman's Paradise Property Owner's Association, have hereunto set our hands this 10 day of September, 2007.

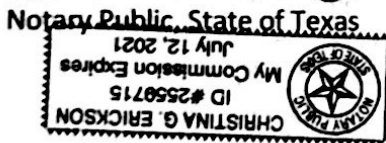
STATE OF TEXAS
COUNTY OF HENDERSON

"My name is DALE GOODWILL. I am the President of Sportsman's Paradise Property Owners Association, Inc. ("the Association"). The attached document is the original "Amended Bylaws of the Sportsman's Paradise Property Owners' Association, Inc." which were adopted by the Association's Members on 6th day of September, 2020, in accordance with the procedure set forth in the Association's Bylaws and other governing documents which were previously in effect."

DALE GOODWILL
DALE GOODWILL, President
Sportsman's Paradise
Property Owner's Association

SIGNED under oath before me on the 6th day of September, 2020, by DALE GOODWILL

Christina G. Erickson



Return To: SPPOA

P.O. Box 854

Chandler, TX 75758