

**BYLAWS OF
THE RANCHES AT BOBCAT RIDGE PROPERTY OWNERS' ASSOCIATION, INC.,
A NONPROFIT CORPORATION**

**Article I
Definitions**

The words, phrases and terms used in these Bylaws shall have the meanings as set forth in the Declaration of Covenants, Conditions, Restrictions, Easements, Charges and Liens for The Ranches at Bobcat Ridge Subdivision executed by The Ranches at Bobcat Ridge, LLC, as Developer therein, and recorded in the Official Records of the County Clerk's office, Hill County, Texas (as modified, amended or supplemented, from time to time, the "Declaration").

Section 1.1 "Association" means and refers to The Ranches at Bobcat Ridge Property Owners' Association, Inc., its successors and assigns, a nonprofit Texas Corporation.

Section 1.2 "Common Area" means all real property owned by the association for the common use and enjoyment of the Owners and as further set forth in the Declaration of Covenants, Conditions, Restrictions, Easements, Charges and Liens for The Ranches at Bobcat Ridge Subdivision.

Section 1.3 "Developer" means and refers to The Ranches at Bobcat Ridge, LLC, a Delaware Limited Liability Company, its successors and assigns.

Section 1.4 "Declaration" means and refers to the Declaration of Covenants, Conditions, Restrictions, Easements, Charges and Liens for The Ranches at Bobcat Ridge Subdivision, as it may be amended from time to time.

Section 1.5 "Lot" means and refers to any lot of land shown on the recorded subdivision plat with the exception of the Common Area and as further set forth in the Declaration of Covenants, Conditions, Restrictions, Easements, Charges and Liens for The Ranches at Bobcat Ridge Subdivision.

Section 1.6 "Member" means and refers to an Owner who is a member of the Association as provided in Article V of the Declaration of Covenants, Conditions, Restrictions, Easements, Charges and Liens for The Ranches at Bobcat Ridge Subdivision.

Section 1.7 "Owner" means and refers to the record Owner, whether one or more persons or entities, of the fee-simple title to any Lot(s) later developed, but shall not mean or refer to any mortgagee or subsequent holder of a mortgage, unless and until such mortgagee or holder has acquired title pursuant to foreclosure or any proceedings in lieu of foreclosure. Said term "Owner" shall also refer to the heirs, successors and assigns of any Owner. The Developer shall not be deemed an Owner.

Section 1.8 "Subdivision" means and refers to all property including Lots and Common Area on the plat of the subdivision filed by the Developer in the Map and Plat Records

of Hill County Texas and all areas subject to the Declaration. All references to "The Ranches at Bobcat Ridge" or "Properties" means this subdivision as defined in this Section 1.8.

Article II

Administration of Subdivision

Section 2.1 Power and Authority: The Association shall have the following powers and authority:

A. To own, purchase, manage, maintain, repair and replace the Common Area or any other part of the Property for which the Association is responsible under the Governing Documents, as well as any or all of the equipment or property of any type used in connection with the maintenance and preservation thereof.

B. To make assessments against the Owners of Lots in the Subdivision for payment of expenses incurred in accordance with the provisions of the Declaration or as otherwise permitted by law.

C. To promulgate such rules and regulations with respect to the Project, and to perform such deeds and acts as are deemed necessary to achieve the aforesaid objectives, and to promote the recreation, health, safety and welfare of the Members of the Association, all in accordance with the provisions of the Declaration.

D. To do or undertake any other lawful act or activity for which nonprofit corporations may be organized under the Texas Nonprofit Corporation Act (the "Act") and to exercise all powers which may be granted unto the Association by applicable law.

Section 2.2 Official Action: Unless specifically required in the Declaration or otherwise by law, all actions taken or to be taken by the Association shall be valid when such are approved by the Board as hereinafter set forth or when taken by the officer, committee, person or entity to whom such authority has been duly delegated by the Board as permitted in the Governing Documents or as otherwise allowed by law. The Association, its Board, officers and Members shall at all times act in conformity with the Act, and the Governing Documents.

Article III

Offices-Seal-Fiscal Year

Section 3.1 Principal Office and Registered Office: The principal office of the Association shall be located at such places as the Board may fix from time to time. The registered office of the Association required by law to be maintained in the State of Texas may be, but need not be, identical with the principal office.

Section 3.2 Other Offices: The Association may have other offices at such other places within the State of Texas as the Board may from time to time determine or as the affairs of the Association may require.

Section 3.3 Seal: The seal of the Association shall be in the form of two concentric circles with the name of the Association printed between the two concentric circles with "Corporate Non-Profit" printed in the inner circle and "Seal Texas 2018" printed in the center of the seal.

Section 3.4 Fiscal Year: The fiscal year of the Association shall be fixed by the Board.

Article IV Membership

Section 4.1 Qualification: Membership in the Association shall be limited to the Owners, and every Owner of a Lot shall automatically be a Member of the Association. "Membership" means all Members as a group. Membership in the Association shall be appurtenant to and may not be separated from Lot ownership. The date of recordation in the Official Records of the County Clerk's office of Hill County, Texas of the deed conveying any Lot shall govern the date of ownership of that Lot. However, in the case of death, the transfer of ownership shall occur on the date of death (in the case of intestacy), or on the date of probate of the will (in the case of testacy). Until a descendant's will is probated, the Association will rely upon the presumption that a deceased Owner died intestate.

Section 4.2 Place of Meeting: All meetings of the Membership shall be held at a place within Hill County, Texas, or at such other place, either within or without the State of Texas, as designated in the notice of the meeting.

Section 4.3 Annual Meeting: A meeting of the Association shall be held at least once each year. The first annual meeting of the Members will be held within one year from the date of incorporation of the Association or not later than thirty (30) days after one hundred percent (100%) of the lots have been sold, whichever first occurs. Thereafter, the Annual Meeting of the Association shall be held on the second Tuesday in July of each year at 7:00 p.m., Central Standard Time, if not a legal holiday. If the day for the annual meeting of Members is a legal holiday, the meeting will be held at the same hour on the next following day which is not a legal holiday. At such meetings, the Board shall be elected in accordance with Article V of these Bylaws, and the Members shall transact such other business as may properly come before the meeting.

Section 4.4 Substitute Annual Meetings: If an Annual Meeting is not held on the day designated by these Bylaws, a Substitute Annual Meeting may be called in accordance with the provisions of Sections 4.5 and 4.6. A meeting so called shall be designated and treated for all purposes as the Annual Meeting.

Section 4.5 Special Meetings: After the first Annual Meeting of the Members, Special Meetings of the Members may be called at any time by the President, by Owners having ten percent (10%) of the votes of the Association, by a majority of the Board, or as permitted by law. Business to be acted upon at all Special Meetings shall be confined to the subjects stated in the notice of such meeting.

Section 4.6 Notices of Meetings: Written or printed notice stating the time and place

of a Membership meeting, including Annual Meetings, and the items on the agenda, including the general nature of any proposed amendment to the Declaration or these Bylaws, any budget changes, and any proposal to remove a director or officer, shall be delivered not less than ten (10) nor more than sixty (60) days before the date of any such Membership meeting, by or at the direction of the President or the Secretary, either by hand delivery or by mail, to the mailing address of each Lot or to any other mailing address designated in writing by an Owner. Notice given to any one tenant in common, tenant by entirety or other joint Owner of a Lot shall be deemed notice to all Owners of the subject Lot. Notice of any Special Meeting shall specifically state the purpose or purposes for which the meeting is called.

Section 4.7 Quorum: Except as otherwise expressly required in these Bylaws, the presence in person or by proxy of Members entitled to cast thirty percent (30%) of the votes which may be cast, shall constitute a quorum at all meetings of the Members. If a quorum is not present or represented at any meeting, the Members entitled to vote shall have the power to adjourn the meeting to another date and time without having to give notice other than the announcement of the new date and time of the meeting. At a subsequent meeting held due to the lack of a quorum then the presence in person or by proxy of Members entitled to cast twenty percent (20%) of the votes which may be cast, shall constitute a quorum at that meeting of the Members. If a quorum is still not present or represented at that meeting then, the Members entitled to vote shall have the power to adjourn the meeting to another date and time, without notice other than the announcement at that meeting of the new date and time of the meeting. At a subsequent meeting held due to a continued lack of a quorum then the presence in person or by proxy of Members entitled to cast fifteen (15%) of the votes which may be cast, shall constitute a quorum at that meeting of the Members. If a quorum is still not present or represented at that meeting then, the Members entitled to vote shall have the power to adjourn the meeting to another date and time, without notice other than the announcement at that meeting of the new date and time of the meeting. At a subsequent meeting held due to a continued lack of a quorum then a majority vote of those votes present in person or by proxy shall constitute a quorum at that meeting of the Members. The Members at any meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal of Members leaving less than a quorum in attendance.

Section 4.8 Voting Rights: The voting rights of Members in the Association shall be as set forth in the Declaration. If fee simple title to a Lot is owned of record by more than one person or entity, all such persons or entities shall be Members of the Association, but the vote with respect to any such jointly owned Lot shall be cast as hereinafter provided. In no event may the vote which may cast with respect to any Lot be divided among joint Owners of the Lot or cast in any manner other than as a whole, it being the intention of this Section 4.8 that there be no "splitting" of votes that may be cast by any Member or Members.

Section 4.9 Proxies: Members may vote either in person or by agents duly authorized by written proxy executed by the subject Member or by his duly authorized attorney-in-fact. A proxy is not valid after the earlier of the term stated therein or the expiration of eleven (11) months from the date of its execution. In order to be effective, all proxies must be dated and filed with the Secretary or duly acting Secretary either during or prior to the meeting in question. A

Member may not revoke a proxy given pursuant to this Section 4.9 except by actual notice of revocation delivered to the person presiding over a meeting of the Association. The proxy of any Owner will automatically terminate on conveyance by such Owner of his or her lot.

Section 4.10 Majority Vote: The cast of a majority of the votes represented at a meeting at which a quorum is present, in person or by proxy, shall be binding for all purposes except where a different percentage vote is required by these Bylaws, the Declaration, the Certificate of Formation of the Association, or by law.

Section 4.11 Actions By Written Ballots: Any action which may be taken at a meeting of the Membership may be taken without a meeting by written ballot.

Article V Board

Section 5.1 General Powers: The business and affairs of the Association shall be managed by the Board or by such committees as the Board may establish pursuant to Article VI of these Bylaws. Provided, however, the Board may not act on behalf of the Association to amend the Declaration, to terminate the planned community, to elect Members of the Board, or to determine the qualifications, powers and duties, or terms of office of Board Members. The Board may, however, fill vacancies in its Membership for the unexpired portion of any term.

Section 5.2 Number, Term, and Qualifications: The initial Board shall consist of the three (3) individuals appointed by the Developer and who need not be Members. The Board members appointed by the Developer need not be Owners in the Subdivision. On or before the 120th day after the date seventy five percent (75%) of the lots that may be created and made subject to the Declaration are conveyed to Owners other than Developer, at least one-third of the Board Members must be elected by Owners other than the Developer. After all of the lots are sold then the Board shall consist of not less than three (3) but no more than five (5) directors. Within these limits, the Board may change the number of directors. No decrease in the number of directors may shorten the current term of a director. The directors, after the Developer transfers control, shall be elected by the Members. Directors after Developer transfers control shall be elected to staggered terms. Board members may succeed themselves in office.

Section 5.3 Election of Board Members: Subject to the right of the Developer to appoint Directors as provided in Section 5.2, the election of all Board Members shall be by ballot. Persons receiving the highest number of votes (see Section 4.8) shall be elected. Cumulative voting is not permitted.

Section 5.4 Removal: Any Board Member, other than a Member appointed by the Developer, may be removed from the Board, with or without cause, by a vote of at least sixty-seven percent (67%) of the votes entitled to be cast by all Members present and entitled to vote at any meeting of the Membership at which a quorum is present; provided, the notice of the meeting must state the purpose, or one of the purposes, of the meeting is removal of the Board Member. Board Members appointed by the Developer may only be removed by the Developer and can be removed with or without cause. If any Board Members are so removed, their

successors as Board Members may be elected by the Developer or the Membership at the same meeting to fill the unexpired terms of the Board Members so removed as provided in Section 5.3.

Section 5.5 Vacancies: A vacancy occurring in the Board may be filled by a majority of the remaining Board Members, though less than a quorum, or by the sole remaining Board Member; provided, however, a vacancy created by an increase in the authorized number of Board Members shall be filled only by election at an Annual or substitute Annual Meeting or at a Special Meeting of Members called for that purpose. The Members may elect a Board Member at any time to fill any vacancy not filled by the Board Members. As provided in Section 5.4, the Developer or the Membership shall have the first right to fill any vacancy created by the Developer or the Membership's removal of a Board Member by electing a replacement at the meeting where the removal occurs.

Section 5.6 Chairman: A Member of the Board shall be elected as Chairman of the Board by the Board Members at the first meeting of the Board. The Chairman shall preside at all meetings of the Board and perform such other duties as may be directed by the Board. Prior to election of a Chairman and/or in the event that the Chairman is not present at any meeting of the Board, the President shall preside.

Section 5.7 Compensation: No Member of the Board shall receive any compensation from the Association for acting as such. Provided, however, each Board Member shall be reimbursed for reasonable out-of-pocket expenses incurred and paid by him on behalf of the Association, and nothing herein shall prohibit the Board from reasonably compensating a Board Member for unusual and extraordinary services which are beyond services usually and customarily provided by Board Members. Further provided, each Board Member, by assuming office, waives his right to institute suit against or make claim upon the Association for compensation based upon service as a Board Member.

Section 5.8 Loan to Board Members and Officers: No loans shall be made by the Association to its Board Members or officers. The Board Members who vote for or assent to the making of a loan to a Board Member or officer of the Association, and any officer or officers participating in the making of such loan, shall be jointly and severally liable to the Association for the amount of such loan until the repayment thereof.

Section 5.9 Liability of Board Members: To the extent permitted by the provisions of the Act in effect at the applicable time, each Board Member is hereby indemnified by the Association with respect to any liability and expense of litigation arising out of his activities as a Board Member. Such indemnity shall be subject to approval by the Members only when such approval is required by the Act.

Section 5.10 Meetings of the Board:

A. Regular Meeting: Regular Meetings may be held, without notice, at such hour and address as may be fixed from time to time by resolution of the Board.

B. Special Meetings: Special Meetings shall be held when called by the Chairman of the Board, the President of the Association, or by a majority of the Board Members upon written notice sent to each Board Member by any usual means of communication not less than five (5) days before the meeting.

C. Waiver of Notice: The notice provided for herein may be waived by written instrument signed by those Board Members who do not receive said notice. Attendance by a Board Member at a meeting shall constitute a waiver of notice of such meeting unless the subject Board Member at the beginning of the meeting (or promptly upon his arrival) objects to holding the meeting or transacting business at the meeting and does not thereafter vote for or assent to action taken at the meeting.

D. Meeting Place: The Board may hold Regular or Special Meetings in or out of the State of Texas.

E. Quorum: A majority of the Board Members then holding office shall constitute a quorum for the transaction of business and every act or decision done or made by a majority of the Board Members present at a duly held meeting at which a quorum is present, in person or by teleconference, shall be regarded as the act or decision of the Board.

Section 5.11 Action Without Meeting: The Board Members 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 all the Board Members. Any action so approved shall have the same effect as though taken at a meeting of the Board. Said written approval shall be filed with the minutes of the proceedings of the Board, whether done before or after the action so taken.

Section 5.12 Presumption of Assent: A Board Member who is present at a meeting of the Board at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless his contrary vote is recorded or his dissent is otherwise entered in the minutes of the meeting or unless he shall file his written dissent to such action with the person acting as the Secretary of the meeting before the adjournment thereof or shall forward such dissent by registered mail to the Secretary of the Association immediately after the adjournment of the meeting. Such right to dissent shall not apply to a Board Member who voted in favor of such action.

Section 5.13 Powers of the Board: The Board shall have the authority to exercise all powers of the Association necessary for the administration of the affairs of the Subdivision except such powers and duties as by law or by Governing Documents may not be delegated by the Members to the board. The powers that may be exercised by the Board shall include, but shall not be limited to, the following:

A. Operation, care, upkeep and maintenance of the Common Area, to extent such operation, care, upkeep, and maintenance is not the obligation of the Owners;

B. Determination of the funds required for operation, administration, maintenance and other affairs of the Project and collection of the assessments for the Owners, as provided in the

Governing Documents;

C. Employment and dismissal of personnel (including without limitation the Independent Manager) necessary for the efficient operation, maintenance, repair, and replacement of the Common Area;

D. Adoption of rule and regulations covering the details of the operation, maintenance, repair, replacement, use and modification of the Common Area, the personal conduct of the Members and their guests in using them; and to establish penalties for infractions of such rules and regulations;

E. Opening of bank accounts on behalf of the Association and designating the signatories required therefor;

F. Obtaining insurance as required or permitted under the terms of the applicable provisions of the Declaration;

G. Keeping detailed accurate records of the receipts and expenditures of the Association, obtaining annual audits and/or reviews of financial records of the Association from the Association's public accountant, furnishing the annual reports, and furnishing current budgets. All books and records shall be kept in accordance with good and accepted accounting practices;

H. Keeping a complete record of the minutes of all meetings of the Board and Membership in which a minute book shall be kept and actions taken by the Board and/or Members by written ballot or by consent without meeting shall be inserted into such minute book;

I. Supervising all officers, agents and employees of the Association and insuring that their duties are properly performed;

J. Enforcing, on behalf of the Association, the obligations and assessments provided in the Declaration, including but not limited to, the institution of civil actions to enforce payment of the assessments as provided in the Declaration, the institution of actions to foreclose liens for such assessments in accordance with the terms of the Declaration and the procedures set forth in the Texas Property Code, the imposition of charges for late payment of assessments, and after notice and an opportunity to be heard as provided in The Texas Property Code, levying reasonable fines for violations of the Declaration, Bylaws and rules and regulations of the Association;

K. Making repairs, additions, and improvements to or alterations or restoration of the Property in accordance with the other provisions of these Bylaws and the Declaration, after damage or destruction by fire or other casualty, or as a result of a condemnation or eminent domain proceeding;

L. Enforcing by any legal means or proceedings, the provisions of the Certificate of Formation of the Association, these Bylaws, the Declaration, or the rules and regulations

hereinafter promulgated governing the Property, including use of the Common Area;

M. Paying all taxes and assessments which are or may become liens against any part of the Common Area, and to assess the same against the Owners in the manner herein provided;

N. Hiring attorneys and other professionals;

O. Maintaining and repairing any Lot or Improvement, if such maintenance or repair is required by the Declaration or is necessary in the discretion of the Board to protect the Common Area or any other Lot or Improvement or if the Owner of such Lot has failed or refused to perform such maintenance or repair within a reasonable time after written notice of the necessity of said maintenance or repair has been delivered or mailed by the Board to said Owner.

P. Entering any Improvement, when necessary, in connection with any maintenance or construction for which the Board is responsible; provided, such entry shall be made during reasonable hours and with notice to the Owner when practicable. Any damage caused thereby shall be repaired by the Board and such expenses shall be treated as an expense of the Association.

Q. Signing all agreements, contracts, deeds and vouchers for payment of expenditures and other instruments in such manner as from time to time shall be determined by written resolution of the Board. In the absence of such determination by the Board, such documents shall be signed by the President, any Vice President, the Treasurer or the Assistant Treasurer of the Association, and countersigned by any Board Member;

R. Furnishing certificates setting forth amounts of unpaid assessments that have been levied upon a Lot to the Owner or Mortgagee of such Lot, or a proposed purchaser or Mortgagee of such Lot, and imposing and collecting reasonable charges therefore; and

S. Exercising any other powers allowed in the Declaration, the Certificate of Formation, these Bylaws, or otherwise by law.

T. Suspend the voting rights and right to use the recreational facilities of any Member during any period in which such Member is in default as allowed by the Texas Property Code;

U. Exercise on behalf of the Association all powers, duties, and authority vested in or delegated to the Association and not specifically reserved to the membership by the Declaration, Certificate of Formation, or by other provisions of these Bylaws;

V. Declare the office of a member of the Board of Directors to be vacant in the event that such member is absent from three consecutive regular meetings of the Board of Directors; and

W. Employ a manager, independent contractors, and such other employees as they may deem necessary, and to prescribe their duties.

Section 5.14 Independent Manager: The Board may employ or enter into a management contract with any individual, firm or entity it deems appropriate and in the best interest of the Association. The Board may delegate to such person, firm or entity (referred to in these Bylaws as "Independent Manager") such duties and responsibilities in the management of the Property as the Board deems appropriate. Provided, the Board may not delegate to the Independent Manager responsibilities and duties of the Association in violation of the Nonprofit Corporation Act of Texas. The Board shall have authority to fix the reasonable compensation for the Independent Manager. The Independent Manager shall at all times be answerable to the Board and subject to its direction.

Section 5.15 Duties: It will be the duty of the board of directors to:

A. Cause to be kept a complete record of all its acts and corporate affairs and to present a statement of such acts and affairs to the Members at each annual meeting, or at any special meeting at which such a statement is requested in writing by one-half (1/2) of the Members entitled to vote at the meeting;

B. Supervise all officers, agents, and employees of the Association and see to it that their duties are properly performed;

C. As more fully provided in the declaration, to:

(1) Fix the amount of the annual assessment against each lot at least thirty (30) days in advance of each annual assessment period;

(2) Send written notice of each assessment to every Owner subject to the assessment at least thirty (30) days in advance of each annual assessment period; and

(3) Foreclose the lien against any property for which assessments are not paid within thirty (30) days after the due date, or to bring an action at law against the Owner personally obligated to pay the same;

D. Issue, or cause an appropriate officer to issue, on demand by any person and on imposition of a reasonable charge, a certificate setting forth whether or not any assessment has been paid, a statement in a certificate to the effect that an assessment has been paid constituting conclusive evidence of such payment;

E. Procure and maintain adequate liability and hazard insurance on all property owned by the Association;

F. Cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate; and

G. Cause the Common Area to be maintained.

Article VI Committees

Section 6.1 Creation: The Board may create such committees as they deem necessary and appropriate in aiding the Board to carry out its duties and responsibilities.

Section 6.2 Vacancy: Any vacancy occurring on a committee shall be filled by a majority of the number of Board Members then holding office at a regular or special meeting of the Board.

Section 6.3 Removal: Any Member of a committee may be removed at any time with or without cause by a majority of the number of Board Members then holding office.

Section 6.4 Minutes: Each committee shall keep regular minutes of its proceedings and report the same to the Board when required.

Section 6.5 Responsibility of Board Members: The designation of committees and the delegation thereto of authority shall not operate to relieve the Board or any Member thereof of any responsibility or liability imposed upon it or him by law.

Section 6.6 Architectural Review Committee: Notwithstanding anything in this Article VI to the contrary, the Architectural Review Committee shall be created, appointed and governed as provided in the Declaration.

Article VII Officers

Section 7.1 Enumeration of Officer: The officers of the Association shall consist of a President, a Secretary, a Treasurer and one or more Vice Presidents, Assistant Secretaries, Assistant treasurers and other officers as the Board may from time to time appoint. Except for the President, no officer need be a Member of the Board.

Section 7.2 Appointment and Term: The officers of the Association shall be appointed annually by the Board at the first meeting of the Board next following the Annual or Substitute Annual Meeting of the Members and shall serve for the terms of one year. Each officer shall hold office until his death, resignation, removal or until his successor is appointed.

Section 7.3 Removal: Any officer elected or appointed by the Board may be removed by the Board whenever in its judgment the best interest of the Association will be served thereby.

Section 7.4 Vacancy: A vacancy in any office may be filled by the appointment by the Board of a successor to such office. Such appointment may take place at any meeting of the Board. The officer appointed to such vacancy shall serve for the remaining term of the officer he replaces.

Section 7.5 Multiple Offices: The person holding the office of President shall not also

hold the office of Secretary or Treasurer at the same time. Any other offices may be simultaneously held by one person. Any officer may also be a Member of the Board.

Section 7.6 President: The President shall be the chief executive officer of the Association and shall preside at all meetings of the Members. In the absence of the Chairman, he shall also preside at all meetings of the Board. He shall see that the orders and resolutions of the Board are carried out; he shall sign all written agreements or instruments on behalf of the Association and co-sign all promissory notes of the Association, if any, with the Treasurer; and he shall have all of the general powers and duties which are incident to the office of President of a corporation organized under the Act in connection with the supervision, control and management of the Association in accordance with the Governing Documents.

Section 7.7 Vice President: The Vice President in the order of their appointment, unless otherwise determined by the Board shall, in the absence or disability of the President, perform the duties and exercise the powers of that office. In addition, they shall perform such other duties and have such other powers as the Board shall prescribe.

Section 7.8 Secretary: The Secretary shall keep the minutes of all meetings of Members and of the Board; he shall have charge of such books and papers as the Board may direct; and he shall, in general, perform all duties incident to the Office of Secretary of a corporation organized under the Act.

Section 7.9 Treasurer: The Treasurer shall have the responsibility for the Association's funds and securities and shall be responsible for keeping full and accurate financial records and books of account showing all receipts and disbursements, and for the preparation of all required financial statements. He shall co-sign promissory notes of the Association; he shall prepare a proposed annual budget (to be approved by the Board) and the other reports to be furnished to the Members as required in the Declaration. He shall perform all duties incident to the office of Treasurer of a corporation organized under the Act.

Section 7.10 Assistant Secretaries and Assistant Treasurers: The Assistant Secretaries and Assistant Treasurers shall, in the absence or disability of the Secretary or the Treasurer, respectively, perform the duties and exercise the powers of those offices, and they shall, in general, perform such other duties as shall be assigned to them by the Secretary or the Treasurer, respectively, or by the President of the Board.

Section 7.11 Compensation: Officers shall not be compensated for the usual and ordinary services tendered to the Association incident to the offices they hold. The Board may, however, reasonably compensate any officer or officers who render unusual and extraordinary services to the Association beyond those usually and customary expected of persons serving as officers. Each officer, by assuming office, waives his right to institute suit against or make claim upon the Association for compensation based upon services usually or customarily rendered by persons occupying the office each holds.

Section 7.12 Indemnification: To the extent permitted by the provisions of the Act in effect at the applicable times, each officer is hereby indemnified by the Association with respect

to any liability and expense of litigation arising out of his activities as an officer. Such indemnity shall be subject to approval by the Members only when such approval is required by the Act.

Section 7.13 Amendment Authority: Amendments to the Declaration may be prepared, executed, certified and recorded by the President, the Secretary, the Treasurer or any Vice President of the Association.

Article VIII Amendments

Section 8.1 Amendments by Members: Subject to Section 8.2 and the last sentence of this Section 8.1, these Bylaws may be amended. All persons or entities who own or hereafter acquire any interest in the Property shall be bound to abide by any amendment to these Bylaws which is duly adopted as provided herein. No amendment to these Bylaws shall be adopted or passed which shall impair or prejudice the rights of Developer provided for in the Governing Documents, without the consent of Developer.

Section 8.2 Amendments by Developer or Board: Developer, for so long as it owns lots in the subdivision, and thereafter the Board, shall have the right to amend these Bylaws for the purposes set forth in the Declaration, without the consent or approval of any other Member.

Section 8.3 Agency Approval: So long as Developer still owns lots in the subdivision, any amendment of these Bylaws, except as expressly provided in Section 8.2 above, shall require the prior written approval of any Agency then holding or insuring any Mortgage.

Article IX Miscellaneous

Section 9.1 Severability: Invalidation of any covenant, condition, restriction or other provisions of the Declaration or these Bylaws shall not affect the validity of the remaining portions thereof which shall remain in full force and effect.

Section 9.2 Successors Bound: The rights, privileges, duties and responsibilities set forth in the Governing Documents, as amended for time to time, shall run with the ownership of the Property and shall be binding upon all persons who own or hereafter acquire any interest in the Property.

Section 9.3 Gender, Singular. Plural: Whenever the context so permits, the use of the singular or plural shall be interchangeable in meaning and the use of any gender shall be deemed to include all genders.

Section 9.4 Nonprofit Corporation: No part of the Association's assets or net income shall inure to the benefit of any of the Members, the officers of the Association, or the Members of the Board, or any other private individual either during its existence or upon dissolution except as reasonable compensation paid or distributions made in carrying out its declared nonprofit purposes set forth in the Declaration, the Certificate of Formation of the Association

and these Bylaws.

Section 9.5 Books and Records: The books, records, papers of the Association will be subject to inspection by any Member during ordinary business hours. The Declaration, Certificate of Formation, and Bylaws of the Association will be available for inspection by any Member at the principal office of the Association, where copies will be made available for sale at a reasonable price.

Section 9.6 Assessments: As more fully provided in the Declaration, each Member is obligated to pay to the Association annual and special assessments which are secured by a continuing lien on the property against which such assessments are made. Any assessments which are not paid when due, are considered delinquent. If an assessment is not paid within thirty (30) days after the due date, the assessment bears interest from the date of delinquency at the maximum rate allowed by law, and the Association may bring an action at law against the Owner personally obligated to pay the same, or may foreclose the lien against his or her property. Interest, costs, and reasonable attorney fees of any such action will be added to the amount of any assessment due. No Owner may waive or otherwise escape liability for assessments by nonuse of the Common Area or abandonment of his or her lot.

Section 9.7 Conflict: In the case of any conflict between the Certificate of Formation and these Bylaws, the Articles will control. In the case of any conflict between the Declaration and these Bylaws, the Declaration will control.

PASSED, ADOPTED AND APPROVED on this the 5th day of July, 2018.

By: _____

Monte Magness, President

ATTEST:

Vince Cutaia, Secretary