

**LA FLORESTA
PHASE II HOA, INC.**

RESOLVED, that the Corporation maintain appropriate corporate records in the corporate record book, including but not limited to originals, copies or certified copies of the Corporation's original and any amended, corrected or restated, Acknowledgment of Filing, Certificate of Formation, Bylaws, minutes of meetings, and written consents.

OFFICERS

The Chairman of the meeting then called for the election of officers of the Corporation. The following persons were nominated to the office preceding their name:

| <u>Office</u> | <u>Name</u> |
|----------------|--------------------------------|
| President | Ruben D. Pechero |
| Secretary | Maria Cristina Zanelli Pechero |
| Vice President | Maria Cristina Zanelli Pechero |
| Treasurer | Ruben D. Pechero |

No further nominations being made, the nominations were closed and the directors proceeded to vote on the nominees. The Chairman announced that the foregoing nominees were elected to the offices set before their respective names to serve as such at the pleasure of the Board of Directors or pursuant to the terms of any written employment agreement executed by the Corporation and the respective officer.

BANK ACCOUNT

Upon motion duly made, seconded and carried, it was

RESOLVED, that the Corporation establish in its name one or more accounts with one or more financial institutions on such terms and conditions as may be agreed with said financial institutions, and that the officers of the Corporation are authorized to execute any resolutions required by said financial institutions for such accounts and to designate the person or persons authorized to write checks on such accounts on behalf of the Corporation.

ORGANIZATIONAL COSTS

Upon motion duly made, seconded and carried, it was

RESOLVED, that the attorney's fees, filing fees and other expenses and charges incurred and that may be incurred by the Corporation or persons acting on behalf of the Corporation in connection with the formation of the Corporation are reasonable and shall be paid or reimbursed by the Corporation.

FURTHER INSTRUCTIONS TO OFFICERS

Upon motion duly made, seconded and carried, it was



Office of the Secretary of State

CERTIFICATE OF FILING OF

La Floresta Phase II HOA, Inc.
File Number: 802464214

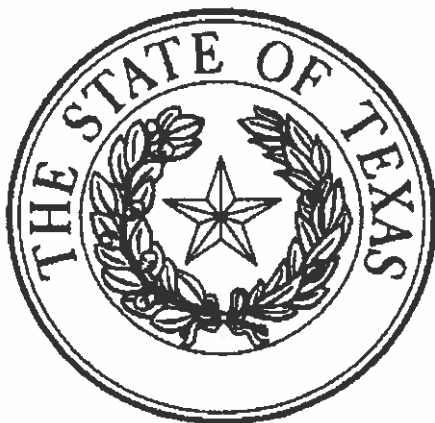
The undersigned, as Secretary of State of Texas, hereby certifies that a Certificate of Formation for the above named Domestic Nonprofit Corporation has been received in this office and has been found to conform to the applicable provisions of law.

ACCORDINGLY, the undersigned, as Secretary of State, and by virtue of the authority vested in the secretary by law, hereby issues this certificate evidencing filing effective on the date shown below.

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

Dated: 05/23/2016

Effective: 05/23/2016



A handwritten signature in black ink, appearing to read "Cascos", followed by a horizontal line.

Carlos H. Cascos
Secretary of State



Office of the Secretary of State

May 24, 2016

Lawyer's Aid Service Inc
PO Box 848
Austin, TX 78767 USA

RE: La Floresta Phase II HOA, Inc.
File Number: 802464214

It has been our pleasure to file the certificate of formation and issue the enclosed certificate of filing evidencing the existence of the newly created nonprofit corporation.

Nonprofit corporations do not automatically qualify for an exemption from federal and state taxes. Shortly, the Comptroller of Public Accounts will be contacting the corporation at its registered office for information that will assist the Comptroller in setting up the franchise tax account for the corporation. Information about franchise tax, and contact information for the Comptroller's office, is available on their web site at <http://window.state.tx.us/taxinfo/franchise/index.html>. For information on state tax exemption, including applications and publications, visit the Comptroller's Exempt Organizations web site at <http://window.state.tx.us/taxinfo/exempt/index.html>. Information on exemption from federal taxes is available from the Internal Revenue Service web site at www.irs.gov.

Nonprofit corporations do not file annual reports with the Secretary of State, but do file a report not more often than once every four years as requested by the Secretary. It is important for the corporation to continuously maintain a registered agent and office in Texas as this is the address to which the Secretary of State will send a request to file a periodic report. Failure to maintain a registered agent or office in Texas, failure to file a change to the agent or office information, or failure to file a report when requested may result in the involuntary termination of the corporation. Additionally, a nonprofit corporation will file documents with the Secretary of State if the corporation needs to amend one of the provisions in its certificate of formation. If we can be of further service at any time, please let us know.

Sincerely,

Corporations Section
Business & Public Filings Division
(512) 463-5555
Enclosure

**MINUTES OF THE ORGANIZATIONAL MEETING OF
THE BOARD OF DIRECTORS OF
LA FLORESTA PHASE II HOA, INC.**

The organizational meeting of the Board of Directors of La Floresta Phase II HOA, Inc., a Texas non-profit corporation, was held at 5508 N. Cynthia, McAllen, Texas 78504, on May __, 2016.

The undersigned, being all of the members of the initial Board of Directors of La Floresta Phase II HOA, Inc. named in the Corporation's Certificate of Formation filed with the Secretary of State of Texas were present. The undersigned waived notice of the meeting as evidenced by the attached Waiver of Notice signed and appended hereto.

Ruben D. Pechero was appointed Chairman of the meeting and Maria Cristina Zanelli Pechero was appointed Secretary of the meeting.

CERTIFICATE OF FORMATION

The Secretary then presented and read to the meeting a copy of the Certificate of Formation and reported that the original thereof was filed in the office of the Secretary of State of the State of Texas on May __, 2016, and that the Secretary of State issued a formal Acknowledgment of Filing to the Corporation on that date. The Secretary presented the Acknowledgment of Filing annexed to an approved duplicate of the Certificate of Formation as filed and it was ordered inserted into the corporate record book.

BYLAWS

The Secretary then presented a proposed form of bylaws. The proposed bylaws were read to the meeting, considered and upon motion duly made, seconded and carried, were adopted as and for the Bylaws of the Corporation and ordered signed and inserted into the corporate record book. The Secretary of the Corporation was instructed to maintain a copy of the Bylaws at the principal office of the Corporation available for inspection by the members of the Corporation.

PRINCIPAL OFFICE

Upon motion duly made, seconded and carried, it was

RESOLVED, that the Corporation's principal office be located and maintained at 5508 N. Cynthia, McAllen, Texas 78504, and that meetings of the Board of Directors from time to time may be held either at the principal office or at such other place as the board of directors shall from time to time order.

MINUTE BOOK AND CORPORATE RECORDS

The Secretary submitted to the meeting the corporate record book for maintenance of the Corporation's records. Upon motion duly made, seconded and carried, it was

RESOLVED, that the corporate record book is adopted as the record book of the Corporation, and further,

RESOLVED, that the officers of the Corporation are authorized to do all things and take all action necessary and helpful to carry out the above resolutions and all acts of the officers and any persons acting for the Corporation which are consistent with the above resolutions are ratified and adopted as the acts of the Corporation.

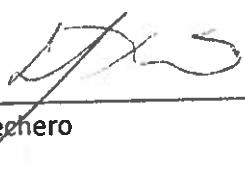
The Chairman asked whether there was any further business to come before the Directors at this meeting, and there being no response, the meeting was adjourned.

DATE: _____



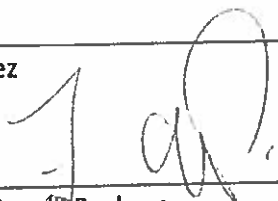
Maria Cristina Zanelli Pechero/
Secretary

APPROVED:



Ruben D. Pechero

Oscar Hernandez



Maria Cristina Zanelli Pechero

WAIVER OF NOTICE AND CONSENT

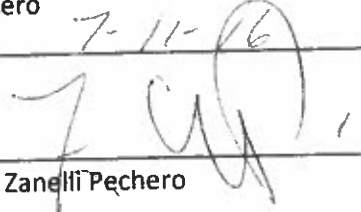
RESOLVED, that the undersigned, being all of the members of the initial Board of Directors of La Floresta Phase II HOA, Inc. named in the Corporation's Certificate of Formation filed with the Secretary of State of Texas by approving the Minutes of the Organizational Meeting of the Directors, and by this resolution, do hereby waive notice of the time and place of the meeting, consent to the meeting and approve the contents of the Minutes of the Organizational Meeting of the Directors.



Ruben D. Pechero

Date signed: _____

7-11-16



Maria Cristina Zanelli Pechero

Date signed: _____

Oscar Hernandez

Date signed: _____

**BYLAWS OF
LA FLORESTA PHASE II HOA, INC.
A NONPROFIT CORPORATION**

Article I. NAME AND LOCATION

The name of the corporation is **La Floresta Phase II HOA, Inc.** ("Association").

The principal office of the corporation will be located at 5508 N. Cynthia, McAllen, Texas 78504, but meetings of members and directors may be held at the places within Hidalgo County, Texas, as designated by the Board of Directors.

Article II. DEFINITIONS

Section 1.

The term "Association" refers to La Floresta Phase II HOA, Inc., its successors and assigns.

Section 2.

The term "Properties" refers to the real property described in the Declaration of Covenants, Conditions and Restrictions ("Declaration"), and any additions to the Declaration as may be brought within the jurisdiction of the Association.

Section 3.

The term "Common Area" means all real property owned by the Association for the common use and enjoyment of the Owners.

Section 4.

The term "Lot" refers to any plot of land shown on any recorded subdivision map of the Properties with the exception of the Common Area.

Section 5.

The term "Owner" refers to the record owner, whether one or more persons or entities, of the fee simple title to any Lot which is a part of the Properties, including contract sellers, but excluding those having an interest merely as security for the performance of an obligation.

Section 6.

The term "Declarant" refers to Gauchos Investments, LLC, and its successors and assigns, if the successors or assigns acquire more than one undeveloped Lot from the Declarant for the purpose of development.

Section 7.

The term "Declaration" refers to the Declaration of Covenants, Conditions and Restrictions applicable to the Properties recorded in Document Number _____ of the Real Property Records of Hidalgo County, Texas.

Section 8.

The term "Member" refers to those persons entitled to membership as provided in the Declaration.

Article III. MEETING OF MEMBERS

Section 1.

Annual Meetings. The first annual meeting of the members will be held within one year from the date of incorporation of the Association, and each subsequent regular annual meeting of the members will be held on the same day of the same month of each year after that, at the hour of determined by the Board of Directors. If the day for the annual meeting of the members is a legal holiday, the meeting will be held at the same hour on the first day following which is not a legal holiday.

Section 2.

Special Meetings. Special meetings of the members may be called at any time by the president or by the Board of Directors, or on the written request of the members who are entitled to vote fifty percent (50%) of all of the votes of the Class A membership.

Section 3.

Notice of Meetings. Written notice of each meeting of the members will be given by, or at the direction of, the secretary or person authorized to call the meeting, by mailing a copy of the notice, postage prepaid, at least fifteen (15) days before the meeting to each member entitled to vote, addressed to the member's address last appearing on the books of the Association, or supplied by the member to the Association for the purpose of notice. Notice must specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting.

Section 4.

Quorum. The presence at the meeting of *members entitled to cast*, or of proxies entitled to cast, twenty five percent (25%) of the votes of each class of membership will constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these Bylaws. If a quorum is not present or represented at a meeting, the members entitled to vote will have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum is present or represented.

Section 5.

Proxies. At all meetings of members, each member may vote in person or by proxy. All proxies must be in writing and filed with the secretary. Every proxy will be revocable and will automatically cease on conveyance by the member of his or her Lot.

Article IV. BOARD OF DIRECTORS, SELECTION, TERM OF OFFICE

Section 1.

Number. The affairs of this Association will be managed by a Board of three (3) directors, who, other than the initial directors described in the Certificate of Formation of the Association, must be members of the Association.

Section 2.

Term of Office. At the first annual meeting the members will elect three directors for a term of up to three years. The members may choose to elect the directors to staggered terms.

Section 3.

Removal. 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, a successor will be selected by the remaining members of the Board and will serve for the unexpired term of the predecessor.

Section 4.

Compensation. No director may receive compensation for any service he or she renders to the Association. However, any director may be reimbursed for actual expenses incurred in the performance of duties.

Section 5.

Action Taken Without a Meeting. The directors will 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 directors. Any action so approved will have the same effect as though taken at a meeting of the directors.

Article V. NOMINATION AND ELECTION OF DIRECTORS

Section 1.

Nomination. Nomination for election to the Board of Directors will be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee will consist of a Chairman, who will be a member of the Board of Directors, and two or more members of the Association. The Nominating Committee will be appointed by the Board of Directors prior to each annual meeting of the members, to serve from the close of the annual meeting until the close of the next annual meeting, and that appointment will be announced at each annual meeting. The Nominating Committee will make as many nominations for election to the Board of Directors as it determines, but not less than the number of vacancies that are to be filled. Nominations may be made from among members or non-members.

Section 2.

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

Article VI. MEETINGS OF DIRECTORS

Section 1.

Regular Meetings. Regular meetings of the Board of Directors will be held monthly without notice, at the place and hour as fixed by resolution of the Board. If a meeting falls on a legal holiday, then that meeting will be held at the same time on the next day which is not a legal holiday.

Section 2.

Special Meetings. Special meetings of the Board of Directors will be held when called by the president of the Association, or by any two directors, after not less than three (3) days notice to each director.

Section 3.

Quorum. A majority of the number of directors will constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the directors present at a duly held

meeting at which a quorum is present will be regarded as the act of the Board.

Article VII. POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1.

Powers. The Board of Directors will have power to:

- (a)
Adopt and publish rules and regulations governing the use of the Common Area and facilities, and to establish penalties for the infraction of those rules;
- (b)
Suspend the voting rights and right to use the recreational facilities of a member during any period in which the member is in default in the payment of any assessment levied by the Association. These rights may also be suspended after notice and hearing, for a period not to exceed *[specify time period]* for infraction of published rules and regulations;
- (c)
Exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these Bylaws, the Certificate of Formation, or the Declaration;
- (d)
Declare the office of a member of the Board of Directors to be vacant in the event the member is absent from three consecutive regular meetings of the Board of Directors; and
- (e)
Employ a manager, an independent contractor, or other employees as they deem necessary, and to prescribe their duties.

Section 2.

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 to the members at the annual meeting of the members, or at any special meeting when a statement is requested in writing by fifty percent (50%) of the Class A members who are entitled to vote;
- (b)
Supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;
- (c)
As more fully provided in the Declaration and subject to the provisions of the Declaration, to:
 - (1)
fix the amount of the annual assessment against each Lot at least sixty (60) days in advance of each annual assessment period;
 - (2)

send written notice of each assessment to every Owner subject thereto 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 due date or to bring an action at law against the owner personally obligated to pay the same.

(d) Issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate stating whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, the certificate will be conclusive evidence of payment;

(e) Procure and maintain adequate liability and hazard insurance on property owned by the Association;

(f) Cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;

(g) Cause the Common Area to be maintained; and

(h) Cause the exterior of the dwellings to be maintained.

(i) Cause the provisions of the Declaration, including, but not limited to, the architectural restrictions and requirements, to be followed.

Article VIII. OFFICERS AND THEIR DUTIES

Section 1.

Enumeration of Offices. The officers of this Association will be a president and vice-president, who will at all times be members of the Board of Directors, a secretary, and a treasurer, and any other officers that the Board by resolution creates.

Section 2.

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

Section 3.

Term. The officers of this Association will be elected annually by the Board and each will hold office for one (1) year unless he or she resigns, or is removed, or is otherwise disqualified to serve.

Section 4.

Special Appointments. The Board may elect other officers as the affairs of the Association may require, each of whom will hold office for the period, have the authority, and perform the duties as

the Board determines.

Section 5.

Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time giving written notice to the Board, the president or the secretary. A resignation will take effect on the date of receipt of the notice or at any later time specified, and unless otherwise specified, the acceptance of the resignation will not be necessary to make it effective.

Section 6.

Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to fill the vacancy will serve for the remainder of the term of the officer he or she replaces.

Section 7.

Multiple Offices. The offices of secretary and treasurer may be held by the same person. No person may simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 4 of this Article.

Section 8.

Duties. The duties of the officers are as follows:

President

(a)

The president will preside at all meetings of the Board of Directors; will see that orders and resolutions of the Board are carried out; will sign all leases, mortgages, deeds and other written instruments and will co-sign all checks and promissory notes.

Vice-President

(b)

The vice-president will act for the president in the event of his or her absence, inability or refusal to act, and will exercise and discharge other duties as required by the Board.

Secretary

(c)

The secretary will record the votes and keep the minutes of all meetings and proceedings of the Board and of the members; keep the corporate seal of the Association and affix it on all papers requiring a seal; serve notice of meetings of the Board and of the members; keep appropriate current records showing the members of the Association together with their addresses, and perform other duties as required by the Board.

Treasurer

(d)

The treasurer will receive and deposit in appropriate bank accounts all monies of the Association and disburse funds as directed by resolution of the Board of Directors; sign all checks and promissory notes of the Association; keep proper books of account; cause an annual audit of the Association books to be made by a public accountant at the completion of each fiscal year; and

prepare an annual budget and a statement of income and expenditures to be represented to the membership at its regular annual meeting, and deliver a copy of each to the members.

Article IX. COMMITTEES

The Association will appoint an Architectural Control Committee, as provided in the Declaration, and a Nominating Committee, as provided in these by-laws. In addition, the Board of Directors will appoint other committees as deemed appropriate in carrying out its purpose.

Article X. BOOKS AND RECORDS

The books, records and papers of the Association will at all times, during reasonable business hours, be subject to inspection by any member. The Declaration, the Articles of Incorporation and the By-laws of the Association will be available for inspection by any member at the principal office of the Association, where copies may be purchased at reasonable cost.

Article XI. 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 the assessment is made. Any assessments which are not paid when due will be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment will bear interest from the date of delinquency at the rate of eighteen (18) percent per annum, and the Association may bring an action at law against the Owner personally obligated to pay the assessment or foreclose the lien against the property, and interest, costs, and reasonable attorney's fees of any action will be added to the amount of the assessment. No Owner may waive or otherwise escape liability for the assessments provided for by nonuse of the Common Area or abandonment of his or her Lot.

Article XII. CORPORATE SEAL

The Association may obtain a seal in circular form having within its circumference the words: LA FLORESTA PHASE II HOA, INC.

Article XIII. AMENDMENTS

Section 1.

These bylaws may be amended, at a regular or special meeting of the Board of Directors, by a vote of a majority of the Board of Directors present at a duly scheduled meeting at which a quorum is present.

Section 2.

In the case of any conflict between the Articles of Incorporation and these bylaws, the Articles will control; and in the case of any conflict between the Declaration and these bylaws, the Declaration will control.

Article XIV. MISCELLANEOUS

The fiscal year of the Association will begin on the first day of January and end on the 31st day of December of every year, except that the first fiscal year will begin on the date of incorporation.

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ARTICLE XV

SIGNATURE REQUIREMENTS

Any requirement for a signature under the association documents may be satisfied by a digital signature meeting the requirements of applicable law.

ARTICLE XVI

USE OF NEW TECHNOLOGY

Due to the ongoing development of new technologies and corresponding changes in business practices, to the extent permitted by law now or in the future:

- (1) any notice or proxy required to be sent, received, or filed;
- (2) any signature, vote, consent, proxy, or approval required to be obtained; or
- (3) any payment required to be made,

under the association documents may be accomplished using the most advanced technology available at that time if such use is a generally accepted business practice.

ARTICLE XVII

ACCELERATION

In the event that any member's assessment, charge, or fee provided for in the declaration or in these bylaws, or any monthly or other installment thereof remains unpaid for more than 30 days of the due date thereof, the board of directors may, in its discretion, and in addition to any other remedies that may exist with respect to such delinquency, declare the entire remaining balance of such member's annual assessment for that fiscal year immediately due and payable upon 30 days' written notice to the member to that effect.

Executed this ____ day of May, 2016.


Ruben D. Pechero, President

STATE OF TEXAS)

COUNTY OF HIDALGO)

This instrument was acknowledged before me on _____, 2016, by Ruben D. Pechero, President of La Floresta Phase II HOA, Inc, a Texas nonprofit corporation, on behalf of said corporation.

Notary Public, State of Texas

CERTIFICATION

I, the undersigned, certify:

That I am the duly elected and acting secretary of the La Floresta Phase II HOA, Inc, a Texas nonprofit corporation; and

That the foregoing bylaws constitute the original Bylaws of the Association, as duly adopted at a meeting of the Board of Directors held on the _____ day of _____, 2016.

In witness, I have subscribed my name and affixed the seal of the Association this _____ day of _____, 2016.



Maria Cristina Zanelli Pechero, Secretary

FILED
In the Office of the
Secretary of State of Texas

MAY 23 2016

**CERTIFICATE OF FORMATION OF
LA FLORESTA PHASE II HOA, INC.
A NONPROFIT CORPORATION**

Corporations Section

This certificate of formation is submitted for filing pursuant to the applicable provisions of the Texas Business Organizations Code.

Article I - Entity Name and Type

The name and type of filing entity being formed are: La Floresta Phase II HOA, Inc., a Texas nonprofit corporation (hereinafter "Corporation").

Article II - Purpose

The purposes for which this corporation is formed are to represent the interest of the owners of La Floresta Phase II HOA, Inc., which includes:

1. The specific and primary purpose of the corporation is to manage a subdivision by Lot Owners providing for and promoting the health, safety and welfare of the Lot Owners, to collect Annual and Special Assessments, to administer the assessments, enforce the Declaration and By-Laws of the Association, and to provide for the maintenance, repair, preservation, upkeep and protection of the Common Area of La Floresta Subdivision, Phase II in McAllen, Hidalgo County, Texas.
2. The general purposes and powers are:
 - a. To purchase, lease, or otherwise acquire, improve, construct, own, hold, use, maintain, operate, exchange, encumber, sell, convey or otherwise dispose of any lot as may be necessary or desirable to promote the primary purpose of this corporation.
 - b. To make and perform contracts of every kind for any lawful purpose without limit as to the amount, with any person, firm association, partnership or corporation.
 - c. To have and exercise all the rights and powers conferred on non-profit corporations under Texas Business Organizations Code, as such law is now in effect or may at any time hereafter be amended.
 - d. To have and exercise all the rights and powers conferred on non-profit corporations under federal income taxation section 501 (c)(4) of the Internal Revenue Code of 1986, as amended.
 - e. To do all other acts as necessary or expedient for administration of the affairs and attainment of the purposes of this corporation.

Article III - Restrictions and Limitations

Notwithstanding the foregoing or anything to the contrary herein, the Corporation may not:

- A. Engage in any activity or take any action prohibited by the applicable provisions of the Texas Business Organizations Code.
- B. Pay any dividend or distribute any part of the income of the Corporation to its members, if any, directors, if any, or officers. However, the Corporation may pay compensation in a reasonable amount to its members, directors, or officers for services rendered, may confer benefits upon its members in conformity with its purposes, provided such compensation and benefits are reasonable.
- C. Make loans to the Corporation's directors.
- D. Engage in any activities, except to an insubstantial degree, that are not in furtherance of the purpose or purposes of the Corporation.
- E. Engage in any activities, except to an insubstantial degree, or exercise any powers that are not (a) permitted to be carried on by a corporation exempt from Federal Income Tax under Section 501 (c) (4) of the Internal Revenue Code, or (b) permitted to be carried on by a corporation, contributions to which are deductible Section 170 (c) (2) of the Internal Revenue Code, or the corresponding section for any future Federal Tax Code, or (c) in furtherance of the primary purposes of this corporation, and nothing contained in the purposes shall be construed to authorize this corporation to carry on any other activity or distribute any gains, profits or dividends to its members except on dissolution and winding up.
- F. Serve any private interest except if clearly incidental to the public benefit provided by the Corporation.
- G. Allow any of the Corporation's net earning to inure to the benefit of the members, if any of the Corporation, or any private individual.
- H. Engage in more than an insubstantial degree in the carrying on of propaganda, or otherwise attempting, to influence legislation, and the Corporation shall not directly or indirectly participate in, or intervene in (including the publication or distribution of statements) any political campaign on behalf of any candidate for public office, except as allowed by Internal Revenue Code and its regulations.

Article IV - Registered Office and Registered Agent

The initial registered agent is an individual resident of the state whose name is Ruben D. Pechero. The business address of the initial registered agent and the initial registered office is: 5508 N. Cynthia, McAllen, Texas 78504.

Article V - Organizer

The undersigned Organizer hereby disclaims any past or future interests in or control of La Floresta Phase II HOA, Inc. and resigns as the Organizer effective upon the formation of the Corporation. The name and address of the Organizer is:

| <u>Name</u> | <u>Address</u> |
|------------------------|--|
| Thomas P. Wingate, Jr. | 7000 N. 10 th Street, Ste C5, McAllen, TX 78504 |

Article VI - Governing Authority

Management of the affairs of the Corporation is to be vested in its board of directors. The number of initial directors shall be three (3). The number of directors shall be set by the bylaws of the Corporation as may be amended from time to time, provided that the number of directors may never be less than three. The names and addresses of the persons who are to serve as directors until the first annual meeting or until their successors are elected and qualified are:

| | <u>Name</u> | <u>Address</u> |
|----|--------------------------------|---|
| 1. | Ruben D. Pechero | 5508 N. Cynthia, McAllen, Texas 78504 |
| 2. | Maria Cristina Zanelli Pechero | 5508 N. Cynthia, McAllen, Texas 78504 |
| 3. | Oscar Hernandez | 2112 South Shary Rd., Suite 19 Mission, Texas 78572 |

Other than initial directors, directors of the Corporation must also be members of the Corporation. If at any time, a director ceases to be a member, his or her directorship shall at such time become vacant.

Article VII - Organizational Structure

The Corporation will have members.

Article VIII - Indemnification

To the full extent permitted by the applicable provisions of Title 1, Chapter 8 of the Texas Business Organizations Code and other applicable law, the Corporation shall advance or reimburse expenses to and indemnify any present and former directors, officers, employees, and agents of the Corporation and persons serving or formerly serving at the request of the Corporation as directors, officers, partners, venturers, proprietors, trustees, employees, agents or similar functionaries of another foreign or domestic corporation, employee benefit plan, other enterprise or entity against judgments, penalties (including excise and similar taxes), fines, settlements and reasonable expenses actually incurred by the person in any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative, arbitratve or investigative, any appeal in such action, suit or proceeding and any inquiry or investigation that could lead to such an action suit or proceeding, because the person is or was acting in one of the capacities set forth above.

Article IX - Distribution of Assets Upon Winding Up

After all liabilities and obligations of the Corporation in the process of winding up are paid, satisfied and discharged, the property of the Corporation shall be applied and distributed in accordance with section 22.304, Texas Business Organizations Code.


Article X - Effective Date of Filing

This certificate of formation becomes effective when the document is filed by the secretary of state.

Article XI - Execution

This document is signed subject to the penalties imposed by law for the submission of a materially false or fraudulent instrument.

Date: May 23, 2016



Thomas P. Wingate, Jr.

FILED
In the Office of the
Secretary of State of Texas

MAY 23 2016

**CERTIFICATE OF FORMATION OF
LA FLORESTA PHASE II HOA, INC.
A NONPROFIT CORPORATION**

Corporations Section

This certificate of formation is submitted for filing pursuant to the applicable provisions of the Texas Business Organizations Code.

Article I - Entity Name and Type

The name and type of filing entity being formed are: La Floresta Phase II HOA, Inc., a Texas nonprofit corporation (hereinafter "Corporation").

Article II - Purpose

The purposes for which this corporation is formed are to represent the interest of the owners of La Floresta Phase II HOA, Inc., which includes:

1. The specific and primary purpose of the corporation is to manage a subdivision by Lot Owners providing for and promoting the health, safety and welfare of the Lot Owners, to collect Annual and Special Assessments, to administer the assessments, enforce the Declaration and By-Laws of the Association, and to provide for the maintenance, repair, preservation, upkeep and protection of the Common Area of La Floresta Subdivision, Phase II in McAllen, Hidalgo County, Texas.
2. The general purposes and powers are:
 - a. To purchase, lease, or otherwise acquire, improve, construct, own, hold, use, maintain, operate, exchange, encumber, sell, convey or otherwise dispose of any lot as may be necessary or desirable to promote the primary purpose of this corporation.
 - b. To make and perform contracts of every kind for any lawful purpose without limit as to the amount, with any person, firm association, partnership or corporation.
 - c. To have and exercise all the rights and powers conferred on non-profit corporations under Texas Business Organizations Code, as such law is now in effect or may at any time hereafter be amended.
 - d. To have and exercise all the rights and powers conferred on non-profit corporations under federal income taxation section 501 (c)(4) of the Internal Revenue Code of 1986, as amended.
 - e. To do all other acts as necessary or expedient for administration of the affairs and attainment of the purposes of this corporation.

Article III - Restrictions and Limitations

Notwithstanding the foregoing or anything to the contrary herein, the Corporation may not:

- A. Engage in any activity or take any action prohibited by the applicable provisions of the Texas Business Organizations Code.
- B. Pay any dividend or distribute any part of the income of the Corporation to its members, if any, directors, if any, or officers. However, the Corporation may pay compensation in a reasonable amount to its members, directors, or officers for services rendered, may confer benefits upon its members in conformity with its purposes, provided such compensation and benefits are reasonable.
- C. Make loans to the Corporation's directors.
- D. Engage in any activities, except to an insubstantial degree, that are not in furtherance of the purpose or purposes of the Corporation.
- E. Engage in any activities, except to an insubstantial degree, or exercise any powers that are not (a) permitted to be carried on by a corporation exempt from Federal Income Tax under Section 501 (c) (4) of the Internal Revenue Code, or (b) permitted to be carried on by a corporation, contributions to which are deductible Section 170 (c) (2) of the Internal Revenue Code, or the corresponding section for any future Federal Tax Code, or (c) in furtherance of the primary purposes of this corporation, and nothing contained in the purposes shall be construed to authorize this corporation to carry on any other activity or distribute any gains, profits or dividends to its members except on dissolution and winding up.
- F. Serve any private interest except if clearly incidental to the public benefit provided by the Corporation.
- G. Allow any of the Corporation's net earning to inure to the benefit of the members, if any of the Corporation, or any private individual.
- H. Engage in more than an insubstantial degree in the carrying on of propaganda, or otherwise attempting, to influence legislation, and the Corporation shall not directly or indirectly participate in, or intervene in (including the publication or distribution of statements) any political campaign on behalf of any candidate for public office, except as allowed by Internal Revenue Code and its regulations.

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| <u>Name</u> | <u>Address</u> |
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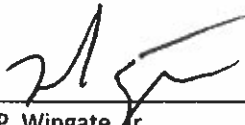
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Date: May 23, 2016



Thomas P. Wingate, Jr.