

AMENDED AND RESTATED BYLAWS
of
PINEY CREEK PROPERTY OWNERS ASSOCIATION

RG
9/27/2018

TABLE OF CONTENTS

ARTICLE I NAME, MEMBERSHIP, AND DEFINITIONS..... 1
 SECTION 1. NAME 1
 SECTION 2. MEMBERSHIP..... 1
 SECTION 3. DEFINITIONS/GENDER 1

ARTICLE II ASSOCIATION: MEETINGS, QUORUM, VOTING, PROXIES 1
 SECTION 1. PLACE OF MEETINGS 1
 SECTION 2. ANNUAL MEETINGS 2
 SECTION 3. SPECIAL MEETINGS..... 2
 SECTION 4. NOTICE OF MEETINGS 2
 SECTION 5. WAIVER OF NOTICE..... 2
 SECTION 6. ADJOURNMENT OF MEETINGS 2
 SECTION 7. VOTING 3
 SECTION 8. PROXIES 3
 SECTION 9. QUORUM 3
 SECTION 10. CONDUCT OF MEETINGS..... 3
 SECTION 11. ACTION WITHOUT A MEETING..... 3

ARTICLE III BOARD OF DIRECTORS: NUMBER, POWERS, MEETINGS..... 4
 SECTION 1. GOVERNING BODY: COMPOSITION 4
 SECTION 2. DIRECTORS 4
 SECTION 3. NUMBER OF DIRECTORS 4
 SECTION 4. CANDIDATES FOR ELECTION TO THE BOARD 4
 SECTION 5. TERM OF OFFICE 5
 SECTION 6. REMOVAL OF DIRECTORS 5
 SECTION 7. ELECTION; VOTING PROCEDURE FOR DIRECTORS..... 5
 SECTION 8. RECOUNT OF VOTES 5
 SECTION 9. REGULAR MEETING 6
 SECTION 10. SPECIAL MEETING 7
 SECTION 11. NOTICE OF BOARD MEETINGS 7
 SECTION 12. WAIVER OF NOTICE..... 8
 SECTION 13. QUORUM OF BOARD OF DIRECTORS..... 8
 SECTION 14. COMPENSATION 8
 SECTION 15. CONDUCT OF MEETINGS..... 8
 SECTION 16. OPEN MEETINGS..... 9
 SECTION 17. EXECUTIVE SESSION..... 9
 SECTION 18. ACTION WITHOUT A FORMAL MEETING 9
 SECTION 19. POWERS 10
 SECTION 20. MANAGING AGENT..... 11

ARTICLE IV OFFICERS 12
 SECTION 1. OFFICERS 12
 SECTION 2. ELECTION TERM OF OFFICE AND VACANCIES 13
 SECTION 3. REMOVAL 13
 SECTION 4. POWERS AND DUTIES 13

BR
9-27-18

SECTION 5. RESIGNATION..... 13
SECTION 6. AGREEMENTS, CONTRACTS, DEEDS, LEASES, ETC. 13
SECTION 7. CHECKS 13
SECTION 8. LIMITATION ON SPENDING 13
SECTION 9. COMPENSATION..... 13

ARTICLE V COMMITTEES..... 14

ARTICLE VI MISCELLANEOUS..... 14
SECTION 1. FISCAL YEAR 14
SECTION 2. PARLIAMENTARY RULES 14
SECTION 3. CONFLICTS 14
SECTION 4. BOOKS AND RECORDS 14
SECTION 5. AUDIT 14
SECTION 6. INDEMNIFICATION..... 14
SECTION 7. AMENDMENT 14

REY
9-27-18

AMENDED AND RESTATED BYLAWS
of
PINEY CREEK PROPERTY OWNERS ASSOCIATION

Recitals

1. Piney Creek Property Owners Association is an unincorporated property owners association in Austin County, Texas (the "Association").
2. Bylaws for the Piney Creek Property Owners Association were adopted in January 2013 ("Prior Bylaws").
3. Article XIII of the Prior Bylaws provides they may be amended by a majority vote of the members of the Board or the Association.
4. The Board of Directors wishes to amend and restate the Prior Bylaws in their entirety.

NOW, THEREFORE, the Board of Directors of the Association hereby adopts these Amended and Restated Bylaws of Piney Creek Property Owners Association ("**Bylaws**") which are effective upon recording in the Official Public Records of Real Property in Austin County, Texas.

Article I
Name, Membership, and Definitions

Section 1. Name. The name of the Association is Piney Creek Property Owners Association.

Section 2. Membership. The Association has one class of membership as set forth in the "Amended and Restated Declaration of Restrictions for Piney Creek Property Owners Association" (the "**Declaration**"), the terms of which pertaining to membership are specifically incorporated by reference herein.

Section 3. Definitions/Gender. The term "**Member**", as used herein, means an Owner, as that term is defined in the Declaration. All other capitalized terms used in these Bylaws have the same meanings as that set forth in the Declaration, unless otherwise provided. Pronouns, wherever used in these Bylaws, include all persons regardless of gender.

Article II
Association: Meetings, Quorum, Voting, Proxies

Section 1. Place of Meetings. Meetings of the Association will be held at the principal office of the Association or at such other suitable place as may be designated by the Board of Directors either in the community of Piney Creek or as convenient to the Members of the Association as possible and practical.

AEJ
9-27-18

Section 2. Annual Meetings. The annual meeting of the Association will be held in the last quarter of each year, on a date and at a time designated by the Board of Directors.

Section 3. Special Meetings. The President may call special meetings. In addition, it is the duty of the President to call a special meeting of the Association if so directed by resolution of a majority of a quorum of the Board of Directors or upon a petition signed by Members representing at least twenty percent (20%) of the total votes of the Association. The notice of any special meeting must state the date, time, and place of such meeting and the purpose thereof. No business may be transacted at a special meeting except as stated in the notice.

Section 4. Notice of Meetings. It is the duty of the Secretary to send to each Member written notice of each annual or special meeting of the Association stating the purpose of the meeting, as well as the time and place where it is to be held. Such notice may be delivered personally, by mail, by facsimile, and to the extent expressly authorized by statute, by electronic message. If a Member desires that notice be given at an address other than the Lot, the Member must provide the alternative address for the purpose of receiving notice in writing to the Secretary. Notice by facsimile must be sent to the facsimile number provided to the Association in writing by that Member. For an election or vote to be taken at a meeting of the Members, notice must be served not less than ten (10) days nor more than sixty (60) days before the meeting. If mailed, the notice of a meeting will be deemed to be delivered when deposited in the United States mail, first class postage pre-paid, addressed to the Member. If faxed, the notice will be deemed to be delivered as of the date and time shown on a written confirmation that the facsimile was successfully transmitted. If sent by electronic message, the notice will be deemed to be delivered as provided by applicable statute. The Board of Directors may use any other means to deliver a notice of a meeting that may become available with advancements in technology, provided that notice by such means is authorized by statute. Notwithstanding anything contained herein to the contrary, the Association may use an alternative method that may be used to provide notice to Members provided that the Member to whom the notice is provided has affirmatively opted to allow the Association to use the alternative method of providing notice.

For an election or vote of Members not taken at a meeting, the Association must give notice of the election or vote to all Members entitled to vote on any matter under consideration. The notice must be given not later than the twentieth (20th) day before the latest date on which a ballot may be submitted to be counted.

Section 5. Waiver of Notice. Waiver of notice of meeting of the Members will be deemed the equivalent of proper notice. Any Member may, in writing, waive notice of any meeting of the Members, either before or after such meeting. Attendance at a meeting by a Member, whether in person or by proxy, will be deemed waiver by such Member of notice of the time, date, and place thereof, unless such Member specifically objects to lack of proper notice at the time the meeting is called to order. Attendance at a special meeting will also be deemed waiver of notice of all business transacted at such meeting unless objection to the calling or convening of the meeting is raised before the business (of which proper notice was not given) is put to a vote.

Section 6. Adjournment of Meetings. If a meeting of the Members cannot be held because a quorum is not present, either the Board of Directors or a majority of the Members who are present at such meeting, either in person or by proxy, may adjourn the meeting to a time not less than five (5) nor more than sixty (60) days from the time the original meeting was called. In that event, no

additional notice need be given to the Members other than an announcement at the adjourned meeting of the time and place of the reconvened meeting. If a time and place for reconvening the meeting is not fixed at the adjourned meeting or if, for any reason, a new date is fixed for reconvening the meeting after adjournment, notice of the time and place for the reconvened meeting must be given to Members in the manner provided herein for a first called meeting. At the reconvened meeting, the quorum requirement will be one-half (1/2) the quorum requirement for the first meeting; if a quorum is present, any action that may have been taken at the meeting originally called may be taken. This procedure may be repeated, as necessary, with the quorum requirement being reduced each time, until a quorum is present.

Notwithstanding the foregoing provisions, if a meeting of the Members is called for the purpose of electing one (1) or more Directors and a quorum is not present, the Board of Directors may adjourn the meeting without any notice being required other than an announcement at the meeting and reconvene five (5) minutes after adjournment. At the reconvened meeting, the quorum requirement will be one-half (1/2) the quorum requirement for the first meeting. If a quorum is not present at the reconvened meeting, the Board of Directors may adjourn the reconvened meeting without any notice being required other than an announcement at the meeting and again reconvene five (5) minutes after adjournment of the reconvened meeting. At the second reconvened meeting, the quorum requirement will be one-half (1/2) the quorum requirement for the first reconvened meeting. This procedure will be repeated, as necessary, with the quorum requirement being reduced each time, until a quorum is present and the election of one (1) or more Directors may be accomplished.

Section 7. Voting. The voting rights of the Members are as set forth in the Declaration; provided that, all Members have the right to vote in the election of Directors and on any matter concerning the rights or responsibilities of Members. Members may vote in person or by proxy or, if implemented by the Association, by absentee ballot or by electronic ballot.

Section 8. Proxies. All proxies must be in writing and filed with the Secretary before the appointed time of each meeting. Every proxy will be revocable and will automatically cease upon (i) conveyance by the Member of the Member's interest in a Lot; (ii) receipt of notice by the Secretary of the death or judicially declared incompetence of a Member; (iii) receipt of written revocation; or, (iv) expiration of eleven (11) months from the date of the proxy. In the event a Member executes more than one (1) proxy, the proxy with the most current date will be valid. Proxies not delivered prior to the start of any meeting will not be valid.

Section 9. Quorum. The presence at a meeting of Members entitled to cast one-tenth (1/10) of the total votes in the Association constitutes a quorum, unless a greater percentage for a particular meeting or a particular action is required by the Declaration or these Bylaws.

Section 10. Conduct of Meetings. The President presides over all meetings of the Association and the Secretary, or another person designated by the Secretary, keeps the minutes of the meeting and record in a minute book all resolutions adopted at the meeting, as well as a record of all transactions occurring at the meeting.

Section 11. Action Without a Meeting. To the extent allowed by applicable law, any action which may be taken or is required to be taken at a meeting of the Association may be taken without a meeting if written consent is signed by Members holding the number of votes necessary to

BEA
9-27-18

approve the action at a meeting. The written consent must (a) set forth the action to be taken and (b) be executed by the required number of Members as of the effective date set forth in the written consent. Any written consent adopted in accordance with this section has the same force and effect as a unanimous vote of the Members.

Article III Board of Directors: Number, Powers, Meetings

Section 1. Governing Body: Composition. The affairs of the Association will be governed by a Board of Directors. Not more than one (1) representative of a particular corporation or other entity that is a Member may serve on the Board at any given time. A Member is not eligible to serve on the Board of Directors if the Member has been convicted of a felony or crime involving moral turpitude within the last twenty (20) years and there is written, documented evidence of such a conviction from a database or other record maintained by a governmental law enforcement authority.

Section 2. Directors. Directors must be Members of the Association.

Section 3. Number of Directors. The Board of Directors will contain a minimum of three (3) and a maximum of five (5) Directors. The number of positions on the Board of Directors may be increased or decreased by a majority vote of the Members at a meeting called for that purpose at which a quorum is present. Provided that, the number of positions on the Board of Directors may not be less than three (3). Provided further that, a decrease in the number of positions on the Board will not shorten the term of an incumbent Director.

Section 4. Candidates for Election to the Board. With respect to any position on the Board of Directors to be filled by a vote of the Members, all Members have the right to run for such position on the Board of Directors. Each year, at least sixty (60) days prior to the date of the annual meeting of the Members, the Association must send notice to all Members of the number of positions on the Board to be filled by election at the upcoming annual meeting and the right of all Members to run for a position on the Board. The notice must specify a date by which a Member must submit his/her name as a candidate for election to the Board; the date for a Member to submit his/her name as a candidate may not be earlier than the tenth (10th) day after the date the Association sends the notice. The notice may be mailed to each Member or provided by (a) posting the notice in a conspicuous manner reasonably designed to provide notice to the Members in a place located on the Association's common areas or (b) on an Internet website maintained by the Association, and by sending notice by e-mail to each Member who has registered an e-mail address with the Association. The Association must be notified by the Member who desires to run for a position on the Board, not by another Member, to confirm the Member's desire to run for election and to serve on the Board. All Members who notify the Association by the stipulated deadline will be candidates whose names will be included in the notice of annual meeting sent to all Members and on the absentee or other ballot. A Member who does not submit his/her name by the deadline set forth in the Association's notice may thereafter notify the Association of his/her desire to run for election to the Board and, in that event, the Member will be a candidate for election to the Board. However, the Association is not obligated to send a supplemental notice to all Members advising of the names of any candidates who submit their names after the deadline in the Association's notice. Provided that, if any notice is thereafter sent or published by the Association which includes a list of candidates for election to the Board, the list must include the names of all

candidates. Nominations for election to the Board will not be made by a nominating or other committee of the Association. A Member may notify the Association of the Member's desire to run for election to the Board of Directors at any time prior to the deadline for submitting votes. A Member may not nominate another Member as a candidate for election to the Board unless the Member to be nominated is present at the annual meeting and confirms his/her desire to be a candidate for election to the Board.

Section 5. Term of Office. The term of office of each director elected by the Members will be for two (2) years from the date of their election, with the understanding that a director may be reelected for additional two (2) year terms. The terms of the directors are staggered. Each director will continue to hold office until his/her successor is appointed or elected and qualified.

Section 6. Removal of Directors. Any Director may be removed from the Board, with or without cause, by a majority vote of the Members of the Association. Further, a director who fails to attend three (3) consecutive meetings without just cause may be removed from the Board by a majority of the directors, without a vote of the Members. "Just cause" will be determined by the discretion of the Board. If the Board is presented with written, documented evidence from a database or other record maintained by a governmental law enforcement authority that a Board member was convicted of a felony or crime involving moral turpitude not more than twenty (20) years before the date the Board is presented with the evidence, the Board member is immediately ineligible to serve on the Board and will, therefore, be immediately removed. 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.

Section 7. Election; Voting Procedure for Directors. The election of the Board of Directors will be conducted at the annual meeting of the Association. 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 these Bylaws and the Declaration. Voting for Directors will be by written and signed ballots; provided that, in the event of an uncontested race, written and signed ballots are not required. With respect to all positions on the Board to be filled by election, the candidates receiving the highest number of votes will be elected to fill such positions, regardless of the number of votes cast. Cumulative voting is prohibited.

Section 8. Recount of Votes. Any Member may request a recount of the votes of an election. A request for a recount must be submitted not later than the 15th day after the date of the meeting of the Members at which an election or vote was held or the date of the announcement of the results of the election or vote if no meeting was held. For purposes of this section, the term "submitted" means the date on which the recount request is deposited in the mail or delivered in person in accordance with the requirements of this section. A demand for a recount must be submitted in writing either:

- a. by verified mail to the Association's mailing address as reflected on the last recorded management certificate; or
- b. in person to the Association's managing agent as reflected on the last recorded management certificate or to the address to which absentee ballots and proxy ballots were mailed.

The Association must estimate the costs for performing a recount by a person qualified to tabulate votes as set forth below and must send an invoice for the estimated costs to the Member requesting a recount to the Member's last known address according to the Association records not later than the 20th day after the date on which the Association received notice of the request for a recount. The Member demanding a recount must pay such invoice in full on or before the 30th day after the date the invoice is sent to the Member. If the Member does not timely pay the invoice, the demand for recount is considered withdrawn and a recount is not required. If the actual costs are different than the estimate, the Association must send a final invoice to the Member on or before the 30th business day after the date the results of the recount are provided. If the final invoice includes additional amounts owed by the Member, any additional amounts not paid to the Association before the 30th business day after the date the invoice is sent to the Member may be added to the Member's account as an assessment. If the estimated costs exceed the final invoice amount, the Member is entitled to a refund. The Association will issue a refund to the Member not later than the 30th business day after the date the invoice is sent to the Member.

Only after payment is received, the Association will, at the expense of the Member requesting the recount, retain the services of a qualified person to perform the recount. The Association must enter into a contract for the services of a person who is not a Member of the Association or related to a member of the Board of Directors of the Association within the third degree by blood or marriage and is a:

- a. current or former county judge;
- b. current or former county elections administrator;
- c. current or former justice of the peace;
- d. current or former county voter registrar; or
- e. person agreed on by the Association and each Member requesting the recount.

A recount must be performed on or before the 30th day after the date of receipt of the payment for the recount. The Association must provide each Member who requested the recount with notice of the results of the recount. If the recount changes the results of the election, the Association must reimburse the Member for the cost of the recount not later than the 30th day after the date the results of the recount are provided. Any action taken by the Board in the period between the initial election vote tally and the completion of the recount is not affected by the recount.

Section 9. Regular Meeting. Regular meetings of the Board of Directors may be held at such time, date, and place as determined from time to time by a majority of the Directors; the frequency of regular meetings will be as deemed necessary and appropriate by the Board of Directors, but not less than one (1) meeting per quarter. Notice of each regular meeting will be given to all Members as required by law. The Board of Directors may participate in and hold a regular or special meeting by means of:

- (a) conference telephone or similar communication equipment by which all persons participating in the meeting can hear each other; or
- (b) another suitable electronic communications system, including video conferencing technology or the Internet, only if:

- i. each Director entitled to participate in the meeting consents to the meeting being held by means of that system; and
- ii. the system provides access to the meeting in a manner or using a method by which each Director participating in the meeting can communicate concurrently with each other participant;
- iii. all Directors may hear and be heard by every other Director;
- iv. except for any portion of the meeting conducted in executive session, all Members in attendance at the meeting may hear all Directors and Members are allowed to listen using any electronic or telephonic communication method used or expected to be used by a Director to participate; and
- v. the notice of the meeting includes instructions for Members to access any communication method required to be accessible under subsection (iv) above.

Participation in a meeting by conference telephone or similar communication or video conferencing technology or the Internet constitutes presence in person at such meeting except where a Director 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. The Board may take action outside of a meeting, including voting by electronic or telephonic means, without prior notice to the Members, if each Director is given a reasonable opportunity to express the Director's opinion to all other Directors and to vote. Any action taken without notice to the Members must be summarized orally, including an explanation of any known actual or estimated expenditures approved at the meeting, and documented in the minutes of the next regular or special Board meeting. Provided further that, the Board may not take action without prior notice to the Members on any matter prohibited by law to be taken without prior notice to the Members, unless done in an open meeting for which prior notice was given to the Members.

Section 10. Special Meeting. Special meetings of the Board of Directors will be held when called by the President of the Association or by any two (2) Directors. The notice will specify the date, time, and place of the meeting and the nature of any special business to be considered. The notice must be given to each Director by anyone of the following methods: (a) by personal delivery; (b) written notice by first class mail, postage prepaid; (c) by facsimile, or (d) if a Director has provided an email address for notice purposes, by email. All such notices must be given or sent to the Director's address, email, or facsimile number as shown on the records of the Association. Notices sent by first class mail must be deposited into a United States mailbox, at least three (3) days before the time set for the meeting. Notices given by personal delivery, email, or facsimile must be delivered or given at least three (3) days before the time set for the meeting. The provisions in Article III, Section 11, relating to notice to the Members is applicable to a special meeting of the Board of Directors.

Section 11. Notice of Board Meetings. The Board of Directors must give Members notice of Board meetings (regular and special), including the date, hour, place, and general subject of the Board meeting, including a general description of any matter to be brought up for deliberation in closed executive session. A notice of meeting must be:

REC
9-27-15

- a. mailed to all Members at least ten (10) days before the date of the meeting; or
- b. provided at least seventy-two (72) hours before the meeting by:
 - i. being posted in a conspicuous location, either in the common areas or on the Association's website; and
 - ii. being emailed to all Members who have registered their email addresses with the Association.

It is a Member's duty to register and keep an updated email address with the Association.

Section 12. Waiver of Notice. The transactions of any meeting of the Board of Directors, however called and noticed or wherever held, will be as valid as though taken at a meeting duly held after regular call and notice, if (a) a quorum of the Board of Directors is present, and (b) either before or after the meeting, each of the Directors not present signs a written waiver of notice, a consent to holding the meeting, or an approval of the minutes. The waiver of notice or consent need not specify the purpose of the meeting. Notice of a meeting will also be deemed given to any Director who attends the meeting without protesting before or at its commencement about the lack of adequate notice thereof.

Section 13. Quorum of Board of Directors. At all meetings of the Board of Directors, a majority of the Directors constitutes a quorum for the transaction of business, and the vote of a majority of the Directors present at a meeting at which a quorum is present will constitute the decision of the Board of Directors. A meeting at which a quorum is initially present may continue and business may be transacted, notwithstanding the withdrawal of Directors during the meeting, if any action taken is approved by at least a majority of the required quorum for that meeting. If any meeting of the Board cannot be held because a quorum is not present, either in person or by proxy, the President may adjourn the meeting and reconvene at a time not less than five (5) days and not more than thirty (30) days from the time the original meeting was called. If a time and place for reconvening the meeting is fixed by those in attendance at the original meeting, further notice of the time and place for reconvening the meeting is not required to be given to the Directors. If a time and place for reconvening the meeting is not fixed by those in attendance at the original meeting or if for any reason a new date is fixed for reconvening the meeting after adjournment, notice of the time and place for reconvening the meeting must be given to the Directors in the manner prescribed for the original meeting. At such reconvened meeting, whether or not a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice, provided that any action taken must be approved, in writing, by at least a majority of the Directors required to constitute a quorum at the original meeting.

Section 14. Compensation. No Director may receive any compensation from the Association for acting in such capacity. However, Directors may be reimbursed for out-of-pocket expenses incurred on Association business. Directors may receive compensation from the Association when taking action at the request of the Association other than in the capacity of Director.

Section 15. Conduct of Meetings. A chairperson will preside over all meetings of the Board of Directors and the Secretary will keep a minute book of the Board of Directors, recording therein all resolutions adopted by the Board of Directors and a record of all transactions and proceedings occurring at such meetings.

Section 16. Open Meetings. All meetings of the Board of Directors must be open to all Members, but Members other than Directors may not participate in any discussion or deliberation unless expressly so authorized by a majority of a quorum of the Board of Directors. Provided that, if a Member unreasonably disrupts a meeting of the Board of Directors or repeatedly interrupts the discussion between Directors, the Board of Directors has the authority, after an initial warning, to cause that Member to be removed from the meeting.

Section 17. Executive Session. The Board of Directors may adjourn a regular or special meeting and reconvene in a closed executive session to consider actions involving personnel, pending or threatened litigation, contract negotiations, enforcement actions, confidential communications with the Association's attorney, matters involving the invasion of privacy of individual Members, and matters that are to remain confidential by request of the affected parties and agreement of the Board. Following an executive session, any decision made in executive session must be summarized orally and placed in the minutes, in general terms, without breaching the privacy of individual Members, violating any privilege, or disclosing any information that was to remain confidential at the request of the affected parties. The oral summary must include a general explanation of expenditures approved in executive session.

Section 18. Action Without a Formal Meeting. The Board of Directors may take action outside of a meeting, including voting by electronic or telephonic means, without prior notice to Members, if each Board member is given a reasonable opportunity to express the Board member's opinion to all other Board members and to vote. The reasonable opportunity for a Board member to express an opinion and vote will be not less than twenty-four (24) hours or more than seventy-two (72) hours. Any action taken without notice to Members under this section must be summarized orally, including an explanation of any known actual or estimated expenditures approved at the meeting, and documented in the minutes of the next regular or special Board meeting. The Board may not, unless done in an open meeting for which prior notice was given to all Members in accordance with Section 11 of this Article, consider or vote on:

- (a) fines;
- (b) damage assessments;
- (c) initiation of foreclosure actions;
- (d) initiation of enforcement actions, excluding temporary restraining orders or violations involving a threat to health or safety;
- (e) increases in assessments;
- (f) levying of special assessments;
- (g) appeals from a denial of architectural control approval;
- (h) a suspension of a right of a particular Owner before the Owner has an opportunity to attend a Board meeting to present the Owner's position, including any defense, on the issue;
- (i) lending or borrowing money;
- (j) the adoption or amendment of a dedicatory instrument;
- (k) the approval of an annual budget or the approval of an amendment of an annual budget that increases the budget by more than ten percent (10%);
- (l) the sale or purchase of real property;
- (m) the filling of a vacancy on the Board;

- (n) the construction of capital improvements other than the repair, replacement or enhancement of existing capital improvements; or
- (o) the election of an officer.

Section 19. Powers. The Board of Directors is responsible for the affairs of the Association and has all of the powers and duties necessary for the administration of the Association's affairs and, as provided by law, may do all acts and things as are not by the Declaration, Articles of Incorporation of the Association, or these Bylaws directed to be done and exercised exclusively by the Members.

The President has the authority to act on behalf of the Board of Directors on all matters relating to the duties of any managing agent or manager, if any, which might arise between meetings of the Board of Directors.

In addition to the duties imposed by these Bylaws or by any resolution of the Association that may hereafter be adopted, the Board of Directors has the power to, and is responsible for, the following (by way of explanation, but not limitation):

- (a) Preparing and adopting an annual budget.
- (b) Levying assessments as provided for in the Declaration to defray Association expenses, establishing the means and methods of collecting such assessments, and establishing the period of the installment payments, if any, of the Annual Maintenance Assessment. Unless otherwise determined by the Board of Directors, the Annual Maintenance Assessment will be collected annually in advance.
- (c) Providing for the operation, care, upkeep, and maintenance of all of the common areas.
- (d) Designating, hiring, and dismissing the personnel necessary for the maintenance, operation, repair, and replacement of the Association, its property, and the common areas and, where appropriate, providing for the compensation of such personnel and for the purchase of equipment, supplies, and material to be used by such personnel in the performance of their duties.
- (e) Collecting any assessments provided for in the Declaration, depositing the proceeds thereof in a bank depository, which it must approve, and using the proceeds to administer the Association.
- (f) Making and amending rules and regulations for the Association.
- (g) Opening bank accounts on behalf of the Association and designating the signatories required.
- (h) Making, or contracting for the making of, repairs, additions, and improvements to, or alterations of the common areas in accordance with the other provisions of the Declaration and these Bylaws, after damage or destruction by fire or other casualty.

REA
9-27-18

- (i) Enforcing, by legal means, the provisions of the Declaration, these Bylaws, and the rules and regulations adopted by it, and bringing any proceedings, which may be instituted on behalf of or against the Members concerning the Association.
- (j) Obtaining and carrying insurance against casualties and liabilities, including directors' and officers' liability insurance, as provided in the Declaration, and paying the premium cost thereof.
- (k) Paying the cost of all services rendered to the Association or its Members and not directly chargeable to Members.
- (l) Keeping books with detailed accounts of the receipts and expenditures affecting the Association and its administration, specifying the maintenance and repair expenses and any other expenses incurred. All books and records must be kept in accordance with generally accepted accounting practices, and must be available as required by Texas law.
- (m) Providing, upon request, information to Members, mortgagees and prospective purchasers of Lots concerning, by way of example and not limitation, the status of the Association, the status of payment of assessments and related charges on a Lot and the status of compliance with the provisions of the Declaration, and charging a reasonable fee sufficient to cover the expense associated with providing such information.
- (n) Charging a reasonable fee sufficient to cover the expense associated with changing the records of the Association upon the transfer of title to a Lot, as further provided in the Declaration.
- (o) Adopting policies and procedures deemed necessary and appropriate for the administration of the Association and the conduct of the Directors and officers of the Association, the employees of the Association, if any, and persons serving on behalf of the Association in volunteer capacities.
- (p) Enforcing rules and regulations for the Association.

Section 20. Managing Agent.

- (a) The Board of Directors may employ for the Association a professional managing agent or agents, or manager, at a compensation rate established by the Board of Directors, to perform such duties and services, as the Board of Directors authorizes. The Board of Directors may delegate to the managing agent or manager, subject to the Board's supervision, all of the powers granted to the Board of Directors by these Bylaws other than the powers set forth in Paragraphs (a), (b), (f), (g), and (i) of Section 19 of this Article.
- (b) If a managing agent or manager is hired, the following management standards of performance will be followed, unless the Board, by resolution, determines otherwise:
 - (i) Two (2) or more persons must be responsible for handling cash, or its equivalent, in order to maintain adequate financial control procedures;

BOA
9-27-18

(ii) Cash accounts of the Association may not be commingled with any other accounts;

(iii) No remuneration may be accepted by the manager or managing agent from vendors, independent contractors, or others providing goods or services to the Association, whether in the form of commissions, finder's fees, service fees, prizes, gifts, or otherwise;

(iv) Any financial or other interest which the managing agent or manager may have in any firm providing goods or services to the Association must be disclosed promptly to the Board of Directors; and

(v) A quarterly or more frequent financial report, as may be determined by the Board, must be prepared for the Association containing:

- (1) an income statement reflecting all income and expense activity for the period of time since the last financial report;
- (2) an account activity statement reflecting all receipt and disbursement activity for the period of time since the last financial report;
- (3) a budget comparison report reflecting the status of all income and expense accounts in an "actual" versus "projected" budget format;
- (4) a balance sheet reflecting account balances as of the end of the period of time since the last financial report (this balance sheet must include an aged receivables report or other report deemed appropriate by the Treasurer);
- (5) a balance sheet as of the last day of the Association' fiscal year and an operating statement for said fiscal year which must be distributed within ninety (90) days after the close of any fiscal year to the Board;
- (6) a budget report reflecting any actual or pending obligations which are in excess of budgeted amounts by an amount exceeding the operating reserves by ten percent (10%) of a major budget category (as distinct from a specific line item in an expanded chart of accounts); and
- (7) a delinquency report listing all Members who have been delinquent during the period of time since the last financial report in paying any assessments due as provided in the Declaration and who remain delinquent at the time of report, and describing the status of any action to collect such assessments which remain delinquent.

Article IV **Officers**

Section 1. Officers. The officers of the Association are the President, Vice President, Building Community Chair, Secretary, and Treasurer. The Board of Directors may select, appoint and/or remove such other officers, as it deems appropriate, such officers to have the authority to perform the duties prescribed from time to time by the Board of Directors. Directors may hold more than

REK
9-27-18

one office, provided however, that no person may simultaneously hold the offices of President and Secretary.

Section 2. Election Term of Office and Vacancies. The officers of the Association will be elected annually from within and by the Board of Directors at the first meeting of the Board of Directors held after the annual meeting of the Members. A vacancy in any office arising because of death, resignation, removal, or otherwise may be filled by the Board of Directors for the unexpired portion of the term.

Section 3. Removal. Any officer may be removed by a majority vote of the Board of Directors, at a duly called meeting of the Board, at which a quorum is present, whenever in its judgment the best interests of the Association will be served thereby.

Section 4. Powers and Duties. The officers of the Association each have such powers and duties as generally pertain to their respective offices, as well as such powers and duties as may from time to time be specifically conferred or imposed by the Board of Directors. The Chief Executive Officer of the Association is the President. The Treasurer has primary responsibility for the preparation of the budget, and, with the approval of the Board of Directors, may delegate all or part of the preparation and notification duties to a finance committee, or a management agent.

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

Section 6. Agreements, Contracts, Deeds, Leases, Etc. All agreements, contracts, deeds, leases, and other instruments of the Association must be executed by at least one (1) officer or by such other person or persons as may be designated by resolution of the Board of Directors.

Section 7. Checks. Except as otherwise provided in this section, all checks must be signed by at least two (2) officers or Directors or by such other person or persons as to be designated by the Board of Directors. The Board of Directors may authorize that checks for less than \$500.00 only require the signature of one (1) officer, Director, or other person designated by the Board of Directors.

Section 8. Limitation on Spending. The Board may not spend more than twenty percent (20%) of the total cash assets of the Association for capital improvements, or ten percent (10%) of the total cash assets of the Association for entertainment purposes, including but not limited to social events, without approval of a majority of the total votes of the Association. "Capital improvements" as used herein means the addition of a permanent structural improvement or the restoration of some aspect of a property that will either enhance the Property's overall value or increase its useful life.

Section 9. Compensation. No officer may receive any compensation from the Association for acting in such capacity.

BEA
9-27-18

**Article V
Committees**

The Board of Directors will appoint committees as deemed appropriate to perform such functions as designated by the Board when creating each committee.

**Article VI
Miscellaneous**

Section 1. Fiscal Year. The fiscal year of the Association is the calendar year.

Section 2. Parliamentary Rules. Robert's Rules of Order (current edition) governs the conduct of Association proceedings when not in conflict with Texas law, the Declaration, or these Bylaws.

Section 3. Conflicts. If there are conflicts or inconsistencies among the provisions of Texas law, the Declaration, these Bylaws, and/or any rules and regulations of the Association, the provisions of Texas law, the Declaration, these Bylaws, and the rules and regulations of the Association (in that order) will prevail.

Section 4. Books and Records. Books and records of the Association will be retained by the Association in accordance with the Association's Records Retention Policy. Each Member or Member's designated representative has a right to either inspect the requested books and records before obtaining copies or to have the Association forward copies of the requested books and records in accordance with the Association's recorded Open Records Policy. Provided that, this provision does not require the Association to release or allow inspection of books and records that are not required by law to be released or inspected, as set forth in the Association's recorded Open Records Policy.

Section 5. Audit. An audit of the accounts of the Association will be performed by a qualified, independent certified public accountant as frequently as deemed necessary by the Board of Directors. Each audit will be in accordance with generally accepted auditing standards to obtain reasonable assurance that the Association's financial statements are free of material misstatements, to assess accounting principles used, and to evaluate the overall financial statement presentation. A more comprehensive audit may be performed in any given year as deemed necessary or appropriate by the Board.

Section 6. Indemnification. The Association must indemnify a Director, officer, or committee member who was, is, or is threatened to be named as a defendant or respondent in a proceeding to the extent indemnification is consistent with the Texas Business Organizations Code, as it now exists or may hereafter be amended.

Section 7. Amendment. These Bylaws may be amended by a majority vote of the Board of Directors subject to notice requirements provided by law or in these Bylaws.

RE
9-27

CERTIFICATION

I, the undersigned, being the President of Piney Creek Property Owners Association do hereby certify that at a meeting of the Board of Directors of the Association duly called and held on the 27 day of September 2018, with at least a quorum of the Board being present and remaining throughout, and being duly authorized to transact business, the foregoing "Amended and Restated Bylaws of Piney Creek Property Owners Association" was duly approved by the majority of the members of the Board in attendance.

IN WITNESS WHEREOF, I have hereunto subscribed my name on the date shown below but made effective as of the Effective Date, as specified above.

Piney Creek Property Owners Association,
a Texas non-profit corporation

Date: Sept 27, 2018

By: Robert E. Johnson

Printed: Robert E. Johnson

Its: President

THE STATE OF TEXAS §
§
COUNTY OF AUSTIN §

BEFORE ME, the undersigned notary public, on this 27 day of September 2018 personally appeared Robert E. Johnson, President of Piney Creek Property Owners Association, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that s/he executed the same for the purpose and in the capacity therein expressed.



Erika Guerrero
Notary Public in and for the State of Texas