

AMEND

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ADOPTION OF AMENDED AND RESTATED BY-LAWS
OF
WILLOW MEADOWS CIVIC CLUB, INC.

THE STATE OF TEXAS §
 §
COUNTY OF HARRIS §

WHEREAS, on September 9, 2008, WILLOW MEADOWS CIVIC CLUB, INC. (the "Association"), adopted that certain document titled WILLOW MEADOWS CIVIC CLUB, INC. BY-LAWS; and

WHEREAS, ARTICLE X Amendments to the By-Laws, provides that the By-Laws may be amended at any General or Special Meeting of the Members upon the approval of two thirds of the votes cast; and

WHEREAS, proper notice having been given, several amendments to the By-Laws were voted on by the Members at the General Meeting of the Association held on December 9, 2014; and

WHEREAS, two thirds of the Members present in person or by proxy at the General Meeting of the Association held on December 9, 2014, approved the proposed amendments incorporated in the Amended and Restated By-Laws attached to this Resolution as Exhibit "A" and incorporated herein for all purposes.


NOW THEREFORE, the undersigned, representing at least two thirds of a quorum of members present in person or by proxy at the General Meeting of the Association held on December 9, 2014, did approve the amendments to the By-Laws incorporated in the First Amended and Restated By-Laws attached hereto as Exhibit "A."

IN WITNESS WHEREOF, the undersigned, being the President of the Association, hereby executed this document acknowledging that the amendments to the By-Laws incorporated within the attached Amended and Restated By-Laws of the Association were approved by two thirds of the Members present in person or by proxy at the General Meeting of the Association held on December 9, 2014.

The undersigned has been duly authorized to execute and deliver this instrument.

DATED this 9th day of ^{March} ~~February~~, 2015.

WILLOW MEADOWS CIVIC CLUB,
INC., a Texas non-profit corporation

By: 
Name: Steven Paletz
President *President*

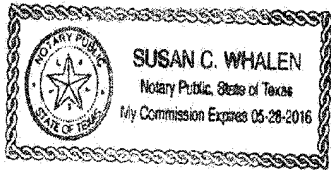
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THE STATE OF TEXAS §
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COUNTY OF HARRIS §

Before me, the undersigned authority, on this 9th day of ^{MARCH} February, 2015, personally appeared Steven Paletz, President of WILLOW MEADOWS CIVIC CLUB, INC., known to me to be the persons whose name is subscribed to the foregoing instrument, and acknowledged to me that he/she executed the same on behalf of the corporation.



Susan C. Whalen

Notary Public

AFTER RECORDING RETURN TO:

SEARS | BENNETT | LLP
9700 RICHMOND AVENUE, SUITE 222
HOUSTON, TEXAS 77042
TELEPHONE: (713) 782-1788
WWW.SEARSFIRM.COM

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FIRST AMENDED AND RESTATED BY-LAWS
OF
WILLOW MEADOWS CIVIC CLUB, INC.

ARTICLE I. Organization and Purpose

SECTION 1. The Willow Meadows Civic Club, Inc., is a Texas non-profit corporation, comprising property owners in the Willow Meadows subdivision as defined in Article I.01(A) of the Restrictions.

SECTION 2. The purposes of the Willow Meadows Civic Club, Inc. (the "Association") are to promote the civic and social welfare and well-being of the Members living within the Willow Meadows subdivision in Harris County, Texas; to provide for the maintenance, preservation, and enhancement of the Willow Meadows subdivision; and to promote and engage in activities for the use and benefit of the Members. The Association shall use its powers and rights conferred by the Texas Non-Profit Corporation Act, Texas Property Code Chapter 204, and the Declarations, *of* Covenants, Conditions, and Restrictions *for the* Willow Meadows Subdivision, *including any amendments thereto*; provided that where such powers and rights are inconsistent with the By-Laws, the By-Laws shall control, except as required by law.

ARTICLE II. Definitions

"Association" means the Willow Meadows Civic Club, Inc., a Texas non-profit corporation.

"Board of Directors" or "Board" means the governing board of the Association. The Board of Directors comprises the Officers and the At-Large Directors, Positions 1 through 8.

"Officers" means the elected officers of the Association, which are the President, Vice President, Treasurer, and Secretary.

"Restrictions" means the Declaration of Covenants, Conditions, and Restrictions for the Willow Meadows Subdivision filed and recorded in the Real Property Records of Harris County, Texas, on December 18, 1998, and any amendments thereto.

"Member" means every person who is an owner of a lot located in the Willow Meadows subdivision. All such persons are Members of the Association.

"Member in Good Standing" means a Member who not violated the Restrictions. A Member is not in Good Standing if:

- (1) the Member has violated any of the Restrictions, as determined by a court of law, or
- (2) the Member has admitted the violation in writing to the Board and the deadline for correcting the admitted violation has passed.

For all matters involving a vote of the Association, there is only one (1) vote per lot.

The term “quorum” means the number of Members required for the Association to carry out its business at the General and Special Meetings. Except as provided below, a quorum is the number of present in person, proxy, or absentee ballot, at a General or Special Meeting. A quorum for voting on the proposed operating and capital budgets and amendments thereto, and for Board of Directors elections, is 25 Members represented in person, proxy, or absentee ballot received prior to the call for the ballot. A quorum for proposed revisions, changes or amendments to these By-Laws is 82 Members represented in person, proxy, or absentee ballot received prior to the call for the ballot, representing ten percent (10%) of the total number of lots in the Willow Meadows subdivision.

“Fiscal Year” means the financial accounting period for the Association. It commences on January 1st each year and closes at the end of December 31st of that same year.

“General Meeting” means a meeting of all Members of the Association held quarterly.

“Special Meeting” means a meeting of all Members of the Association called for a stated purpose in accordance with Article VIII, Section 1 of these By-Laws.

“Publication” means any method of printed communication available and calculated to fairly notify all Members of important events. Unless otherwise stated herein, publication of special notices must be by first class, U.S. Mail. In addition, best faith effort shall be made to post all printed Publication(s) to the Willow Meadows website.

ARTICLE III. Annual Assessment and Other Fees

SECTION 1. As required in the Restrictions at Article IV.06, the maximum annual assessment is two hundred dollars (\$200.00), subject to amendment as stated in Section 2 below. This annual assessment is incurred as of January 1st of each year.

SECTION 2. Except as provided below in Section 3, the annual assessment may be increased in a given year by an amount not in excess of ten (10) percent of the assessment for the previous year by approval of a simple majority of the Members represented in person, proxy, or absentee ballot at a meeting of the Association. The annual assessment may not be increased cumulatively since the last prior increase. The annual assessment may be increased in a given year by an amount greater than ten (10) percent only by a two-thirds majority of the Members represented in person, proxy, or absentee ballot received prior to the call for the ballot. Written notice of any meeting at which Members will vote to increase the annual assessment, must be mailed to all Members not less than ten (10) days, but not more than sixty (60) days, in advance of the meeting.

SECTION 3. Pursuant to the Restrictions at Article IV.10, any Member who is a full time resident of Willow Meadows subdivision may defer the annual assessment for that year on the deferral form provided by the Board in the annual notice of assessment. Upon receipt by the Board of the deferral form from a Member, that Member will be deemed to have deferred the obligation for the year. The deferral does not eliminate the obligation to pay the annual assessment, but merely postpones payment until (1), such time as the house is sold, or (2), the deferral reason

has passed and the Member chooses to make payment for the year in which the deferment is made, or (3), the Member, or surviving spouse of the Member, dies and the house passes ownership in probate trust, at which time the Association may collect all deferred annual assessments, and shall have the right to a lien on the property for the assessments that are due at such time. At no time will the Association collect interest on the deferred annual assessment. A Member may defer payment of an annual assessment for three (3) years. At the end of three (3) years, the Member must pay the annual assessment deferred.

SECTION 4. A senior citizen who owns a lot located in Willow Meadows and resides in the home situated on that lot may request that his or her annual assessment be frozen at the then current assessment level. A request for the senior rate freeze must be submitted using the form provided with the annual assessment notice. It may not be used in conjunction with a deferral of the annual assessment as described in Section 3. A senior citizen is someone who is eligible for an Over-65 Homestead Exemption with the Harris County Appraisal District.

SECTION 5. Consistent with the Texas Property Code, the Association may charge a reasonable fee for all property sales, transfers, or refinancing. This fee covers costs to prepare a Resale Certificate that may be requested by the seller or transferor from the Association.

SECTION 6. A penalty of 2.5% of the Annual Assessment will be levied for each month the Assessment is delinquent past the due date of notice as stated in the Annual Assessment letter.

SECTION 7. When a property is sold or title is transferred, any remaining balance of the assessment as of December 31st of that year shall be paid by the owner of record as of that date.

ARTICLE IV. Board of Directors: Selection, Term of Office, and Meetings

SECTION 1. The Board of Directors of the Association (the "Board") consists of twelve (12) directors (each, a "Director"), four (4) of whom must be the President, the Vice President, the Secretary, the Treasurer (each, an Officer). The remaining eight (8) Directors are known as the "At-Large Directors," Positions 1 through 8. Each Director is elected by the Members in accordance with Article V.

SECTION 2. The full term for each Director begins on January 1 after the December General Meeting in which that Director was elected and ends on December 31 of that year following the December General Elections.

SECTION 3. The President and Vice President shall serve for not more than two (2) consecutive one-year terms or until his or her successor is elected.

SECTION 4. The Board of Directors must meet in all months in which no General Meeting is scheduled. A quorum for all meetings of the Board of Directors is seven (7) Directors, or if one or more positions are temporarily vacant, 50% of the directors plus one director. If a Board Member misses three (3) consecutive or three (3) out of five (5) consecutive Board meetings, the Board may consider the position to be vacant.

- SECTION 5. If a vacancy in any of the twelve (12) Director positions occurs, the Board of Directors must appoint a Member to fill the vacancy for the unexpired term. Any Board appointments shall be noted in the next Newsletter and announced at the next Special or General Meeting.
- SECTION 6. Any elected Director or Officer of the Association may be removed for cause from office by a two-thirds vote of the Members at a General or Special Meeting, provided that notice of the proposed removal has been given pursuant to Article V, Section 2.
- SECTION 7. The Board of Directors is authorized to maintain a Policy and Procedures Manual which guides the operations of the Board, Committees, and the Association in the spirit of the Restrictions and the By-Laws.
- SECTION 8. Board Meetings - Open Meetings Requirement. Regular and special meetings of the Board must be open to Members, subject to the right of the Board to adjourn a board meeting and reconvene in 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, or matters that are to remain confidential by request of the affected parties and agreement of the board. Following an executive session, any decision made in the 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 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, if any.
- SECTION 9. Notice of Board Meetings. Members shall be given notice of the date, hour, place, and general subject of a regular or special board meeting, including a general description of any matter to be brought up for deliberation in executive session. The notice shall be:
- (a) mailed to each Member not later than the 10th day or earlier than the 60th day before the date of the meeting; or
 - (b) provided at least 72 hours before the start of the meeting by:
 - (1) posting the notice in a conspicuous manner reasonably designed to provide notice to the Members: with the Member's consent, on other conspicuously located privately owned property within the subdivision; or on any Internet website maintained by the Association or other Internet media; and
 - (2) sending the notice by e-mail to each Member who has registered an e-mail address with the Association for this purpose.
- SECTION 10. Action Taken by the Directors. The Board may meet by any method of communication, including electronic and telephonic, without prior notice to Members, if each director may hear and be heard by every other director, or the Board may take action by unanimous written consent to consider routine and administrative matters or a reasonably unforeseen emergency or urgent necessity that requires immediate Board action. Any action taken without notice to

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.

The Board may not, without prior notice to members, consider or vote on:

- (1) fines;
- (2) damage assessments;
- (3) initiation of enforcement actions, excluding temporary restraining orders or violations involving a threat to health or safety;
- (4) increases in assessments;
- (5) levying of special assessments;
- (6) appeals from a denial of architectural control approval; or
- (7) a suspension of a right of a particular Member before the Member has an opportunity to attend a board meeting to present the Member's position, including any defense, on the issue.

SECTION 11. Minutes of the Meetings. The Board shall keep a record of each regular or special board meeting in the form of written minutes of the meeting. The Board shall make meeting records, including approved minutes, available to a Member for inspection and copying on the Member's written request to the Association's managing agent at the address appearing on the most recently filed management certificate.

ARTICLE V. Elections and Meetings of the Members at which Members May Vote

SECTION 1. Prior to the General Meeting for the third quarter of the Fiscal Year (the "September General Meeting"), the Board will publish in the Association's Newsletter an invitation for Members to seek elected positions on the Board. The Association may actively encourage and seek candidates from among all Members. Any Member may be nominated by any other Member or may nominate himself or herself either prior to the September General Meeting or from the floor during the September General Meeting. A Member who would like to be a candidate, but who is unable to attend the September General Meeting, may submit a written request to run for office to a member of the Board of Directors prior to the September General Meeting.

SECTION 2. Notice of Meetings. Written notice of each meeting of the Members shall be given by, or at the direction of, the secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least ten (10) to sixty (60) days before such meeting to each Member, addressed to the Member's address last appearing on the books of the Association, or supplied by such Member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting. The notice for the last General Meeting of the Fiscal Year (the "December General Meeting") must include an absentee ballot listing all the candidates and the respective positions for which the candidates are running. This notice also must include biographical statements submitted by each candidate who chooses to do so.

- SECTION 3. All candidates to the Board must be Members. To be listed on the absentee ballot or ballot handed out at the General Meeting and to be eligible to submit a biographical statement, the candidate must have been nominated in accordance with Article V, Section 1. Ballots must provide space for write-in candidates. Candidates may also be nominated from the floor at the December General Meeting.
- SECTION 4. Proxies & Members Right to Vote. At all meetings of Members, each Member may vote in person or by proxy, absentee ballot, or electronic ballot (e-mail, facsimile, or posting on an internet website). All members may vote; no Member may be disqualified from voting for any reason. All proxies and ballots must be in writing and filed with the designated Officer. Electronic votes are considered written and signed. Absentee ballots must contain each proposed action with an opportunity to vote for or against, ballot mailing or delivery instructions, and a disclaimer that the ballot will not be counted if the proposal is changed at the meeting. Absentee ballots will not be counted if the member attends the meeting and votes in person or if the language of the vote changes from what was listed on the absentee ballot. Individual ballots may be disqualified for any of the following reasons, including, but not limited to, failure to sign the written ballot (emailed ballots require the Member's signature and any vote submitted via an electronic voting system is considered signed), failure to identify property to validate ownership, conflict between votes of two Members of the same property, unreadable or ambiguous markings for vote, or voting for more candidates than open positions. Every proxy and ballot shall be revocable and shall automatically cease upon conveyance by the Member of his/her lot.
- SECTION 5. Vote Tabulator. A person who is a candidate in an election to the Board of Directors or who is otherwise the subject of an Association election, or a person related to that person within the third degree by consanguinity or affinity, may not tabulate or otherwise be given access to the ballots cast in that election except as provided by law. The person who tabulates votes in the election may not disclose to any other person how an individual voted.
- SECTION 6. Election to the Board of Directors shall be by confidential written ballot, including absentee ballot. At such 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 shall be elected. Cumulative voting is not permitted. If the election is uncontested, the slate may be accepted by acclamation.
- SECTION 7. If the candidate elected is unable to serve, a vacancy will be deemed to have occurred and must be filled in accordance with Article IV, Section 5 or Section 6, as applicable.
- SECTION 8. Recount of Votes. Any Member may, not later than the 15th day after the date of the meeting at which the election was held, require a recount of the votes. A demand for a recount must be submitted in writing either: (1) by certified mail, return receipt requested, or by delivery by the United States Postal Service with signature confirmation service to the Association's mailing address as reflected on the most recently filed management certificate; or (2) in person to the Association's managing agent as reflected on the most recently filed management certificate or to the address to which proxies and absentee ballots are mailed. The Association shall, at

the expense of the Member requesting the recount, retain for the purpose of performing the recount, the services of a person who:

(a) is not a Member of the Association or related to a Member of the Board of Directors within the third degree by consanguinity; and

(1) a current or former county judge, county elections administrator, justice of the peace, or county voter registrar; or

(2) a person agreed on by the Association and the Member requesting the recount.

Any recount must be performed on or before the 30th day after the date of receipt of a request and payment for a recount. If the recount changes the results of the election, the Association shall reimburse the requesting member for the cost of the recount. The Association shall provide the results of the recount to each Member who requested the recount. Any action taken by the Board of Directors in the period between the initial election vote tally and the completion of the recount is not affected by any recount.

SECTION 9. The Board must appoint Members, preferably former Directors, to an Elections Committee that is responsible for preparing biographical statements.

SECTION 10. The President may call Special Meetings of the Members at his or her discretion, and must call Special Meetings of the Members (i) upon written request of fifteen (15) Members, (ii) at the request of a majority of the Board or, (iii) whenever in the judgment of the President, the welfare of the Association requires it. The agenda of the Special Meeting must be specific to the purpose stated in the call for the Special Meeting.

SECTION 11. The order of business at each General Meeting must include, but is not limited to, the following:

- (a) Reading of the minutes of the last meeting,
- (b) Treasurer’s Report,
- (c) Committee Reports,
- (d) Unfinished Business,
- (e) New Business,
- (f) Program or Miscellaneous,
- (g) Notification of next regular meeting, and
- (h) Adjournment.

The President may alter the order of Business at the General meeting at his or her discretion in order to accommodate special guests or speakers or to address specific topics of importance to the members.

ARTICLE VI. Duties of Officers

President

SECTION 1. It is the duty of the President to preside at all General and Special Meetings of the Association and at all meetings of the Board of Directors. The President is also an *ex-officio* member of all Committees of the Association.

SECTION 2. The President must call meetings of the Board of Directors when he or she considers it necessary, or when three (3) or more Directors request the President to do so.

SECTION 3. The President, with the advice and consent of the Board of Directors, selects from among the Board, Chairpersons to all standing Committees.

SECTION 4. The President has the authority to appoint *ad hoc* committees as deemed advisable, provided that either the President or another Officer is an *ex-officio* member of all *ad hoc* committees.

Vice President

SECTION 5. In the absence of the President, the Vice-President has all the power and prerogatives of the President and serves, upon request of the President, as the official representative of the President at all standing Committee meetings. The Vice-President shall monitor and document issues relating to inactive special committees and assure that the Policies & Procedures Manual be kept up-to-date.

Secretary

SECTION 6. The Secretary records all resolutions and proceedings of the meetings of the Association and Board of Directors in a permanent record retained for that purpose. The Secretary issues all notices of meetings of the Board of Directors, and performs all of the customary duties pertaining to the office of Secretary. The Secretary secures the dates and meeting locations for the General Meetings, and ensures that signs are posted in the neighborhood and notice is published in the newsletter reminding the Members of upcoming General Meetings. Further, the Secretary notifies all Board Members of Special Meetings that may be called from time to time.

SECTION 7. The Secretary must obtain a register of the Members for General or Special Meetings at which a vote requiring a quorum is to be held.

Treasurer

SECTION 8. It is the duty of the Treasurer to receive all monies and to keep same on deposit in one or more banking institutions insured by the United States federal government (FDIC or FSLIC) approved by the Board of Directors. The aggregate amount of all funds kept on deposit at such institutions must be less than the maximum amount of insurance provided per customer. Any investments made will be restricted to short term (less than one year) certificates of deposit insured by the United States federal government or direct debt obligations of the federal government or its agencies.

SECTION 9. All monies payable by the Association must be paid by checks or electronic disbursement signed, initiated, or approved by any two (2) Officers, one of whom must be the Treasurer or the President. In the case of electronic disbursement, a record of the two-Officer approval must be kept on file with the Treasurer. Any electronic disbursement requested by a Committee must also be approved by the appropriate Committee Chair. The Treasurer must report the financial status of the Association at all General Meetings of the Association, Board of Directors meetings or whenever requested by the Board of Directors.

SECTION 10. The Board of Directors may retain the services of either or both of the following to assist the Treasurer:

- (a) a bookkeeper to assist in maintaining the financial accounts of the Association;
- (b) a Certified Public Accountant or an accounting firm to assist in preparing and filing the Association's tax documents.

ARTICLE VII. Committees

SECTION 1. The Board of Directors is responsible for hiring and terminating employees and independent contractors, with the advice and recommendation of the appropriate Committee chairperson.

SECTION 2. There are six (6) standing Committees and a variable number of Special Committees of the Association. Each chairperson of a standing Committee must be a Member of the Board of Directors. A Committee chair may only be removed by the President with the advice and consent of the Board of Directors. The chairperson of each Committee is responsible for recruiting Members in Good Standing to serve on such Committee and thereafter must report to the Board of Directors. The six standing Committees are known as the Security Committee, the Maintenance and Beautification Committee, the Deed Restrictions Enforcement Committee, the Architectural Control Committee, the Technology Committee, and the Publications Committee.

- A. The Security Committee acts as liaison to the hired security provider(s), coordinates all matters as needed to maintain and monitor all security issues on behalf of the Association, and reports all security information to the Board of Directors. The committee must meet every other month (or more often, if required).
- B. The Maintenance and Beautification Committee receives and submits all proposals for improvement projects within the Willow Meadows subdivision to the Board of Directors, with its recommendation thereof, for final consideration by the membership. The Maintenance and Beautification Committee maintains the "Yard of the Month" program, and refers any deed restriction matters to the Deed Restrictions Enforcement Committee.
- C. The Deed Restrictions Enforcement Committee, of which the Vice- President is an *ex-officio* member, receives and processes all alleged violations of the Restrictions. The Committee patrols the subdivision regularly, reports on observed violations, receives the complaints of alleged violations, investigates and recommends to the Board of Directors such action, including (if appropriate) formal legal action as the Committee may deem

necessary in order to enforce the appropriate deed restrictions. The Board of Directors may retain the services of an individual to serve as the Deed Restrictions Enforcement Representative. The Deed Restrictions Enforcement Representative shall actively examine the neighborhood for violations, and report said violations to the Deed Restrictions Enforcement Committee.

- D. The Architectural Control Committee, in compliance with Article II of the Restrictions, is in charge of reviewing all required plan submissions given to it or to any officer and must communicate as required to the residential applicant approval or denial of the submitted plan.
- E. The Publications Committee is responsible for managing the publication of the Willow Meadows Newsletter and securing and monitoring advertising. The Committee receives and reviews all submissions for publication by the Association, with editorial oversight by the President.
- F. The Technology Committee is responsible for promoting the public image of the Association through the oversight of the design, maintenance, and updating of the Willow Meadows website. The Committee shall actively solicit content from the Board and Association, with editorial oversight by the Board of Directors.

SECTION 3. The term for each Committee chair begins on January 1 of the next Fiscal Year beginning after the December General Meeting and ends on December 31 of that Fiscal Year or at the time a new Committee chair is appointed in accordance with Article VII, Section 2.

SECTION 4. If a vacancy of any chair of a standing Committee occurs, the Board of Directors must appoint a Member in Good Standing to fill such vacancy for the unexpired term.

SECTION 5. Situations may require activation of recurring special committees such as the following: (1) the Deed Restrictions Revisions Committee, (2) the By-Laws Revisions Committee, (3) the Financial Review Committee, or (4) special committees. The Vice President shall keep apprised of issues relevant to the three recurring and any other special committees. The Vice President shall coordinate the maintenance of the Policies & Procedures Manual in an effort to ensure that its contents are sufficient to handle WMCC processes not otherwise spelled out in either the Deed Restrictions, By-Laws, or other governing documents.

ARTICLE VIII. Omitted

ARTICLE IX. Rules of Order

SECTION 1. Robert’s Rules of Order, Revised, determines the conduct of business at all meetings of the Association, its governing bodies and Committees, except where inconsistent with these By-Laws.

SECTION 2. When situations require urgent action between meetings, the Board of Directors or Committees may act on a motion by e-mail, subject to the terms of the Texas Property Code.

SECTION 3. At the direction of the President or the Board of Directors, a professional Parliamentarian may be hired who will advise on all questions of procedure and will see that the Association's General or Special Meetings are conducted according to these By-Laws.

ARTICLE X. Amendments to the By-Laws

SECTION 1. These By-Laws may be amended at any General or Special Meeting.

SECTION 2. A copy of the proposed amendment(s), accompanied by a proxy and absentee ballot, must be sent via first class U.S. Mail to all Members, as recorded in the latest version of the Association's database, at least ten (10) to sixty (60) days prior to the General or Special Meeting at which the amendment is submitted for a vote. Discussion of the proposed amendment(s) must be held at a General or Special Meeting prior to the mailing of the proposed amendment(s) and proxy and absentee ballot to the Members.

SECTION 3. Each Member may complete the proxy and absentee ballot and return it to the address provided by the Association. The proxy or absentee ballot must be received by the Association prior to the call for the ballots. A separate ballot must be provided at the meeting for each Member who chooses to vote at the meeting instead of by mail. Members must vote on the proposed amendment(s) either by the proxy, absentee ballot, or by the ballot provided at the meeting. No other form of ballot or proxy will be accepted.

SECTION 4. An amendment must be approved by a two-thirds majority of the votes cast by Members present in person or by proxy or absentee ballot.

SECTION 5. The Elections Committee is responsible for counting the votes on the proposed amendment(s).

ARTICLE XI. Expenditures

SECTION 1. All expenditures of funds of the Association for operations must be in accordance with the approved budget. Committee expenditures greater than \$100.00 must be approved by committee motion in accordance with the committee's budget. The motion must be approved by at least three committee members. Expenditures less than \$100.00 can be made by the committee chair. Non-budgeted or miscellaneous non-committee expenditures must be approved by the Board. All capital expenditures must be approved by the Board.

SECTION 2 The Treasurer or individual(s) designated by the Board must present proposed budgets for the coming Fiscal Year to the Board for approval at the October or November Board meeting and then to the Members at the December General Meeting. The proposed budgets, accompanied by a proxy and absentee ballot, must be sent via first class U.S. Mail to all Members at least ten (10) to sixty (60) days before the December General Meeting. Each Member may complete the proxy or absentee ballot and return it to the address provided by the Association or give the proxy or absentee ballot to another Member for delivery to the Association at the General Meeting. The proxy or absentee ballot must be received by the Association prior to the call for the ballots. A separate ballot must be provided at the meeting for each Member who chooses

to vote at the meeting instead of by mail. Members must vote on the proposed budget either by the proxy, absentee ballot, or the ballot provided at the meeting. No other form of ballot or proxy will be accepted. A budget must be approved by a majority of the votes cast.

SECTION 3. If the proposed operating budget is not approved, the budget, at the beginning of the fiscal year and until a new budget is approved, shall be the same amount as the current budget.

SECTION 4. *Omitted*

SECTION 5. The Board of Directors may authorize emergency expenditures deemed necessary to protect the welfare of the Association. All such expenditures must be disclosed to the Members at the next General or Special Meeting following the expenditure, if they have not previously been disclosed by Publication. The Board of Directors may not authorize an emergency expenditure greater than the amount existing in the Association's cash reserve.

SECTION 6. A budget may be amended by a vote of the Members. A copy of the proposed amendment, accompanied by a proxy and absentee ballot, must be sent via first class U. S. Mail to all Members at least ten (10) to sixty (60) days before the December General Meeting. Each Member may complete the proxy or absentee ballot and return it to the address provided by the Association. The proxy or absentee ballot must be received by the Association prior to the call for the ballots. A separate ballot must be provided at the meeting for each Member who chooses to vote at the meeting instead of by mail. Members must vote on the proposed budget either by the proxy, absentee ballot, or ballot provided at the meeting. No other form of ballot or proxy will be accepted. The amendment must be approved by a majority of the votes cast.

SECTION 7. The Board may approve charitable, non-political donations to be made to nonprofit organizations in a reasonable amount for any purpose that the Board deems to be in the best interest of Members of the Association.

ARTICLE XII. Bonding

SECTION 1. The Board must procure Fidelity Bonding on behalf of the Association for the faithful accounting of such funds, with surety or sureties satisfactory to the Board. The Fidelity Bonding must be specifically on the behalf of all Directors and/or employees that have financial signature authority or who handle WMCC's receivables or payables.

ARTICLE XII. Insurance

SECTION 1. The Board must budget for and maintain a policy of insurance, the premium of which must be paid for by the Association, which indemnifies each Board member for any liability resulting from the exercise and performance of duties of that Board member's office. The Board may procure other insurance for the benefit of the Association as deemed necessary.

ARTICLE XIV. Enforcement of Deed Restrictions

SECTION 1. It is the duty and obligation of the Board, by and through its authority under the Restrictions, to enforce, fairly and consistently, alleged violations of the Restrictions.

SECTION 2. All alleged violations of the Restrictions, except instances when the only violation is non-payment of the annual assessment, must be processed in a timely and efficient manner with the order of enforcement being as follows: (1) contact, or attempt to contact, the alleged violator in person or by phone requesting that they cure the violation and send follow-up letter by first class U.S. Mail; (2) if no response within seven days, mail letter by first class U.S. Mail and by certified U.S. Mail, return receipt requested; (3) if the homeowner fails to respond within the time period established in the Deed Restrictions, mail letter again by same means stating that no satisfactory and immediate response will result in handing matter over to retained counsel for prosecution upon approval by the Board of Directors; (4) once referred to retained counsel, counsel sends letter requesting compliance; and (5) if still no satisfactory response, counsel will file a lawsuit seeking abatement of the violation in any court located in Harris County, Texas. Each member, in accordance with the Texas Property Code, is entitled to a hearing regarding an alleged violation of the Restrictions by the Member. Under no circumstances may the Board retain counsel on a contingency fee basis.

SECTION 3. If a Member has failed to pay his or her annual assessment as of the due dates established in the Restrictions and has not turned in a deferral form as established in these By-Laws at Article III, Section 3, the Board must seek to secure payment in the following manner: (1) mail letter to the Member with past due statement by first class U.S. Mail and by certified U.S. Mail, return receipt requested; (2) if still no response from the member, mail letter to the Member again by same means stating that no response will result in handing matter over to retained counsel for prosecution; (3) once referred to retained counsel, counsel sends letter to the Member requesting compliance; (4) if still no response, counsel will timely file a claim in a Harris County Justice of the Peace Court; (5) upon a favorable judgment from the Court, the Board shall then request an "Abstract of Judgment" from the court clerk, which document evidences the judgment; (6) the Board will request the sheriff to serve a "Writ of Execution" on the Member; (7) if no payment, the Abstract of Judgment will then be filed of record in the Official Public Records of Real Property for Harris County and shall be paid upon transfer of title of the property. As necessary, the Board shall extend the lien period in order to prevent the lien from lapsing. Under no event may the Board retain counsel on a contingency fee basis and any fees recovered from the Member may not exceed one hundred (100) percent of the amount owed to the Association, including court costs and interest. The Board is prohibited from seeking a non-judicial or judicial foreclosure of any lot solely for non-payment of the annual assessment.

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e-Filed & e-Recorded in the
Official Public Records of
HARRIS COUNTY
STAN STANART
COUNTY CLERK
Fees 72.00

RECORDERS MEMORANDUM

This instrument was received and recorded electronically and any blackouts, additions or changes were present at the time the instrument was filed and recorded.

Any provision herein which restricts the sale, rental, or use of the described real property because of color or race is invalid and unenforceable under federal law.

THE STATE OF TEXAS
COUNTY OF HARRIS

I hereby certify that this instrument was FILED in File Number Sequence on the date and at the time stamped hereon by me; and was duly RECORDED in the Official Public Records of Real Property of Harris County, Texas.



Stan Stanart

COUNTY CLERK
HARRIS COUNTY, TEXAS