

**Bylaws of
THE TRAILS AT TASCOSA HOMEOWNERS ASSOCIATION, INC.**

Basic Information

- Association:** The Trails at Tascosa Homeowners Association, Inc., established by the certificate of formation filed with the secretary of state of Texas on August 29, 2018, under file number 803105195, a Texas nonprofit corporation.
- Principal Office:** 4502 Fairway Drive, Amarillo, Texas 79124-1740
- Declarations:** The Declaration of Covenants, Conditions and Restrictions for The Trails at Tascosa Homeowners Association, Inc., a nonprofit corporation, recorded in the real property records of Potter County, Texas.
- Definitions:** Capitalized terms used but not defined in the Bylaws have the meaning set forth in the Declaration.
- Voting Members:** Members entitled to vote or their proxies. Any Member delinquent in payment of any Assessment is not a Voting Member.

A. Members and Member's Meetings

A.1. Membership. Every Owner is a Member of the Association. Membership is appurtenant to and may not be separated from ownership of a Lot.

A.2. Place of Members Meetings. Members meetings will be held at the Association's principal office or at another place designated by the Board.

A.3. Annual Meetings. The first Members meeting will be held within 90 days after the end of the Development Period as defined in the Declarations . Subsequent regular annual Members meetings will be held annually during the first quarter of the calendar year.

A.4. Special Meetings. The president, a majority of the Board, or Owners having at least 20 percent (20%) of the votes of the Association may call special meetings.

A.5. Notice of Members Meetings.

A.5.a. Requirements. Except as provided in paragraph F.5., written notice stating the place, day, and hour of each Members meeting, other than a reconvened meeting, must be given to each Member not less than 10 nor more than 50 days before the meeting. The special Members meeting notices must also state the meeting's purpose, and no business may be conducted except as stated in the notice. Notice to a Member is deemed given when hand delivered, emailed or mailed. If mailed, notice is deemed given (whether actually received or not) when deposited with the United States Postal Service, properly addressed, postage prepaid. Upon written request of a Member, the Association shall inform the Member of the time and place of the next regular or special meeting of the Association Members.

A.5.b. Meetings at which Amendments Considered. The Members cannot meet to adopt an amendment or other change to the Declaration, articles of incorporation, bylaws, or rules of the Association (the "Governing Documents") unless written notice is given to each Member, in a document showing the specific amendment or other change that would be made to the Governing Documents, after the twentieth day but before the tenth day preceding the meeting, by either (i) personal delivery as shown by a receipt signed by the Member, or (ii) deposit in the United States mail as shown on the

postmark date.

A.6. Waiver of Notice. A Member may, in writing, waive notice of a meeting. Attendance at a meeting is a waiver of notice of the meeting, unless the Member objects to lack of notice when the meeting is called to order.

A.7. Quorum. Members holding 67 percent of the votes in the Association, in person or by proxy, are a quorum. If a Members meeting cannot be held because a quorum is not present, a majority of the Voting Members who are present may adjourn the meeting. At the reconvened meeting, 50 percent of the Voting Members is a quorum. If a quorum is not present, a majority of the Voting Members who are present may adjourn the meeting. At the second reconvened meeting, 33 percent of the Voting Members is a quorum. Written notice of the place, date, and hour of each reconvened meeting must be given to each Member not more than 15 nor less than 10 days before the reconvened meeting.

A.8. Majority Vote. Votes representing more than 50 percent of the votes at a meeting at which a quorum is present are a majority vote.

A.9. Proxies. Voting Members may vote by written proxy.

A.10. Conduct of Meetings. The president will preside over Members meetings. The secretary will keep minutes of the meetings and will record Member action at the meeting in the minutes book.

B. Board

B.1. Governing Body; Composition. The affairs of the Association are governed by the Board. Each director has one vote. The Appointed Board is composed of the directors appointed Declarant as defined in the Declarations. Members of the First Elected Board and each subsequently elected Board must be a Member (as defined in the Declarations) or, in the case of an entity Member, a person designated in writing to the secretary.

B.2. Number of Directors. The Board consists of not less than three nor more than nine directors. Within those limits, the Board may change the number of directors. No decrease may shorten the term of a director.

B.3. Term of Office. The initial directors on the First Elected Board will serve until the first annual meeting of Members. The terms of directors will be staggered. At least one-third of the Elected Board will be elected each year. The First Elected Board will determine the initial term, not to exceed three years, of each director. At the expiration of the initial term of a director, each successor will have a term of three years. Directors may serve consecutive terms.

B.4. Election. Within 120 days after Declarant has conveyed 50 percent of the Lots to Owners other than Declarant, the Members shall elect not less than one-third of the Board members at a meeting for such purpose. Not later than the 120th day after conveyance of 75 percent of the Lots to Owners other than Declarant, the Voting Members will elect the directors of the Association and its officers as herein provided. At subsequent annual Members meetings, successors for each director whose term is expiring will be elected. Cumulative voting is prohibited. The candidate or candidates receiving the most votes will be elected. The directors elected by the Voting Members will hold office until their respective successors have been elected.

B.5. Removal of Directors and Vacancies

B.5.a. Removal by Members. Any director of an Elected Board may be removed, with or without cause, by a majority of the Voting Members. Any director whose removal is sought will be given

notice of the proposed removal.

B.5.b. Removal by Board. Any director may be removed at a Board meeting if the director-

- i. failed to attend three consecutive Board meetings;
- ii. failed to attend 75 percent of Board meetings within one year;
- iii. is delinquent in the payment of any Assessment for more than 60 days; or
- iv. is the subject of an enforcement action by the Association for violation of the Dedicatory Instruments.

B.5.c. Vacancies. A director's position becomes vacant if the director dies, becomes incapacitated, resigns, or is no longer a Member.

B.5.d. Successors. If a director is removed or a vacancy exists, a successor will be elected by the remaining directors for the remainder of the term.

B.6. Compensation. Directors will not receive compensation. A director may be reimbursed for expenses approved by the Board.

B.7. Powers. The Board has all powers necessary to administer the Association's affairs.

B.8. Management. The Board may employ a managing agent and delegate specified powers of the Board to the managing agent. Declarant, or an affiliate of Declarant, may be the managing agent.

B.9. Accounts and Reports. Accounting must conform to good accounting practices. Accounts will not be commingled with accounts of other persons. The following financial reports will be prepared at least annually:

- a. An income statement reflecting all income and expense activity for the preceding period.
- b. A statement reflecting all cash receipts and disbursements for the preceding period.
- c. A variance report reflecting the status of all accounts in an "actual" versus "approved" budget format.
- d. A balance sheet as of the last day of the preceding period.
- e. A delinquency report listing all Owners who are delinquent by more than 60 days in paying any Assessment and describing the status of any action to collect those delinquent Assessments.

B.10. Borrowing. The Board may borrow money to maintain, repair, or restore the Common Elements without the approval of the Members. If approved in advance by the Members in the same manner as approving a Special Assessment, the Board may borrow money for any other purpose.

B.11. Rights of Association. With respect to the Common Areas, and in accordance with the Declaration, the Association will have the right to contract with any person for the performance of various duties and functions. Such agreements require the approval of the Board.

C. Board Meetings

C.1. Regular Meetings. Regular meetings of the Board will be held at such time and place as determined by the Board, but at least four such meetings will be held during each fiscal year. Notice of the time and place of the meetings will be given to directors not less than 15 days and not more than 20 days before the meetings. Board meetings must be open to Members, subject to the right of the Board to adjourn a meeting of the Board and convene in executive session to consider actions involving personnel, pending litigation, contract negotiations, enforcement actions, matters involving the invasion of privacy of Members, or matters that are to remain confidential by request of the affected parties and agreement of the Board. The general nature of any business to be considered in executive session must first be announced at the open meeting.

C.2. Special Meetings. Special meetings will be held when called by written notice signed by the president or by a majority of the directors. The notice will specify the time and place of the meeting and the matters to be covered at the meeting.

C.3. Subsequent Meetings. Upon written request of a Member, the Association shall inform the Member of the time and place of the next regular or special meeting of the Board.

C.4. Meeting at which Amendment Considered. The Board cannot meet to adopt an amendment or other change to the Declaration, articles of incorporation, bylaws, or rules of the Association (the "Governing Documents") unless the Board gives written notice to each Member, in a document showing the specific amendment or other change that would be made to the Governing Documents, after the twentieth day but before the tenth day preceding the meeting, by either (a) personal delivery as shown by a receipt signed by the Member, or (b) deposit in the United States mail as shown on the postmark date.

C.5. Waiver of Notice. The actions of the Board at any meeting are valid if (a) a quorum is present and (b) either (i) proper notice of the meeting was given to each director and all Members who are entitled to notice of the meeting or (ii) a written waiver of notice is given by any director who did not receive proper notice of the meeting and all Members who are entitled to notice of the meeting. Proper notice of a meeting will be deemed given to any director or Member who attends the meeting without protesting before or at its commencement about the lack of proper notice.

C.6. Quorum of Board. At all meetings, a majority of the Board will constitute a quorum, and the votes of a majority of the directors present at a meeting at which a quorum is present constitutes the decision of the Board. If the Board cannot act because a quorum is not present, a majority of the directors who are present may adjourn the meeting to a date not less than 30 nor more than 60 days from the date the original meeting was called. At the reconvened meeting, if a quorum is present, any business that may have been transacted at the meeting originally called may be transacted without further notice.

C.7. Conduct of Meetings. The president will preside at Board meetings. The secretary will keep minutes of the meetings and will record in a minute book the votes of the directors.

C.8. Action without Meeting. The Board may not act without a meeting.

C.9. Proxies. Directors may vote by written proxy provided, however, that any director present through written proxy may not be counted towards a quorum.

D. Officers

D.1. Officers. The officers of the Association are a president, vice president, secretary, treasurer, and any other position designated by the Board. The officers have the authority and duties prescribed by the Board. Any two or more offices may be held by the same person, except the offices of president and secretary.

D.2. Election, Term of Office, and Vacancies. Officers will be elected annually by the Board at the first meeting of the Board following each annual meeting of the Voting Members. A vacancy in any office may be filled by the Board for the unexpired portion of the term.

D.3. Removal. The Board may remove any officer whenever, in the Board's judgment, the interests of the Association will be served thereby.

D.4. Powers and Duties. Officers have such powers and duties as are generally associated with their respective offices and as may be specifically conferred by the Board. The president is the chief executive officer of the Association. The treasurer has primary responsibility for the preparation of the budget and financial reports and may delegate all or part of the preparation and notification duties to a finance committee, management agent, or both.

D.5. Resignation. Any officer may resign at any time by giving written notice to the Board, the president, or the secretary. Resignation takes effect on the date of the receipt of the notice or at any later time specified in the notice.

E. Committees

The Board may establish committees by resolution and authorize the committees to perform the duties described in the resolution.

F. Miscellaneous

F.1. Fiscal Year. The Board may establish the Association's fiscal year by resolution. In the absence of a Board resolution determining otherwise, the Association's fiscal year is a calendar year.

F.2. Rules for Meeting. The Board may adopt rules for the conduct of meetings of Members, Board, and committees.

F.3. Conflict. The Declaration controls over these Bylaws.

F.4. Examination of Books and Records

F.4.a. Examination by Member. After a written request to the Association, a Member may examine and copy, in person or by agent, any Association books and records relevant to that purpose. The Board may establish rules concerning the (i) form of the request; (ii) reasonable hours and days of the week for the inspection; and (iii) payment of costs related to a Member's inspection and copying of books and records.


F.4.b. Examination by Director. A director has the right, at any reasonable time and at the Association's expense, to examine and copy the Association's books and records at the Association's Principal Office and to inspect the Association's properties.

F.5. Notices. Any notice required or permitted by the Dedicatory Instruments must be in writing. Notices regarding enforcement actions must be given by certified mail, return receipt requested. All other notices may be given by regular mail. Notice is deemed delivered (whether actually received or not) when properly deposited with the United States Postal Service, addressed to a Member at the Member's last known address according to the Association's records and the Association, the Board, or a managing agent at the Association's Principal Office or another address designated in a notice to the Members. Unless otherwise required by law or the Dedicatory Instruments, actual notice, however delivered, is sufficient.

F.6. Amendment. These Bylaws may be amended only by the vote of 60 percent of the Voting Members in the Association. The officers who are authorized to prepare, execute, certify, and record amendments to the Declaration on behalf of the Association are as follows: President and Vice President.

**THE TRAILS AT TASCOSA HOMEOWNERS
ASSOCIATION, INC.,** a Texas nonprofit corporation

By  _____
Dave Donachie, Director

By  _____
John Dunn, Director

By  _____
Lowry Baggett, Director