

**BYLAWS OF  
MONT.DEVCON I PROPERTY OWNERS ASSOCIATION  
NON-PROFIT CORPORATION  
(Amended September 2012)**

**ARTICLE I - OFFICES**

**1. REGISTERED OFFICE AND AGENT**

The registered office and registered agent of the Corporation shall be as set forth in the Corporation's Certificate of Formation. The registered office or the registered agent may be changed by resolution of the Board of Directors, upon making the appropriate filing with the Secretary of State.

**2. PRINCIPAL OFFICE**

The principal office of the Corporation shall be in Montgomery , Texas, provided that the Board of Directors shall have the power to change the location of the principal office.

**3. OTHER OFFICES**

The Corporation may also have other offices at such places, within or without the State of Texas, as the Board of Directors may designate, or as the business of the Corporation may require or as may be desirable.

**ARTICLE II - MEMBERS**

**1. CLASSES OF MEMBERS**

The Corporation shall have one class of members. Members shall be an owner of record of any lot within Stone Creek Subdivision and as described in the Declaration of Covenants, Conditions and Restrictions (the "Declaration").

**2. TRANSFER OF MEMBERSHIP**

Membership in this Corporation is not transferable or assignable.

**3. PLACE OF MEETING**

The Board of Directors may designate any place, either within or without the State of Texas, as the place of meeting for any annual meeting or for any special meeting called by the Board of Directors, If no designation is made or if a special meeting be otherwise called, the place of meeting shall be the registered office of the Corporation in the State of Texas, but if all of the members shall meet at any time grid place either within or without the State of Texas and consent to the holding of a

meeting, such meeting shall be valid without call or notice, and any corporate action may be taken at such meeting.

#### **4. ANNUAL MEETING**

The annual meeting of members shall be held in September each year on the date and time set by the Board of Directors. Failure to hold the annual meeting at the designated time shall not work a dissolution of the Corporation.

#### **5. NOTICE OF MEMBERS' MEETING**

Written or printed notice stating the place, day, and hour of the meeting and, in case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than ten (10) nor more than sixty (60) days before the date of the meeting, either personally, by facsimile transmission, or by mail, by or at the direction of the President, or the Secretary, or the officers or persons calling the meeting, to each member entitled to vote at such meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail addressed to the member at the member's address as it appears on the records of the Corporation, with postage thereon paid. If transmitted by facsimile, notice is deemed to be delivered on successful transmission of the facsimile.

#### **6. SPECIAL MEMBERS' MEETINGS**

Special meetings of the members may be called by the President, the Board of Directors, by members having not less than one-tenth of the votes entitled to be cast at such meeting.

Only business within the purpose or purposes described in the notice or executed waiver of notice may be conducted at a special meeting of the members.

Any person or persons entitled hereunder to call a special meeting of members may do so only by written request sent by certified mail or delivered in person to the President or Secretary. The officer receiving the written request shall within ten (10) days from the date of its receipt cause notice of the meeting to be given in the manner provided by these Bylaws to all members entitled to vote at the meeting. If the officer does not give notice of the meeting within ten (10) days after the date of receipt of written request, the person or persons calling the meeting may fix the time of meeting and give the notice in the manner provided in these Bylaws. Nothing contained in this section shall be construed as limiting, fixing, or affecting the time or date when a meeting of members called by action of the Board of Directors may be held.

#### **7. QUORUM OF MEMBERS**

Unless otherwise provided in the Certificate of Formation or in these Bylaws, members holding one-tenth of the votes entitled to be cast, represented in person or by proxy, shall constitute a quorum. Absentee or electronic ballots, as provided for in these Bylaws, shall also be counted as an owner present and voting for the purpose of establishing a quorum for items appearing on the ballot. Unless otherwise provided in the Certificate of Formation or these Bylaws, once a quorum is present

a meeting of members, the members represented in person or by proxy at the meeting may conduct such business as may be properly brought before the meeting until it is adjourned, and the subsequent withdrawal from the meeting of any member or the refusal of any member represented in person or by proxy to vote shall not affect the presence of a quorum at the meeting. Unless otherwise provided in the Certificate of Formation or these Bylaws, the members represented in person or by proxy at a meeting of members at which a quorum is not present may adjourn the meeting until such time and to such place as may be determined by a vote of the majority of the members represented in person or by proxy at that meeting. In the absence of a quorum at a meeting of Members, the meeting may be adjourned and immediately reconvened for the sole purpose of conducting Director elections. The quorum required for election of Directors at the reconvened meeting shall be the number of votes cast in person, by proxy, by absentee ballot, or electronic ballot.

## **8. VOTING RIGHTS**

Each member, regardless of class, shall be entitled to the number of votes as set out in the Declaration on each matter submitted to a vote of the members, except to the extent that the voting rights of members of any class or classes are limited, enlarged, or denied by the Certificate of Formation or these Bylaws.

The vote of the majority of the votes entitled to be cast by the Members at a meeting at which a quorum is present, shall be the act of the members meeting, unless the vote of a greater number is required by law, the Certificate of Formation, or these Bylaws.

## **9. METHODS OF VOTING**

The voting rights of a Member may be cast or given:

- (1) in person or by proxy at a meeting of the Association;
- (2) by absentee ballot; or
- (3) by electronic ballot by electronic mail or facsimile.

Absentee ballots may not be counted, even if properly delivered, if the Member attends any meeting to vote in person so that any vote cast at a meeting by the Member supersedes any vote submitted by absentee or electronic ballot previously submitted for that proposal. Absentee or electronic ballots may not be counted on the final vote of a proposal if the motion was amended at a meeting of the Members to be different from the exact language on the absentee or electronic ballot. Any solicitation for votes by absentee ballot by the Association must include an absentee ballot that contains each proposed action and provides an opportunity to vote for or against the proposed action, instructions for delivery of the completed absentee ballot, including the delivery location, all of which are required by Section 209.00592 of the TEXAS PROPERTY CODE.

No proxy shall be valid after eleven (11) months from the date of its execution, unless otherwise provided in the proxy. Each proxy shall be revocable unless expressly provided therein to be irrevocable, and in no event shall it remain irrevocable for more than eleven (11) months.

**9. RECOUNT PROCEDURES**

A Member may, not later than the fifteenth (15<sup>th</sup>) day after the date of a meeting at which an election was held, require a recount of votes in accordance with Section 209.0057 of the TEXAS PROPERTY CODE.

**10. ELECTION VOTE TABULATORS**

A person who is a candidate in an Association election or who is otherwise the subject of an Association vote, or a person related to that person within the third degree of consanguinity or affinity, as determined under Chapter 573 of the TEXAS GOVERNMENT CODE, may not tabulate or otherwise be given access to the ballots cast in the election or vote.

**11. FIXING RECORD DATES FOR DETERMINING MEMBERS ENTITLED TO VOTE AND NOTICE**

The record date for determining the members entitled to notice of a members' meeting and for determining the members entitled to vote at a members' meeting shall be the close of business on the business day preceding the date on which notice is given, or if notice is waived, at the close of business on the business day preceding the date of the meeting.

A determination of members entitled to notice of or to vote at a members' meeting is effective for any adjournment of the meeting unless the Board of Directors fix a new date for determining the right to notice or the right to vote. The Board of Director must fix a new date for determining the right to notice or the right to vote if the meeting is adjourned to a date more than ninety (90) days after the record date for determining members entitled to notice of the original meeting.

**12. VOTING LISTS**

After fixing a record date for the notice of a meeting, the Corporation shall prepare an alphabetical list of the names of all the voting members who are entitled to notice of the meeting. The list must show the address and number of votes each voting member is entitled to cast at the meeting. The Corporation shall maintain, through the time of the members' meeting, a list of members who are entitled to vote at the meeting but are not entitled to notice of the meeting. This list shall be prepared on the same basis and be part of the list of voting members.

Not later than two (2) business days after the date notice is given of a meeting for which a list was prepared, as provided above, and continuing through the meeting, the list of voting members must be available for inspection by any member entitled to vote at the meeting for the purpose of communication with other members concerning the meeting at the Corporation's principal office or at a reasonable place identified in the meeting notice in the city where the meeting will be held. A voting member or voting member's agent or attorney is entitled on written demand to inspect and to copy the list at a reasonable time and at the member's expense during the period it is available for inspection.

The Corporation shall make the list of voting members available at the meeting, and any voting member or voting member's agent or attorney is entitled to inspect the list at any time during the meeting or any adjournment.

### **13. ACTION BY MEMBERS WITHOUT MEETING**

Any action required by the Texas Business Organizations Code to be taken at a meeting of the members, or any action which may be taken at a meeting of the members or any committee, may be taken without a meeting if a consent in writing, setting forth the action to be taken, shall be signed by all the members entitled to vote with respect to the subject matter thereof, or all of the members of the committee, as the case may be. Such consent shall have the same force and effect as a unanimous vote.

If the Corporation's Certificate of Formation so provides, any action required by the Texas Business Organizations Code to be taken at a meeting of the members or any action that may be taken at a meeting of the members of any committee may be taken without a meeting if a consent in writing, setting forth the action to be taken, is signed by a sufficient number of members or committee members as would be necessary to take that action at a meeting at which all of the members or members of the committee were present and voted.

Each written consent shall bear the date of signature of each member or committee member who signs the consent. A written consent signed by less than all of the members or committee members is not effective to take the action that is the subject of the consent unless, within sixty (60) days after the date of the earliest dated consent delivered to the Corporation in the manner required by this section, a consent or consents signed by the required number of members or committee members is delivered to the Corporation at its registered office, registered agent, principal place of business, transfer agent, registrar, exchange agent, or an officer or agent of the Corporation having custody of the books in which proceedings of meetings of members or committees are recorded. Delivery shall be by hand or certified or registered mail, return receipt requested. Delivery to the Corporation's principal place of business shall be addressed to the President or principal executive officer of the Corporation.

Prompt notice of the taking of any action by members or a committee without a meeting by less than unanimous written consent shall be given to all members or committee members who did not consent in writing to the action.

If any action by members or a committee is taken by written consent signed by less than all of the members or committee members, any articles or documents filed with the Secretary of State as a result of the taking of the action shall state, in lieu of any statement required by this Act concerning any vote of the members, that written consent has been given in accordance with the provisions of section 6.202 of the Texas Business Organizations Code and that any written notice required by such section has been given.

A telegram, telex, cablegram, or similar transmission by a member or member of a committee or a photographic, photostatic, facsimile, or similar reproduction of a writing signed by a member or

member of a committee shall be regarded as signed by the member or member of a committee for purposes of this section.

#### **14. COMMITTEES OF THE MEMBERS**

The members, by resolution adopted by a majority of the members, may designate one or more committees which, to the extent provided in such resolution, shall have and exercise the authority of the members in the management of the Corporation, except as limited by the Certificate of Formation, these Bylaws or the Texas Business Organizations Code. Each such committee shall consist of two or more members. The designation of such committees and the delegation thereto of authority shall not operate to relieve the members of any responsibility imposed upon it or hm by law.

Each member of a committee shall Continue as such until the next annual meeting of the members of the Corporation and until a successor is appointed in the committee members stead, unless the committee shall be sooner terminated, or unless such member be removed from such committee, or unless such member cease to qualify as a member thereof. One member of each committee shall be appointed chairman by the person or persons authorized to appoint the members thereof. Vacancies in the membership of any committee may be filled by appointments made in the same manner as provided in the case of the original appointments. Unless otherwise provided in the resolution designating a committee, a majority of the whole committee shall constitute a quorum and the act of a majority of the members present at a meeting at which a quorum is present shall be the act of the committee. Each committee may adopt rules for its own government not inconsistent with these Bylaws or with rules adopted by the members.

### **ARTICLE III - DIRECTORS**

#### **1. BOARD OF DIRECTORS**

To the extent not limited or prohibited by law, the Certificate of Formation or these Bylaws, the powers of the Corporation shall be exercised by or under the authority of, and the business and affairs of the Corporation shall be managed under the direction of the Board of Directors of the Corporation. Directors need not be residents of the State of Texas or members of the Corporation unless the Certificate of Formation or these Bylaws so require.

#### **2. NUMBER AND ELECTION OF DIRECTORS**

The number of directors shall be not less than three (3) and not more than seven (7) provided that the number may be increased or decreased from time to time by an amendment to these Bylaws or resolution adopted by the Board of Directors. No decrease in the number of Directors shall have the effect of shortening the term of any incumbent director. Members with a felony conviction or a conviction for a crime involving moral turpitude are not eligible to serve.

The number of Directors shall currently be set at three (3). Directors will be divided into two (2) classes. There will be two (2) Directors in the first class and there will be one (1) Director in the

second class, each of whom will hold office until the second annual meeting of Members after their election and until their successors are elected and qualified. Directors will be elected for the class whose term of office expires at the annual meeting, and they will hold office until the second annual meeting of Members after their election and until their successors are elected and qualified.

### **3. REMOVAL**

A director may be removed from office, with or without cause, by the persons entitled to elect, designate, or appoint the director. If the director was elected to office, removal requires an affirmative vote equal to the vote necessary to elect the director.

### **4. RESIGNATION**

A director may resign by providing written notice of such resignation to the Corporation. The resignation shall be effective upon the date of receipt of the notice of resignation or the date specified in such notice. Acceptance of the resignation shall not be required to make the resignation effective.

### **5. VACANCIES AND INCREASE IN NUMBER OF DIRECTORS**

Any Board member whose term has expired must be elected by the owners who are members of the Association. A Board member may be appointed by the Board only to fill a vacancy caused by a resignation, death or disability, as provided in these bylaws. A Board member appointed to fill a vacant position shall serve the unexpired term of the predecessor Board member.

Any directorship to be filled by reason of an increase in the number of directors shall be filled by election at an annual meeting or at a special meeting of members called for that purpose.

### **6. ANNUAL MEETING OF DIRECTORS**

Immediately following each annual meeting of members, the Board of Directors elected at such meeting shall hold an annual meeting at which they shall elect officers and transact such other business as shall come before the meeting. The time and place of the annual meeting of the Board of Directors may be changed by resolution of the Board of Directors.

### **7. MEETING OF DIRECTORS**

Regular and special Board meetings shall be open to Members, subject to the right of the Board to adjourn a meeting and reconvene in closed executive session to consider actions involving personnel, pending or threatened litigation, contract negotiations, enforcement actions, confidential communications with the property Association's attorney, matters involving the invasion of privacy of individual owners, or matters that are to remain confidential by request of the affected parties and agreement of the Board. Following any executive session, any decision made in the executive session shall be summarized orally and placed in the minutes, in general terms, without breaching the privacy of individual owners, violating any privilege, or disclosing information that was to

remain confidential at the request of the affected parties. The oral summary shall include a general explanation of any expenditures approved in executive session.

## **8. SPECIAL MEETINGS OF DIRECTORS**

The Secretary shall call a special meeting of the Board of Directors whenever requested to do so by the President or by two (2) or more directors. Such special meeting shall be held at the date and time specified in the notice of meeting.

## **9. PLACE OF DIRECTORS' MEETINGS**

All meetings of the Board of Directors shall be held either at the principal office of the Corporation or at such other place, either within or without the State of Texas, as shall be specified in the notice of meeting or executed waiver of notice.

## **10. NOTICE OF DIRECTORS' MEETINGS**

Members shall be given notice of the date, hour, place, and general subject of a regular or special meeting of the Board, 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 tenth (10<sup>th</sup>) day or earlier than the sixtieth (60<sup>th</sup>) day before the date of the meeting; or (b) provided at least seventy-two (72) hours before the start of the meeting by (i) posting the notice in a conspicuous manner reasonably designed to provide notice to the members in a place located on the Association's common property, or on conspicuously located private property within the subdivision, or (ii) by posting the notice on an Internet website maintained by the Association; and (iii) by sending the notice by e-mail to each owner who has registered an e-mail address with the Association.

## **11. MEETINGS WITHOUT NOTICE**

The Board, by any method of communication, including electronic and telephonic meetings, may meet 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 attention. The 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 at the next regular or special meeting of the Board. Notwithstanding the authority to meet without notice to the Members, the Board may not, without prior notice to the Members, consider or vote on fines; damage assessments; initiation of foreclosure actions; initiation of enforcement actions, excluding temporary restraining orders or violations involving a threat to health or safety; increases in assessments; levying of special assessments; appeals from a denial of architectural control approval; or the 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.

## **12. QUORUM AND VOTING OF DIRECTORS**



A quorum for the transaction of business by the Board of Directors shall be a majority of the number of directors fixed by these Bylaws. Directors present by proxy may not be counted toward a quorum. The act of the majority of the directors present in person or by proxy at a meeting at which a quorum is present shall be the act of the Board of Directors, unless the act of a greater number is required by law or the Certificate of Formation.

A director may vote in person or by proxy executed in writing by the director. No proxy shall be valid after three months from the date of its execution. Each proxy shall be revocable unless expressly provided therein to be irrevocable, and unless otherwise made irrevocable by law.

### **13. COMPENSATION**

Directors, as such, shall not receive any stated salary for their services, but by resolution of the Board of Directors a fixed sum and expenses of attendance, if any, may be allowed for attendance at any meeting of the Board or Directors. A director shall not be precluded from serving the Corporation in any other capacity and receiving compensation for such services. Member of committees may be allowed similar compensation and reimbursement of expenses for attending committee meetings.

### **14. COMMITTEES OF THE BOARD OF DIRECTORS .**

The Board of Directors, by resolution adopted by a majority of the Directors in office, may designate and appoint one or more committees, each of which shall consist of two or more Directors, which committees, to the extent provided in said resolution, shall have and exercise the authority of the Board of Directors in the management of the Corporation, except that no such committee shall have the authority of the Board of Directors in reference to amending, altering or repealing the Bylaws; electing, appointing or removing any member of any such committee or any Director or officer of the Corporation; amending or restating the Certificate of formation; adopting a plan of merger or adopting a plan of consolidation with another Corporation; authorizing the sale, lease, exchange or mortgage of all or substantially all of the property and assets of the Corporation; authorizing the voluntary dissolution of the Corporation or revoking proceedings therefore; adopting a plan for the distribution of the assets of the Corporation; or amending, altering or repealing any resolution of the Board of Directors which by its terms provides that it shall not be amended, altered or repeated by such committee. The designation and appointment of any such committee and the delegation of authority to such committee shall not operate to relieve the Board of Directors, or any individual Director, of any responsibility imposed by law upon the Board of Directors or upon any individual Director.

Other Committees not having and exercising the authority of the Board of Directors in the management of the Corporation may be appointed in such manner as may be designated by a resolution adopted by a majority of the Directors present at a meeting at which a quorum is present. Except as otherwise provided in such resolution, members of each such committee shall be members of the Corporation, and the President of the Corporation shall appoint the members thereof. Any member thereof may be removed by the person or persons authorized to appoint such member whenever in their judgment the best interests of the Corporation shall be served by such removal.

Each member of a committee shall continue as such until the next annual meeting of the members of the Corporation and until a successor is appointed, unless the committee shall be sooner terminated, or unless such member be removed from such committee, or unless such member cease to qualify as a member thereof,

One member of each committee shall be appointed chairman by the person or persons authorized to appoint the members thereof.

Vacancies in the membership of any committee may be filled by appointments made in the same manner as provided in the case of the original appointments.

Unless otherwise provided in the resolution of the Board of Directors designating a committee, a majority of the whole committee shall constitute a quorum and the act of a majority of the members present at a meeting at which a quorum is present shall be the act of the committee,

Each committee may adopt rules for its own government not inconsistent with these Bylaws or with rules adopted by the Board of Directors.

#### **ARTICLE IV - OFFICERS**

##### **1. NUMBER OF OFFICERS**

The officers of a Corporation shall consist of a president and a secretary and may also consist of one or more vice-presidents, a treasurer, and such other officers and assistant officers as may be deemed necessary. New offices may be created and filled at any meeting of the Board of Directors. Any two or more offices may be held by the same person, except the offices of president and secretary. A committee duly designated may perform the functions of any officer and the functions of any two or more officers may be parfonned by a single committee, including the functions of both president and secretary.

##### **2. ELECTION OF OFFICERS AND TERM OF OFFICE**

All officers shall be elected or appointed annually by the Board of Directors at the regular annual meeting of the Board of Directors for such terms not exceeding one (1) year.

##### **3. REMOVAL OF OFFICERS, VACANCIES**

Any officer elected or appointed may be removed by the Board of Directors whenever in their judgment the best interests of the Corporation will be served thereby. The removal of an officer shall be without prejudice to the contract rights, if any, of the officer so removed. Election or appointment of an officer or agent shall not of itself create contract rights. A vacancy in any office because of death, resignation, removal, disqualification or otherwise, may be filled by the Board of Directors for the expired portion of the term.

#### **4. POWERS OF OFFICERS**

Each officer shall have, subject to these Bylaws, in addition to the duties and powers specifically set forth herein, such powers and duties as are commonly incident to that office and such duties and powers as the Board of Directors shall from time to time designate. All officers shall perform their duties subject to the directions and under the supervision of the Board of Directors. The President may secure the fidelity of any and all officers by bond or otherwise.

All officers and agents of the Corporation, as between themselves and the Corporation, shall have such authority and perform such duties in the management of the Corporation as may be provided in these Bylaws, or as may be determined by resolution of the Board of Directors not inconsistent with these Bylaws.

In the discharge of a duty imposed or power conferred on an officer of a Corporation, the officer may in good faith and with ordinary care rely on information, opinions, reports, or statements, including financial statements and other financial data, concerning the Corporation or another person, that were prepared or presented by: (1) one or more other officers or employees of the Corporation, including members of the Board of Directors; or (2) legal counsel, public accountants, or other persons as to matters the officer reasonably believes are within the person's professional or expert competence.

An officer is not relying in good faith within the meaning of this section if the officer has knowledge concerning the matter in question that makes reliance otherwise permitted by this subsection unwarranted.

#### **5. PRESIDENT**

The President shall be the chief executive officer of the Corporation and shall preside at all meetings of all directors and members. Such officer shall see that all orders and resolutions of the board are carried out, subject however, to the right of the directors to delegate specific powers, except such as may be by statute exclusively conferred on the President, to any other officers of the Corporation.

The President or any Vice-President shall execute bonds, mortgages and other instruments requiring a seal, in the name of the Corporation. When authorized by the board, the President or any Vice-President may affix the seal to any instrument requiring the same, and the seal when so affixed shall be attested by the signature of either the Secretary or an Assistant Secretary.

The President shall be ex-officio a member of all standing committees.

The President shall submit a report of the operations of the Corporation for the year to the directors at their meeting next preceding the annual meeting of the members and to the members at their annual meeting.

#### **6. VICE-PRESIDENTS**

The Vice-President, or Vice-Presidents in order of their rank as fixed by the Board of Directors, shall, in the absence or disability of the President, perform the duties and exercise the powers of the President and they shall perform such other duties as the Board of Directors shall prescribe.

## **7. THE SECRETARY AND ASSISTANT SECRETARIES**

The Secretary shall attend all meetings of the Board of Directors and all meetings of the members and shall record all votes and the minutes of all proceedings and shall perform like duties for the standing committees when required. The Secretary shall give or cause to be given notice of all meetings of the members and all meetings of the Board of Directors and shall perform such other duties as may be prescribed by the Board of Directors. The Secretary shall keep in safe custody the seal of the Corporation, and when authorized by the Board of Directors, affix the same to any instrument requiring it, and when so affixed, it shall be attested by the Secretary's signature or by the signature of an Assistant Secretary.

The Assistant Secretaries shall in order of their rank as fixed by the Board of Directors, in the absence or disability of the Secretary, perform the duties and exercise the powers of the Secretary, and they shall perform such other duties as the Board of Directors shall prescribe.

In the absence of the Secretary or an Assistant Secretary, the minutes of all meetings of the board and members shall be recorded by such person as shall be designated by the President or by the Board of Directors,

## **8. THE TREASURER AND ASSISTANT TREASURERS**

The Treasurer shall have the custody of the corporate funds and securities and shall keep full and accurate accounts of receipts and disbursements in books belonging to the Corporation and shall deposit all moneys and other valuable effects in the name and to the credit of the Corporation in such depositories as may be designated by the Board of Directors.

The Treasurer shall disburse the funds of the Corporation as may be ordered by the Board of Directors, taking proper vouchers for such disbursements. The Treasurer shall keep and maintain the Corporation's books of account and shall render to the President and directors an account of all of the Treasurer's transactions and of the financial condition of the Corporation and exhibit the books, records and accounts to the President or directors at any time. The Treasurer shall disburse funds for capital expenditures as authorized by the Board of Directors and in accordance with the orders of the President, and present to the President's attention any requests for disbursing funds if in the judgment of the Treasurer any such request is not properly authorized. The Treasurer shall perform such other duties as may be directed by the Board of Directors or by the President.

If required by the Board of Directors, the Treasurer shall give the Corporation a bond in such sum and with such surety or sureties as shall be satisfactory to the Board of Directors for the faithful performance of the duties of the office and for the restoration to the Corporation, in case of death, resignation, retirement or removal from office, of all books, papers, vouchers, money and other property of whatever kind in the incumbent's possession or under the incumbent's control belonging to the Corporation.

The Assistant Treasurers in the order of their seniority shall, in the absence or disability of the Treasurer, perform the duties and exercise the powers of the Treasurer, and they shall perform such other duties as the Board of Directors shall prescribe.

## **ARTICLE V - CERTIFICATES OF MEMBERSHIP**

### **1. CERTIFICATES OF MEMBERSHIP**

The Board of Directors may provide for the issuance of certificates, or cards, or other instruments evidencing membership rights, voting rights or ownership rights (hereinafter referred to as "certificates"), which shall be in such form as may be determined by the Board. Such certificates shall be signed by the President or Vice-President and by the Secretary or an Assistant Secretary. All certificates evidencing membership of any class shall be consecutively numbered. The name and address of each member and the date of issuance of the certificate shall be entered on the records of the Corporation. If any certificate shall become lost, mutilated or destroyed, a new certificate may be issued therefore upon such terms and conditions as the Board of Directors determine.

### **2. ISSUANCE OF CERTIFICATES**

When a member has been elected to membership and has paid any initiation fee and dues that may then be required, a certificate shall be issued in that member's name and delivered to the member by the Secretary, if the Board of Directors shall have provided for the issuance of certificates of membership under the provisions of this Article V.

## **ARTICLE VI - INDEMNIFICATION AND INSURANCE**

### **1. INDEMNIFICATION**

The Corporation shall have the full power to indemnify and advance expenses pursuant to the provisions of the Texas Business Organizations Code to any person entitled to indemnification under the provisions of the Texas Business Organizations Code.

### **2. INSURANCE**

The Corporation may purchase and maintain insurance or another arrangement on behalf of any person who is or was a member, director, officer, employee, or agent of the Corporation or who is or was serving at the request of the Corporation as a director, officer, partner, venturer, proprietor, trustee, employee, agent, or similar functionary of another foreign or domestic corporation, employee benefit plan, other enterprise, or other entity, against any liability asserted against him or her and incurred by him or her in such a capacity or arising out of his or her status as such a person, whether or not the Corporation would have the power to indemnify him or her against that liability. If the insurance or other arrangement is with a person or entity that is not regularly engaged in the business of providing insurance coverage, the insurance or arrangement may provide for payment of a liability with respect to which the Corporation would not have the power to indemnify the

person only if including coverage for the additional liability has been approved by the members of the Corporation. Without limiting the power of the Corporation to procure or maintain any kind of insurance or other arrangement, the Corporation may, for the benefit of persons indemnified by the Corporation, (1) create a trust fund; (2) establish any form of self insurance; (3) secure its indemnity obligation by grant of a security interest or other lien on the assets of the Corporation; or (4) establish a letter of credit, guaranty, or surety arrangement. The insurance or other arrangement may be procured, maintained, or established within the Corporation or with any insurer or other person deemed appropriate by the Board of Directors regardless of whether all or part of the stock or other securities of the insurer or other person are owned in whole or part by the Corporation. In the absence of fraud, the judgment of the Board of Directors as to the terms and conditions of the insurance or other arrangement and the identity of the insurer or other person participating in an arrangement shall be conclusive and the insurance or arrangement shall not be voidable and shall not subject the directors approving the insurance or arrangement to liability, on any ground, regardless of whether directors participating in the approval are beneficiaries of the insurance or arrangement.

## **ARTICLE VII - MISCELLANEOUS**

### **1. WAIVER OF NOTICE**

Whenever any notice is required to be given to any member or director of the Corporation under the provisions of the Texas Business Organizations Code, the Certificate of Formation, or these Bylaws, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be equivalent to the giving of such notice.

### **2. MEETINGS BY TELEPHONE CONFERENCE, ELECTRONIC OR OTHER REMOTE COMMUNICATIONS TECHNOLOGY**

Subject to the provisions required or permitted by the Texas Business Organizations Code and these Bylaws for notice of meetings, members of the Corporation, members of the Board of Directors, or members of any committee may participate in and hold a meeting of such members, board, or committee by means of: (1) conference telephone or similar communications equipment by which all persons participating in the meeting can communicate with each other; or (2) another suitable electronic communications system, including videoconferencing technology or the Internet, only if: (a) each member entitled to participate in the meeting consents to the meeting being held by means of that system; and (b) the system provides access to the meeting in a manner or using a method by which each member participating in the meeting can communicate concurrently with each other participant. Participation in a meeting pursuant to this section shall constitute presence in person at such meeting, except where a person participates in the meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened.

### **3. SEAL**

The Corporation may adopt a corporate seal in such form as the Board of Directors may determine. The Corporation shall not be required to use the corporate seal and the lack of the corporate seal shall not affect an otherwise valid contract or other instrument executed by the Corporation.

#### **4. CONTRACTS**

The Board of Directors may authorize any officer or officers, agent or agents of the Corporation, in addition to the officers so authorized by these Bylaws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances.

#### **5. CHECKS, DRAFTS, ETC.**

All checks, drafts or other instruments for payment of money or notes of the Corporation shall be signed by such officer or officers or such other person or persons as shall be determined from time to time by resolution of the Board of Directors.

#### **6. DEPOSITS**

All funds of the Corporation shall be deposited from time to time to the credit of the Corporation in such banks, trust companies, or other depositories as the Board of Directors may select.

#### **7. GIFTS**

The Board of Directors may accept on behalf of the Corporation any contribution, gift, bequest or devise for the general purposes or for any special purpose of the Corporation.

#### **8. BOOKS AND RECORDS**

The Corporation shall keep correct and complete books and records of account and shall keep minutes of the proceedings of the members, Board of Directors, and committees and shall keep at the registered office or principal office in this State a record of the names and addresses of its members entitled to vote. A member of the Corporation, on written demand stating the purpose of the demand has the right to examine and copy, in person or by agent, accountant, or attorney, at any reasonable time, for any proper purpose the books and records of the Corporation relevant to that purpose, in accordance with the Association's Records Production Policy.

#### **9. FINANCIAL RECORDS AND ANNUAL REPORTS**

The Corporation shall maintain current true and accurate financial records with full and correct entries made with respect to all financial transactions of the Corporation, including all income and expenditures, in accordance with generally accepted accounting practices. All records, books, and annual reports (if required by law) of the financial activity of the Corporation shall be kept at the registered office or principal office of the Corporation in this state for at least three years after the closing of each fiscal year and shall be available to the public for inspection and copying there

during normal business hours. The Corporation may charge for the reasonable expense of preparing a copy of a record or report.

**10. FISCAL YEAR**

The fiscal year of the Corporation shall be as determined by the Board of Directors.

**ARTICLE VIII - CONSTRUCTION**

**1. PRONOUNS AND HEADINGS**

All personal pronouns used in these Bylaws shall include the other gender whether used in masculine or feminine or neuter gender, and the singular shall include the plural whenever and as often as may be appropriate. All headings herein are for convenience only and neither limit nor amplify the provisions of these Bylaws.


If any one or more of the provisions of these Bylaws, or the applicability of any such provision to a specific situation, shall be held invalid or unenforceable, such provision shall be modified to the minimum extent necessary to make it or its application valid and enforceable, and the validity and enforceability of all other provisions of these Bylaws and all other applications of any such provision shall not be affected thereby.

**ARTICLE IX - AMENDMENT OF BYLAWS**

The power to amend or modify these bylaws is exclusively vested in the members of the Corporation.

APPROVED AND ADOPTED by the Members of the Association on this 16 day of September, 2012.

**MONT.DEVCON I PROPERTY OWNERS  
ASSOCIATION**

By:   
\_\_\_\_\_  
KELBY DANES, President



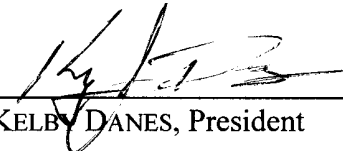
**CORPORATE CERTIFICATE**  
**MONT.DEVCON I PROPERTY OWNERS ASSOCIATION**

The undersigned certifies that he is the President of Mont.Devcon I Property Owners Association (the "Association"). The Association is the property owners' association for Stone Creek Section One, a subdivision in Montgomery County, Texas, according to the map or plat thereof recorded in the Map Records of Montgomery County, Texas (the "Subdivision").

The Association is a Texas non-profit corporation, and the foregoing attached instrument is a true and correct copy of the **Amended and Restated Bylaws of Mont.Devcon I Property Owners Association (Amended September 2012)**.

Signed this 17 day of September, 2012.

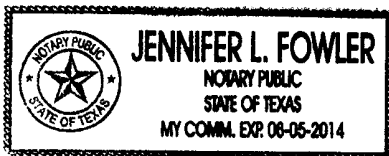
**MONT.DEVCON I PROPERTY OWNERS  
ASSOCIATION**

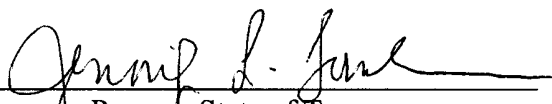
By:   
KELBY DANES, President

STATE OF TEXAS §

COUNTY OF MONTGOMERY §

SWORN TO AND SUBSCRIBED BEFORE ME on the 17<sup>th</sup> day of September, 2012, by KELBY DANES, President of MONT.DEVCON I PROPERTY OWNERS ASSOCIATION, a Texas non-profit corporation, on behalf of said corporation.

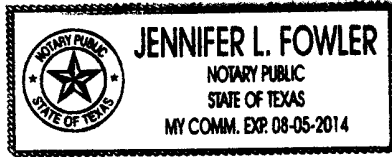


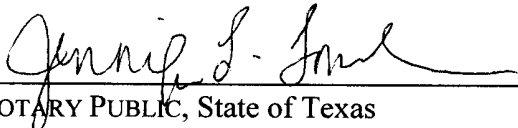
  
NOTARY PUBLIC, State of Texas

THE STATE OF TEXAS §

COUNTY OF MONTGOMERY §

This instrument was acknowledged before me on the 17<sup>th</sup> day of September, 2012, by KELBY DANES, President of MONT.DEVCON I PROPERTY OWNERS ASSOCIATION, a Texas non-profit corporation, on behalf of said corporation.



  
NOTARY PUBLIC, State of Texas

**AFTER RECORDING RETURN TO:**

Bryan P. Fowler  
The Fowler Law Firm  
300 West Davis, Suite 510  
Conroe, Texas 77301

**FILED FOR RECORD**

09/19/2012 3:23PM

*Mark Tumbull*

COUNTY CLERK  
MONTGOMERY COUNTY, TEXAS

STATE OF TEXAS  
COUNTY OF MONTGOMERY

I hereby certify this instrument was filed in file number  
sequence on the date and at the time stamped herein  
by me and was duly RECORDED in the Official Public  
Records of Montgomery County, Texas.

**09/19/2012**



*Mark Tumbull*

County Clerk  
Montgomery County, Texas