

**FIRST AMENDED AND RESTATED BYLAWS**  
**OF**  
**FLEETWOOD PROPERTY OWNERS ASSOCIATION, INC.**

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**FIRST AMENDED AND RESTATED BYLAWS OF  
FLEETWOOD PROPERTY OWNERS ASSOCIATION, INC.**

These First Amended and Restated Bylaws (the "Bylaws") of Fleetwood Property Owners Association, Inc. (the "Association") hereby totally replace and supersede, in their entirety, the existing Bylaws of the Association, including all existing amendments thereto.

**ARTICLE I. NAME, PRINCIPAL OFFICE**

**A.     Name**

The name of the Association is Fleetwood Property Owners Association, Inc. (hereinafter referred to as the "Association").

**B.     Principal Office**

The principal office of the Association shall be located in Houston, Harris County, Texas.

**C.     Property**

The property affected by these Bylaws is the property described on the first recorded plat for multiple sections of Fleetwood and recorded as follows:

Fleetwood Section One, Volume 189, Page 24 ("Section One")

Fleetwood Section 2, Volume 224, Page 45 ("Section Two")

Fleetwood Section III, Volume 214, Page 52 ("Section III")

Replat of Fleetwood Section Three, Volume 224, Page 91 ("Section Three")

Fleetwood Section Five, Clerk's File No. Volume 258, Page 133 ("Section Five")

Fleetwood Section Six: Volume 272, Page 1 ("Section Six")

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Section One, Section 2, Section III, Section Three, Section Five and Section Six are hereinafter referred to collectively as the "Subdivision."

**ARTICLE II. DEFINITIONS**

"Architectural Control Committee" or "ACC" means the committee of the Board, established for the Subdivision and vested with architectural control pursuant to the Restrictions and by virtue of that certain Assignment recorded under Harris County Clerk's File No. P297460 in the Official Public Records of Real Property of Harris County, Texas, transferring said authority to the Board.

"Assessment" or "Assessments" means the annual maintenance charge or Special Assessment as same is defined in the Restrictions, which definitions are incorporated herein by reference for all purposes.

"Association" means the Fleetwood Property Owners Association, Inc., its successors, replacement and assigns.

“Board” or “Board of Directors” means the collectively duly elected or appointed Directors of the Association.

“Common Area” means all real property owned in fee or held in easement, lease, or license by the Association for the common use and/or enjoyment of the Members.

“Director” means a duly elected or appointed member of the Board of Directors.

“Guidelines” mean general, architectural, and/or builder guidelines, and application and review procedures, if any, promulgated by the Board, that may set forth various standards relating to exterior harmony of any and all improvements placed upon or constructed on any Lot and/or construction types and aesthetics and said Guidelines may be amended by the Board; provided however, in any conflict between the Guidelines and the Restrictions, the Restrictions shall control.

“Lot” means a parcel of property defined as one Lot by the plat and/or any replat thereof recorded in the Plat Records of Harris County, Texas, said Lot being encumbered by the Restrictions and restricted to single-family residential use. As of the date of adoption of these Bylaws, the Association consists of 448 Lots.

“Member” means all of the owners of a Lot in the Subdivision. Persons or entities holding title only as a lienholder shall not be a Member for purposes of these Bylaws.

“Restrictions” means, collectively, the recorded restrictive covenants for the Subdivision which are filed of record in the Official Public Records of Real Property of Harris County, Texas, as same have been or may in the future be amended, including:

Section One: D614496, D797447, and Y525896

Section 2: E553416 and Y525899

Section III: E116716 and Y525903

Section Three: E693996 and Y525901

Section Five: F341486, F467557 and Y525904

Section Six: F658327, M580141 and Y525909

### **ARTICLE III. ASSOCIATION: MEMBERSHIP, MEETINGS, QUORUM, VOTING, PROXIES**

#### **A. Membership**

The Association shall have one class of Members.

#### **B. Place of Meetings**

Meetings of the Association shall be held at the principal office of the Association or at such other suitable place convenient to the Members as may be designated by the Board.

C. Annual Meetings

An annual meeting of the Members (the "Annual Meeting") shall be held each year on the last Thursday of the month of February. If the day scheduled for the Annual Meeting is a legal holiday, then the Annual Meeting shall be held on the next succeeding Thursday. The time and place of the Annual Meeting shall be specified in the Notice of the Annual Meeting sent to the Members. Directors to be elected by the Members shall be elected at the Annual Meeting.

D. Special Meetings

The President of the Association shall call a Special Meeting of the Members if so directed by resolution of a majority of a quorum of the Board or upon receipt by the Board of a petition signed by Members representing at least ten percent (10%) of the Lots of the Association. The notice of any such Special Meeting shall state the date, time, place and subject matter of such meeting and the purpose thereof. No business shall be transacted at such Special Meeting except as stated in the notice. Any such Special Meeting shall be held not less than ten (10) nor more than sixty (60) days before the date of such meeting after it has been properly approved by the Board or requested by the Members, as herein provided, and shall be noticed pursuant to Subsection E, below.

E. Notice of Meetings

Written or printed notice stating the place, day and hour of any meeting of the Members shall be sent by the Secretary of the Association (or his/her designee) by First Class mail, or email (if an email address has been provided to the Association by a Member for the purpose of receiving such notices), to each Member not less than ten (10) nor more than sixty (60) days before the date of such meeting. Such notice must contain a description of the topics or issues to be discussed at such meeting.

Notice to a Member sent by First Class mail, shall be deemed sent when deposited in the U.S. Postal System, addressed to the Member at the address maintained in the Association's records, prepaid postage in the proper amount attached thereto; notice emailed to a Member shall be deemed sent on the date shown on a confirmation that the email was successfully transmitted. For any given meeting, the Board may use any combination of the alternative methods for providing notice to the Members.

For the purpose of determining the Members entitled to notice of a meeting, the membership of the Association shall be determined on the date that is three (3) days prior to when the notice of meeting is first sent.

Notice shall not be required to be given to more than one mailing address or email address.

F. Waiver of Notice

Waiver of notice of a meeting of the Members shall be deemed the equivalent of proper notice. Any Member may, in writing, waive notice of any meeting of the Members, either before or at such meeting. Attendance at a meeting by a Member, either in person or by proxy, shall be

deemed waiver by such Member of notice of the meeting, unless such Member specifically objects to lack of proper notice, in writing, at the time the meeting is called to order. Further, casting a vote by any means authorized in these Bylaws, by a Member on any issue to be voted upon at the meeting, shall be deemed a waiver by such Member of notice of the meeting.

G. Adjournment of Meetings

If any meeting of the Members cannot be held because a quorum is not present, either in person or by proxy, the presiding officer or a majority of the Members who are present at such meeting, in person (or by proxy), may adjourn the meeting to a time not less than ten (10) nor more than sixty (60) days from the time the original meeting was called. At the reconvened meeting, if a quorum is present, any business that might have been transacted at the meeting originally called may be transacted. All votes cast by Members prior to the originally called meeting by proxy, or by any means authorized in these Bylaws, on issues to be considered at the meeting shall be valid and may be counted at the reconvened meeting at which a quorum is present; provided that a Member who cast a vote on an issue by proxy or by any means authorized in these Bylaws may change that Member's vote at any time prior to the time that a call for a vote on the issue is made at the reconvened meeting at which a quorum is present. A Member may change his vote by attending the reconvened meeting in person, submitting a proxy at the reconvened meeting which either directs or authorizes the proxy holder to vote in a different manner, or changing the Member's vote by any means for voting authorized in these Bylaws. If a time and place for reconvening the meeting is not fixed in the notice of the original meeting, or if for any reason a new date is fixed for reconvening the meeting after adjournment, notice of the time and place for reconvening the meeting shall be given to Members in the manner prescribed in Subsection E, above.

H. Voting

Each Member's voting rights shall be based on the number of Lots owned and shall be one vote for each Lot owned. Multiple owners of any single Lot must vote in agreement (under any method they devise among themselves), but in no case shall such multiple owners cast portions of votes. The vote attributable to any single Lot must be voted in the same manner (i.e. all owners of the Lot for, or all owners of the Lot against a particular issue) but in no event can there be more than one vote cast per Lot.

Each Member may vote in person or by proxy appointed by instrument in writing and signed by the Member or by the duly authorized attorney of such Member. Facsimile proxies shall be valid. Electronic voting shall be valid pursuant to rules and regulations promulgated by the Board. At any election where there is an equal number of nominees as there are positions to be filled, the Board may determine that election by ballot or vote is not required and may declare that the nominees are elected by unanimous consent or acclamation. At all meetings of Members, all questions, except those the manner of which is otherwise expressly governed by statute, the Articles of Incorporation of the Association, these Bylaws, or the Restrictions, shall be decided by the vote of a majority of the Members present in person or by proxy and entitled to vote, a quorum being present. Except for election by unanimous consent or acclamation, all voting at any meeting shall be by written ballot. Each ballot must be signed by the Member voting or by his/her proxy. At the option of the Board, any vote may be taken by absentee or

electronic ballot, or any combination of absentee or electronic ballot, proxy or in person. Said options must be uniformly available to all Members and made known at the time the notice of the meeting is sent.

An absentee or electronic ballot may be counted toward a quorum of Members present (as if in attendance at a meeting) (1) for the purpose of establishing a quorum only for items appearing on the ballot; (2) 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 a Member supersedes any vote submitted by absentee or electronic ballot previously submitted for that purpose; and (3) may not be counted on the final vote of a proposal if the motion was amended at the meeting to be different from the exact language on the absentee or electronic ballot.

I. Majority

As used in these Bylaws, the term "majority" shall mean those votes, Members, or other group as the context may indicate totaling more than fifty (50%) percent of the total eligible votes, Members, or other group.

J. Quorum

The presence in person, or by proxy, of Members representing ten percent (10%) of the Lots of the Association shall constitute a quorum at all meetings of the Members of the Association. If the required quorum is not present, another meeting may be called subject to notice requirements as hereinabove required or as may be required by law, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting may be held more than sixty (60) days following the initial or first meeting.

The Members present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment.

K. Conduct of Meetings

The President, or his/her designee, shall preside over all meetings of the Association, and the Secretary, or his/her designee, shall keep the minutes of the meeting and record in a minute book all resolutions adopted at the meeting and all transactions occurring at the meeting.

L. Action Without a Meeting

Any action required by law to be taken at a meeting of the Members or any action that may be taken at a meeting of the Members, may be taken without a meeting if written consent setting forth the action so taken is signed by Members holding the number of votes necessary to pass a proposition concerning the subject matter thereof, and any such consent shall have the same force and effect as a unanimous vote of the Members. Said written consents must all be dated and signed within thirty (30) days of each other and all parties signing such written consent must be Members at the time the number of votes necessary to pass a proposition concerning the subject matter thereof has been attained.



M. Proxies and Absentee Ballots

At all meetings of Members, each Member entitled to vote may vote in person or by proxy. All proxies shall be in writing, dated and signed by a Member and filed with the Secretary or his/her designee, no later than forty-eight (48) hours before the appointed starting time of such meeting. Every proxy shall be revocable and shall automatically cease upon (i) conveyance by signing Member of the signing Member's interest in a Lot within the Subdivision; (ii) receipt of notice by the Secretary of the death or judicially declared incompetence of said signing Member; (iii) receipt of written revocation by said signing Member; or, (iv) expiration of eleven (11) months from the date of the proxy. In the case of a Member's execution of more than one proxy, the proxy with the latest date shall be valid. Proxies not delivered as herein provided shall not be valid.

To the extent permitted by law, a Member may vote on any issue to be voted upon by the Members under these Bylaws by absentee ballot prepared by the Board that is delivered or mailed to the Association or transmitted to the Association by facsimile or by electronic communication over the Internet. To be valid, any vote cast by a Member by any of the alternative means must be received by the Association by the date and time specified in the notice of meeting or, if no date and time is specified in the notice of meeting, by midnight of the day before the date of the scheduled meeting. The mechanism for voting by electronic communication must provide a sufficient method of identifying the Member and verifying the Member's vote, and for which the Member may receive a receipt of the electronic transmission and receipt of the Member's ballot. The Board shall have the authority to adopt an electronic voting policy. Any requirement imposed by the Articles of Incorporation, these Bylaws, a duly adopted Board policy, or by applicable law for a signature on any such absentee ballot may also be satisfied by a digital signature meeting the requirements of such documents or applicable law.

**ARTICLE IV. BOARD OF DIRECTORS: NUMBER, POWERS, MEETINGS**

A. Composition and Selection

Section 1. Governing Body; Composition

The affairs of the Association shall be governed by a Board of Directors, each of whom shall have one vote. Not more than one party or representative of a Member may serve on the Board at any given time. Notwithstanding anything contained herein to the contrary, if the Board is presented with written documented evidence from a database or other record maintained by a governmental law enforcement authority that a Director has been convicted of a felony or crime involving moral turpitude, that Director is immediately ineligible to serve on the Board and is automatically considered removed from the Board, and prohibited from future service on the Board unless said conviction has been legally expunged.

All Directors must be Members. In the case of a Member that is an entity other than individual owner(s), the person designated in writing by either proxy or a resolution, submitted to the Secretary of the Association, as the representative of such entity shall be eligible to serve as a Director.

## Section 2. Election of Directors

Election of Directors by the Members shall allow in person voting, mail ballot, proxy and/or electronic media, by a majority vote of the Members voting. Cumulative voting shall not be permitted.

Notwithstanding anything contained herein to the contrary, in an election of Directors by Members, in which election there are more candidates than vacant positions and where two or more candidates receive the same number of votes resulting in a tie, the winner of the election shall be chosen by lot (i.e., the names of the candidates who are running for a Director position and have received the same number of votes shall be written on separate pieces of paper by the presiding officer of the meeting, the pieces of paper shall be folded by the presiding officer and placed in a container provided by the then-serving Board; the presiding officer shall ask for a volunteer Member from the audience of Members to pick any one piece of paper from the container and the person whose name is picked shall be declared the winner of such election).

## Section 3. Number of Directors

The number of Directors in the Association shall be not less than three (3) nor more than seven (7). The 2012 Board consists of nine (9) Directors. The number of Directors may be changed by the unanimous consent of the Directors, without the approval of the Members, provided that any decrease in the number of Directors may not cut short a sitting Director's term of office without that Director's written consent. An increase in the number of Directors shall be effectuated at the next Annual or Special Meeting of the Members where the increased positions on the Board shall be filled by a vote of the Members as provided herein for the election of Directors, and further provided that the staggering of terms be sustained in a manner similar to that set forth in Section 4 below.

## Section 4. Term of Office of Directors

The term of office of each Director elected by the Members shall be for two (2) years beginning on the date of their election and they shall serve until their successor is appointed or elected, with the understanding that a Director may be re-elected for additional two-year terms.

The 2012 Board is composed of nine (9) Directors. The Board has determined it to be in the best interest of the Association and to encourage volunteerism, to reduce the number of Directors to seven (7) and to establish an appropriate staggering of terms at the next regular annual meeting of the Members. The following is the list of 2012 Board Directors with a numerical designation of the position on the Board held by that Director, and the remainder of that Director's term of office:

Position 1: Frank "Buddy" Morgan	Term expires 2013	(2013 – 2015)
Position 2: Lourez Bullock	Term expires 2013	(2013 – 2015)
Position 3: Gary Muslin	Term expires 2013	(2013 – 2015)
Position 4: Richard Ogrin	Term expires 2014	(2012 – 2014)
Position 5: Andrew Nunmaker	Term expires 2014	(2012 – 2014)

Position 6: Stephanie Quade	Term expires 2014	(2012 – 2014)
Position 7: Frederick Coveler	Term expires 2014	(2012 – 2014)
Position 8: Arnold Milton	Term expires 2013	Eliminated
Position 9: Currently Vacant	Term expires 2013	Eliminated

At the Annual Meeting in 2013, two (2) Director positions will be eliminated. In order to establish staggered terms, at the Annual Meeting in 2013, Members will elect three (3) Directors who shall serve two (2) year terms, and those Directors elected in 2013 will fill positions 1, 2, and 3. The Directors in positions 4, 5, 6 and 7 above, shall continue to serve the remaining year on their terms which will expire in 2014. Positions 8 and 9 will be eliminated. After the Annual Meeting in 2013, in even numbered years four (4) Directors shall be elected, and in odd numbered years three (3) Directors shall be elected. The signatures of the Directors set forth below shall serve as confirmation that the Directors have all agreed to the elimination of two positions, and the process set forth herein for future elections and the staggering of terms. Notwithstanding anything contained herein to the contrary, if a position becomes vacant prior to the 2013 Annual Meeting, that position will not be filled unless the number of Directors then serving is less than seven (7).

#### Section 5. Removal of Directors and Vacancies

A vacancy created by the resignation, death or disability of a Director prior to the expiration of his/her term, may be filled by the affirmative vote of the majority of the remaining Directors, regardless of whether that majority is less than a quorum. A Director so appointed to fill a vacancy is appointed for the unexpired term of the Director's predecessor in office.

Any Director may be removed, with or without cause, at a Special Meeting of Members called for that purpose, by a majority of Members entitled to vote at such Special Meeting. Any Director whose removal is sought shall be given notice prior to any meeting called for that purpose. Upon removal of a Director, a successor shall then and there be elected by the Members entitled to vote at such Special Meeting. Said elected Director shall fill the remainder of the term of such removed Director. If no successor Director shall be elected at such meeting, the position shall be filled as above for a vacancy created by a resignation of a Director.

Any Director may resign at any time by giving written notice to the Board, the President or the Secretary. Such resignation shall take effect on the date of the receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. For the purposes of this section, written resignation to the Board may be accomplished by facsimile, electronic transmission, Certified Mail, or receipted hand delivery.

#### B. Meetings

##### Section 1. Organizational Meetings

The first meeting of the Board following each Annual Meeting of the Members shall be held within fifteen (15) days thereafter at such time and place as shall be fixed by the Board. At such meeting the first order of business shall be the election of officers of the Association.

Section 2.     Regular Meetings

Regular and special Board meetings must be open to the Members, subject to the right of the Board to adjourn a Board meeting and reconvene in closed executive session and must be held in Harris County, Texas.

A Board meeting means a deliberation between a quorum of the voting Board during which Association business is considered. A Board meeting does not include the gathering of a quorum of the Board at a social function unrelated to the business of the Association or the attendance by a quorum of the Board at a regional, state, or national convention, ceremonial event, or press conference.

Section 3.     Notice of Meetings

Notice to the Members of the date, hour, place and general subject of any Board meeting, including a general description of any matter to be brought up for deliberation in executive session, shall be:

1.     mailed to each Member not later than ten (10) days or earlier than sixty (60) days before the date of the meeting; or
2.     provided at least seventy-two (72) hours before the start of the meeting by:
  - a.     posting in conspicuous manner reasonably designed to provide notice to the Members; or
  - b.     in a place located on the Association's common property, or on Member's property with their consent, or other property within the Subdivision; or
  - c.     on any Internet website maintained by the Association or other Internet media; and
  - d.     sending notice by email to each Member who has registered an email address with the Association for said purpose and it is the Member's duty to keep an updated email address registered with the Association.

If the Board recesses to continue the following regular business day, the Board is not required to post notice of the continued meeting if the recess is taken in good faith and not to circumvent this provision. If the meeting is continued to the next business day, and the Board again continues the meeting to another day, the Board shall give notice of continuation in at least one of the manners described above, within two (2) hours after adjourning the meeting being continued.

The Board may meet by any method of communication, including electronic and telephonic, without prior notice to Members if:

1.     each Director may hear and be heard by every other Director; or

2. the Board may take action by unanimous written consent to consider routine and administrative matters or reasonably unforeseen matters of emergency or urgent necessity that requires immediate action by the Board; and
3. any action taken without notice to the Members must be summarized orally, including estimation of expenditures approved at the meeting, and documented in the minutes of the next Board meeting.

The Board may not, without prior notice to Members, consider or vote on any of the following issues:

1. fines;
2. damage assessments;
3. initiation of foreclosure actions;
4. initiation of enforcement actions, excluding temporary restraining orders or violations involving a threat to health or safety;
5. increases in assessments;
6. levying of Special Assessments;
7. appeals from a denial of architectural approval; or
8. 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 4. Special Board Meetings

Special meetings of the Board shall be held when called by written notice issued at the request of the President of the Association or by written resolution of a majority of a quorum of the Board. Notice shall be given to the Members as set out in Section 3 hereinabove.

#### Section 5. Waiver of Notice

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

Section 6. Quorum of Board of Directors

At all meetings of the Board, a majority of the Directors shall constitute a quorum for the transaction of business, and the votes of a majority of the Directors present at a meeting at which a quorum is present shall constitute the decision of the Board. If any meeting of the Board cannot be held because a quorum is not present, a majority of the Directors who are present at such meeting may adjourn the meeting subject to the notice requirements set forth herein. At the reconvened meeting, if a quorum is present, any business that might have been transacted at the meeting originally called may be transacted without further notice.

Section 7. Compensation

No Director shall receive any compensation from the Association for acting as such provided, however, that a Director may be reimbursed for expenses incurred on behalf of the Association, upon approval of a majority of the other Directors.

Section 8. Conduct of Meetings

The President, or his/her designee, shall preside over all meetings of the Board, and the Secretary, or his/her designee, shall keep a minute book of meetings of the Board, recording therein all resolutions adopted by the Board and all transactions and proceedings occurring at such meetings.

Section 9. Open Meetings

Subject to the limitations set out hereinabove, all meetings of the Board shall be open to all Members, but Members other than Directors may not participate in any discussion or deliberation in the open session unless permission to speak is requested on his or her behalf by a Director and approved by the Board. In such case, the President may limit the time any Member may speak as he/she deems reasonable.

Section 10. Executive Session

The Board may close a portion of its meetings for the purpose of discussing 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.

C. Powers and Duties

Section 1. Powers

The Board shall be responsible for the affairs of the Association and shall have all of the powers necessary for the administration of the Association's affairs except as otherwise reserved to the Members.

The Board may delegate to one or more of its Directors the authority to act on behalf of the Board on all matters relating to the duties of the managing agent or manager, if any, that might arise between meetings of the Board.

In addition to the duties imposed by these Bylaws, Texas law, or by any resolution of the Members that may hereafter be adopted, the Board shall have the power to establish policies relating to, and for performing or causing to be performed, the following, in way of explanation, but not limitation:

- (a) preparing and adopting of annual budgets;
- (b) making assessments, establishing the means and methods of collecting such assessments, and establishing the payment schedule for Special Assessments;
- (c) collecting the assessments, depositing the proceeds thereof in a bank depository that it shall approve, and using the proceeds to operate the Association; provided, any reserve funds may be deposited, in the Directors' best business judgment, in depositories other than banks;
- (d) providing for the operation, care, upkeep and maintenance of all Common Areas, including entering into a contract to provide for such operation, care, upkeep and maintenance;
- (e) making or contracting for the making of repairs, additions, and improvements to or alterations of the Common Areas in accordance with the other provisions of the Restrictions and these Bylaws after damage or destruction by fire or other casualty;
- (f) designating, hiring, and dismissing the personnel necessary for the operation of the Association and the maintenance, operation, repair, and replacement of its property and the Common Areas and, where appropriate, providing for the compensation of such personnel and for the purchase of equipment, supplies, and materials to be used by such personnel in the performance of their duties;
- (g) making and amending rules and regulations and promulgating, implementing and collecting fines for violations and/or collecting fees related to enforcement of the rules and regulations, the Restrictions, and all Dedicatory Instruments (as that term is defined in the Texas Property Code) for the Subdivision;
- (h) opening of bank accounts on behalf of the Association and designating the signatories required;

(i) enforcing by legal means the provisions of the Restrictions, including the provisions concerning architectural control, these Bylaws, and the rules and regulations adopted by the Association and bringing any proceedings that may be instituted on behalf of or against the Members concerning the Association;

(j) obtaining and carrying insurance against casualties and liabilities, including what is commonly known as Directors and Officers insurance, with policy limits, coverage and deductibles as deemed reasonable by the Board and paying the premium cost thereof;

(k) paying the cost of all services rendered to the Association or its Members and not chargeable directly to specific Members;

(l) keeping books with detailed accounts of the receipts and expenditures affecting the Association and its administration, specifying the maintenance and repair expenses and any other expenses incurred;

(m) maintaining a membership register reflecting, in alphabetical order, the names, property addresses and mailing addresses of all Members;

(n) making available upon request to any prospective purchaser, any Member, any first Mortgagee, and the holders, insurers, and guarantors of a first Mortgage on any property, for any proper purpose during normal business hours by advance appointment, copies of the Restrictions, the Articles of Incorporation, the Bylaws, rules governing the Subdivision, and all other books, records, and financial statements of the Association pursuant to the Association's Document Production and Copying Policy; and

(o) compromise, participate in mediation, submit to arbitration, release with or without consideration, extend time for payment, and otherwise adjust any claims in favor of or against the Association;

(p) commence or defend any litigation in the Association's name with respect to the Association or any Association property; and

(q) regulate the use, maintenance, repair, replacement modification, and appearance of the Subdivision including but not limited to property and rights-of-way to the extent said property may affect the subdivision and as allowed by law; and

## Section 2. Management

The Board may employ on behalf of the Association a professional management agent or agents at a compensation approved by the Board to perform such duties and services as the Board shall authorize. The Board may delegate to the managing agent or manager, subject to the Board's supervision, all of the powers granted to the Board by these Bylaws, other than the powers set forth in subparagraphs (a), (b), (d), (e), (f), (g), (h), (i), (o) (p) and (q) of Section C(1) of this Article.



Section 3. Accounts and Reports

The following management standards of performance will be followed unless the Board by resolution specifically determines otherwise:

- (a) The accrual method of accounting, as defined by Generally Accepted Accounting Principles (GAAP), shall be employed by the Association except for the filing of any federal or state tax returns which may be filed on a cash basis or modified cash basis of accounting, as determined by the Treasurer of the Association.
- (b) Accounting and controls should conform to GAAP.
- (c) Cash accounts of the Association shall not be commingled with any other accounts.
- (d) No remuneration without full disclosure and prior approval of the Board, or as contained in a written management contract, shall be accepted by the managing agent, directly or indirectly, from anyone providing goods or services to the Association, regardless of the form, except for de minimis amounts totaling less than \$100 in a calendar year.
- (e) Any financial or other interest that any Director, or the managing agent may have in any firm providing goods or services to the Association for which it receives any form of compensation, shall be disclosed promptly to the Board and noted in the minutes of the Association except for stock ownership in a publically held and traded company (e.g. ownership in Reliant Energy, Inc.).
- (f) Financial reports shall be prepared for the Association monthly, or as otherwise approved by the Board, but no less than quarterly, containing:
  - (i) an Income Statement reflecting all income and expense activity for the preceding period;
  - (ii) a variance report reflecting the status of all accounts in an "actual" versus "approved budget" format;
  - (iii) a Balance Sheet as of the last day of the preceding period; and
  - (iv) a delinquency report listing all Members who are delinquent in paying any Assessments at the time of the report and describing the status of any action to collect such Assessments that remain delinquent.
- (g) An annual report consisting of at least the following shall be made available at the Annual Meeting of Members and within ten (10) days thereafter to all Members, either by mailing or being made available on the Association's Internet web site: (1) a Balance Sheet; (2) an Income Statement; (3) a comparison to the current year's approved budget and (4) a budget for the forthcoming year.

(h) The Association shall, within sixty (60) days of the close of each fiscal year of the Association hire and retain the services of an independent Certified Public Accountant (CPA) to prepare a certified audit of the books and records of the Association which shall be available for review by any Member of the Association.

#### Section 4. Borrowing and Subordination

The Board shall NOT have the power to borrow money for or on behalf of the Association without the prior written approval of a majority of the Members nor may the Board pledge the Association's Assessments or subordinate or assign the Association's lien rights that it has against any Member or Lot without the prior written approval of a majority of the Members..

#### Section 5. Rights of the Association

In accordance with the Articles of Incorporation, the Restrictions and these Bylaws, the Board shall have the right to enter into contracts with various persons or entities for the benefit of the Association. Without limiting the foregoing, this right shall NOT entitle the Board to enter into common management, operational, or other agreements including other neighborhood owner or resident associations.

The Association shall not enter into any contract, lease, or other agreement (including any management contract), unless such contract, lease or other agreement contains a right of termination exercisable by the Association without penalty, with no more than thirty (30) days advance written notice, unless specifically reviewed and said waiver of this requirement is approved by the Board.

#### Section 6. Enforcement

The failure of the Board to enforce any provision of the Restrictions, Bylaws, or any rule or regulation shall not be deemed a waiver of the right of the Board to do so thereafter.

As provided in the Restrictions, each Member is obligated to pay to the Association certain charges and Assessments, including such charges and Assessments as may be included, from time to time, by amendment to the Restrictions. All costs, expenses, and fees charged to, or paid by, the Association in collecting, or attempting to collect, such charges and Assessments, as well as interest as specified in the Restrictions, shall be assessed against the Lot and its owner Member(s), and shall become part of the Assessments due on the Lot. Likewise, all costs, expenses, and fees incurred by the Association in rectifying, or attempting to rectify, a violation of the Restrictions, Rules and Regulations, the Guidelines, or Board policies, shall be assessed against the Lot and its owner Member(s), and shall become part of the Assessments due on the Lot. Such costs, expenses, and fees include, but are not limited to:

- (a) actual expenses, including attorney fees and court costs;

(b) a Late Processing Fee may be set annually by the Board, which may be assessed for any account that has an unpaid balance on or after thirty (30) days after due date, as an inducement to pay on time and to offset administrative costs and expenses incurred in the collection process;

(c) a Dishonored-Check Processing Fee, set by the Board, which may be assessed for any payment check dishonored by the bank, to offset the additional processing cost incurred;

(d) a Partial Payment Processing Fee, set by the Board, which may be assessed if any payment for less than the full amount due at the time payment is made, to offset the additional processing costs incurred;

(e) an Administrative Fee which may be assessed for the transfer of ownership of any Lot, including by foreclosure, to offset the administrative costs and expenses associated with (1) quoting, verbally or in writing, the status of the Assessments and other charges due on the Lot, (2) tracking, researching, and determining or attempting to determine ownership, (3) updating the books and records of the Association to reflect the transfer, and (4) preparing and mailing introductory information regarding the Subdivision, the Association, and/or the Restrictions, rules, and regulations applicable to the new Member;

(f) a Refinance Fee which may be assessed for the refinance of any Lot, to offset the administrative costs and expenses associated with quoting the status of the Assessments and other charges due on the Lot and updating the books and records of the Association.

(g) a reasonable fee to assemble, copy, deliver and update a Resale Certificate.

Any such Assessment or charge that is not paid when due shall be delinquent. All payments shall be applied pursuant to the Alternative Payment Schedule Guidelines adopted by the Board.

## **ARTICLE V. OFFICERS**

### **A. Officers**

The officers of the Association shall be a President, Vice President, Secretary, and Treasurer, to be elected from among the members of the Board by approval of the Board. The Board may appoint such other officers as it shall deem desirable, such officers to have the authority and perform the duties prescribed from time to time by the Board. Any two (2) or more offices may be held by the same person, except for the President.

1. **President.** The President shall be the chief executive officer of the Association, and shall preside at all Board and Member meetings. The President is authorized to sign all documents on behalf of the Association that have been approved by the Board.

2. Vice President. The Vice President shall have those powers and duties assigned to him/her by the Board or as delegated by the President. The Vice President may exercise the powers of the President during the President's absence or inability to act.
3. Treasurer. The Treasurer, or the Board's appointed agent, will have the responsibility of all of the Association funds and must cause said funds to be deposited in such banks or other depositories as the Board directs or approves. The Treasurer shall keep full and accurate account of all monies received and paid on account of the Association and must render a statement of said accounts whenever the Board so requires. The Treasurer shall prepare an annual budget for the ensuing year, and shall cause a report of the Association's books to be made at the end of each fiscal year. Except as otherwise provided by the Board, the Treasurer must perform all other necessary acts and duties in connection with the administration of the Association's financial affairs and generally perform all duties usually appertaining to the office of the treasurer of a non-profit corporation. In the absence of the Treasurer, the person designated by the Board, if any, will perform the Treasurer's duties. Any responsibilities of the Treasurer, except for the signing of any checks, may be designated to the managing agent of the Association, if approved by the Board.
4. Secretary. The Secretary, or the Board's appointed agent, is the custodian of the Association's records, and must keep the minutes of all meetings of the Board, and of the Members or consents in lieu of such meetings in the Association's minutes book, and must cause notice of the meetings to be given when requested by any person authorized to call a meeting. The Secretary may sign all certificates, and shall be in charge of all records, books and papers of the Association. The Secretary shall keep the Association's official membership roll. The Secretary will, in general, perform such other duties incident to the office of the Secretary, or as assigned by the Board or delegated by the President.

B. Election, Term of Office and Vacancies

The officers of the Association shall be elected annually by the Board at the first meeting of the Board following each Annual Meeting. A vacancy in any office arising because of death, resignation, removal, or otherwise, may be filled by the Board for the unexpired portion of the term.

C. Removal

Any officer may be removed from office, but not as a Director of the Board, with or without cause, by a majority vote of the Board.

D. Resignation

Any officer may resign at any time by giving written notice to the Board, the President or the Secretary. Such resignation shall take effect on the date of the receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such

resignation shall not be necessary to make it effective. For the purposes of this Subsection, written resignation to the Board may be accomplished by facsimile, electronic transmission, Certified Mail, or receipted hand delivery.

E. Agreements, Contracts, Deeds, Leases, Checks, Etc.

All agreements, contracts, deeds, leases and other instruments of the Association approved by the Board shall be signed by the President and all checks drawn on the Association's bank accounts shall be signed by at least two (2) officers of the Association.

## ARTICLE VI. COMMITTEES

The Board is hereby authorized to establish committees to perform such tasks and to serve for such periods as may be designated by a resolution adopted by a majority of the Directors present at a meeting at which a quorum is present. Each committee established by the Board shall operate in accordance with the terms of the resolution of the Board designating the committee and in accordance with such rules as are adopted by the Board. All committees of the Board shall be vested with authority only to the extent authorized by the Board.

## ARTICLE VII. MISCELLANEOUS

A. Fiscal Year

The fiscal year of the Association shall be the calendar year.

B. Parliamentary Rules

Except as may be modified by Board resolution, *Robert's Rules of Order* (current edition) may, but is not required to, govern the conduct of Association proceedings when not in conflict with Texas law, the Restrictions, the Articles of Incorporation or these Bylaws.

C. Conflicts

If there are conflicts between the provisions of Texas law, the Restrictions, the Articles of Incorporation and/or these Bylaws, then the provisions of Texas law, the Restrictions, the Articles of Incorporation and the Bylaws (in that order) shall prevail.

D. Books and Records

The inspection, production, and copying of the records of the Association, shall be made pursuant to the Recording Production and Copying Policy adopted by the Board.

Every Director shall have the absolute right at any reasonable time to inspect all books, records, and documents of the Association and the physical property owned or controlled by the Association. The right of inspection by a Director includes the right to make a copy of relevant documents pursuant to the terms and provisions of the Association's Document Retention and Copying Policy then in effect.

E. Notices

Unless otherwise provided in these Bylaws, all notices, demands, bills, statements, or other communications under these Bylaws shall be in writing and shall be deemed to have been duly given if delivered personally or if sent by United States Mail, First Class postage prepaid:

(a) if to a Member at the address that the Member has designated in writing and filed with the Secretary or Association's management company or managing agent or, if no such address has been designated, at the address of the Lot of such Member; or

(b) if to the Association, to the Board, or to the managing agent, at the principal office of the Association or the managing agent, if any, or at such other address as shall be designated by notice in writing to the Members pursuant to this Section.

F. Amendment

These Bylaws may be amended at the Annual Meeting or a Special Meeting of the Members, by a majority of the votes of a quorum of votes present in person or by proxy. Any proposed changes in these Bylaws must be specifically included in the Notice of such Annual Meeting or Special Meeting of the Members

G. Indemnity

To the fullest extent permitted by applicable law, the Association shall and does hereby agree to indemnify, protect, hold harmless and defend its officers, Directors, and Board appointed committee members (each an "Indemnitee") from and against all claims, demands, damages, injuries, losses, liens, causes of action, suits, judgments, penalties, liabilities, debts, costs and expenses, including court costs and attorneys' fees (collectively the "Liabilities"), of any nature, kind or description, whether arising out of contract, tort, strict liability, misrepresentation, violation of applicable law and/or any cause whatsoever (including without limitation, claims for injuries to or death of any person, or damages to or loss of any property) of any person or entity directly or indirectly arising out of, caused by, in connection with, or resulting from any act or omission of any of the Indemnites; provided, however, that the Association shall NOT indemnify the Indemnites for any Liabilities arising as a result of the gross negligence or willful misconduct of Indemnites.

The Indemnites shall promptly advise the Association in writing of any action, administrative or legal proceeding or investigation as to which indemnification may apply, and Association, at Association's expense, shall assume on behalf of Indemnites and conduct with due diligence and in good faith the defense thereof with competent trial counsel, provided, however, that Indemnites shall have the right, at their own option, to be represented therein by advisory counsel of their own selection and at their own expense.

In the event of the failure by Association to fully perform its obligations in accordance with this Section, Indemnites, at their option, and without relieving the Association of its obligations hereunder, may so perform, but all reasonable and necessary costs and expenses so incurred by Indemnites in that event shall be reimbursed by the Association to Indemnites provided that any such indemnification and/or reimbursement must comply with Chapter 8 of the

Business Organizations Code (or its successor statute). The indemnification shall not be limited to damages, compensation or benefits payable under insurance policies. It is agreed with respect to any legal limitations now or hereafter in effect and affecting the validity or enforceability of the indemnification obligations under this Section, such legal limitations are made a part of indemnification obligations and shall operate to amend the indemnification obligations to the minimum extent necessary to bring the provisions into conformity with the requirements of such limitations, and as so modified, the indemnification obligations shall continue in full force and effect.

H. Business Judgment Rule

Any act or thing done by any Director, officer, or committee member taken in furtherance of the purposes of the Association, and accomplished in conformity with the procedures set forth in the Restrictions, Articles of Incorporation, the laws of the State of Texas, and/or these Bylaws, shall be reviewed under the standard of the Business Judgment Rule as established by the common law of Texas, and such act or thing done shall not be a breach of duty on the part of the Director, officer, or committee member if they have been done within the exercise of their discretion and judgment.

The Business Judgment Rule means that a court shall not substitute its judgment for that of the Director, officer or committee member. A court shall not re-examine the quality of the decisions made by the Director, officer, or committee member by determining the reasonableness of the decision as long as the decision is made in good faith in what the Director, officer, or committee member believes to be the best interest of the Association.

I. Dissolution/Winding Up Termination

The Association may be wound-up/dissolved pursuant to the Texas Business Organizations Code, or any successor statute. If the Association is wound-up or dissolved, the assets shall be dedicated to a public body or conveyed to a non-profit corporation with similar purposes.


J. Jurisdiction and Venue

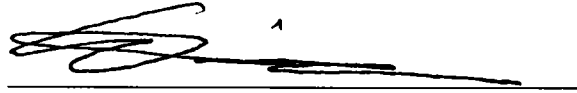
The provisions in these Bylaws shall be governed by and enforced in accordance with the laws of the State of Texas and venue for any cause of action shall be in Harris County, Texas.


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APPROVED BY THE FOLLOWING DIRECTORS:

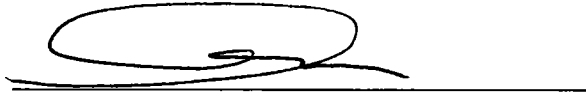
  
Lourez Bullock


  
Frederick Coveler

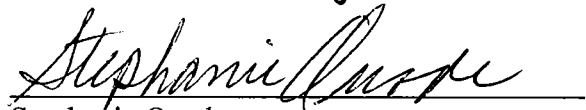
  
Arnold Milton

  
Frank "Buddy" Morgan

  
Gary Muslin

  
Andrew Nunmaker

  
Richard Ogrin

  
Stephanie Quade



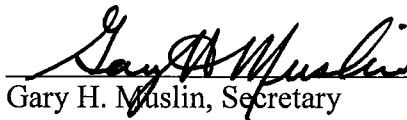
**CERTIFICATION**

I, the undersigned, do hereby certify:

That I am the Secretary of the Fleetwood Property Owners Association, Inc., a Texas non-profit corporation;

That the foregoing Bylaws constitute the First Amended and Restated Bylaws of said Association, as duly adopted at a meeting of the Members where a quorum was present held on the 19<sup>th</sup> day of July, 2012.

IN WITNESS WHEREOF, I have hereunto subscribed my name on this the 19<sup>th</sup> day of July, 2012.

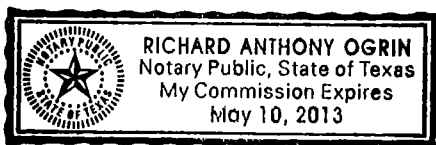
  
\_\_\_\_\_  
Gary H. Muslin, Secretary

STATE OF TEXAS       §  
                                  §  
COUNTY OF HARRIS   §

BEFORE ME, on this day personally appeared Gary H. Muslin, the Secretary of the Fleetwood Property Owners Association, Inc. known by me to be the person whose name is subscribed to this instrument, and acknowledged to me that he executed the same for the purposes herein expressed and in the capacity herein stated, and as the act and deed of said corporation.

10R

Given under my hand and seal of office, this 19<sup>th</sup> day of July, 2012.



  
\_\_\_\_\_  
Notary Public – State of Texas

20120324935  
# Pages 26  
07/20/2012 13:05:10 PM  
e-Filed & e-Recorded in the  
Official Public Records of  
HARRIS COUNTY  
STAN STANART  
COUNTY CLERK  
Fees 112.00

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