

PROPOSED

BYLAWS
OF
ROYAL RIDGE COMMUNITY ASSOCIATION INC.

PROPOSED

ARTICLE I
NAME AND LOCATION

The name of the corporation is Royal Ridge Community Association Inc., hereinafter referred to as the "Association." It is also known as the Royal Ridge Recreational Club. The principal office of the corporation shall be located at 5859 Royal Ridge Drive, San Antonio, Texas, and all meetings of members and directors shall be held at that place or at such other location as may be designated by the Board of Directors.

ARTICLE II
DEFINITIONS

Section 1. " Association " shall mean and refer to Royal Ridge Community Association Inc., a nonprofit corporation organized under the laws of Texas primarily for the benefit of Royal Ridge homeowners. The purpose of this corporation shall be to provide for the acquisition, construction, management, maintenance and care of property owned by the organization and held for the use, benefit and enjoyment of the members.

Section 2. "Owner" shall mean and refer to the owner of a residence in Royal Ridge Subdivision. "Occupant" shall mean and refer to the family living in a residence in Royal Ridge Subdivision.

Section 3. "Member" shall mean and refer to those persons eligible for membership and who have complied with membership requirements as set by the Board of Directors. Both membership and the fiscal year for the Association shall begin on June 1st of each year and end on May 31st of the next year. Primarily, it is intended that occupants and owners of residences in Royal Ridge Subdivision in San Antonio, Texas, shall be eligible for membership however, owners and occupants of residences in nearby neighborhoods and others may also become members provided the majority of members are Royal Ridge residents. Specific rules for membership eligibility for use of the facilities shall be promulgated by the Board of Directors. Each residence is limited to one vote, which shall be cast by an adult member of the household.

ARTICLE III
MEETINGS OF MEMBERS

Section I. Annual meeting. The annual meetings of the members shall be held on the third Tuesday in October, or as close to such date as is practicable as designated by the Board of Directors. Meetings shall be held at the principal office of the Association, or at such other location as may be designated by the Board of Directors.

Section 2. Special meetings. Special meetings of the members may be called at any time by the president or by the Board of Directors, or upon written request of the members who are entitled to vote by a meeting notice signed by at least one-fourth (1/4) of then current association members.

Section 3. Notice of meetings. Notice of each meeting of the members shall be given at least seven (7) days in advance by written notice to the members. Such notice shall specify the place, day and

hour of the meeting and, in the case of a special meeting, the purpose of the meeting. Written notice may be provided electronically. Notice shall also be posted on-line and at the principal office of the Association.

Section 4. Voting. The majority vote of members present at an annual or special meeting of members will constitute official action of the membership, except as otherwise provided for in the Articles of Incorporation or these Bylaws.

ARTICLE IV BOARD OF DIRECTORS

Section 1. Number. The affairs of this Association shall be managed by a Board of at least five (5) Directors. There shall be no more than nine (9) directors.

Section 2. Term of office. At the first annual meeting the members elected three directors for a term of three years, three directors for a term of two years and three directors for a term of one year. At each annual meeting thereafter the members shall elect replacements for the outgoing directors for a term of three years each.

Section 3. Removal. Any director may be removed from the board with or without cause by a majority vote of the members of the Association at a meeting on which such vote is set out on the agenda. In the event of the death, resignation or removal of a director, the successor shall be selected at the next board meeting by the remaining members of the board, after a report from a nominating committee appointed by the president and shall serve for the unexpired term of the predecessor.

Section 4. Compensation. No director shall receive compensation for any service rendered to the Association. However, a director may be reimbursed for authorized expenses incurred for the benefit of the Association.

Section 5. Action taken without a meeting. The directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of at least two-thirds (2/3) of the directors. Written approval may be recorded by electronic means. Any action so approved shall have the same effect as though taken at a meeting of the directors.

ARTICLE V NOMINATION AND ELECTION OF DIRECTORS

Section 1. Nomination. Nomination for election of the Board of Directors shall be made by a nominating committee appointed by the board. The nominating committee shall consist of a chairman, who shall be a member of the Board of Directors, and two non-board members. Nominations may be made also from the floor at the annual meeting.

Section 2. Election. Election to the Board of Directors shall be by written ballot. At such elections the members may cast, in respect to each vacancy, one vote for each voting membership. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

ARTICLE VI MEETINGS OF DIRECTORS

Section 1. Regular meetings. Regular meetings of the Board of Directors shall be held no less than quarterly at the principal office, or at such other location as may be designated by said board, and at such date and hour as may be fixed from time to time by resolution of the board.

Section 2. Special meetings. Special meetings of the Board of Directors shall be held when called by the president of the Association or by any three directors.

Section 3. Quorum. A majority of the number of directorships occupied shall constitute a quorum for the transaction of business. Every action or decision by a majority of the directors present at a duly held meeting at which a quorum is present shall be regarded as an act of the board.

Section 4. Membership attendance and participation. All meetings shall be open to members who wish to attend and, when recognized by the presiding officer, may make statements to the board.

ARTICLE VII POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers. The Board of Directors shall have power to:

- (a) exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these Bylaws or the Articles of Incorporation;
- (b) revoke membership of any family group for failure to obey the Rules and Regulations of the Association facilities;
- (c) declare the office of member of the Board of Directors to be vacant after written notice to the member in the event such member shall be absent from three (3) consecutive meetings of the Board of Directors; and
- (d) authorize the president of the Association to enter into one or more agreements with third parties in order to facilitate efficient operation and maintenance of the facilities if volunteer efforts are insufficient or inadequate. The terms of said agreements shall be as determined by the Board of Directors in the best interests of the Association and shall be subject in all respect to the Articles of Incorporation and these Bylaws; and
- (e) indemnify the officers and directors of the Association as is provided herein below.

Section 2. Duties. It shall be the duty of the Board of Directors to:

- (a) cause to be kept a complete record of its acts and corporate affairs and to present a report thereof to the members at the annual meeting of the members and at any special meeting, only if such report is requested in writing by at least one-fourth (1/4) of the members who are entitled to vote;
- (b) supervise all officers, agents and employees of this Association and see that their duties are properly performed;

- (c) procure and maintain liability and hazard insurance on property owned by the Association;
- (d) cause officers or employees having fiscal responsibilities to be bonded as it may deem appropriate;
- (e) cause the Royal Ridge Clubhouse facilities to be maintained; and
- (f) provide an annual financial review.

Section 3. Expenditures.

- (a) any expenditure in excess of \$100.00 other than routine expenses such as utilities, pool chemicals, etc. shall be brought before the Board of Directors for discussion and approval before any purchase is initiated;
- (b) emergency expenditures, i.e., equipment failure, may be accomplished by telephone approval by the Board of Directors;
- (c) expenditures of less than \$100.00 shall be limited to items necessary for maintenance of the premises and shall be made by the individual duly appointed to do such maintenance. All receipts for maintenance items shall be delivered to the treasurer for reimbursement.

ARTICLE VIII OFFICERS AND THEIR DUTIES

Section 1. Election of officers. At the first meeting of the board, the officers of this Association shall be elected as follows: a president, vice-president, secretary and a treasurer who shall at all times be members of the Board of Directors and such other offices as the board may from time to time by resolution create. Election of officers shall be held annually by the board, unless an officer shall resign sooner or be removed.

Section 2. Duties. The duties of the officers are as follows:

- (a) President. The president shall preside at all meetings of the Board of Directors and shall see that orders and resolutions of the board are carried out.
- (b) Vice-President. In the absence of the president or the president's refusal to act, the vice-president shall act in the place and stead of the president and shall exercise and discharge such other duties as may be required by the board.
- (c) Secretary. The secretary shall record the votes and keep the minutes of all meetings and proceedings of the board and of the members; serve notice of meetings of the board and of the members; keep appropriate current records showing the members of the Association together with their addresses; and shall perform such other duties as may be required by the board.
- (d) Treasurer. The treasurer shall administer in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by the Board of Directors; keep proper books of account; and

prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting.

Section 3. Resignation or removal. Any officer may be removed from office with or without cause by the board. Any officer may resign at any time by giving written notice to the board.

Section 4. Vacancies. A vacancy in any office shall be filled by appointment by the board. The officer appointed to such vacancy shall be a member of the Board of Directors and shall serve for the remainder of the term of the officer replaced.

Section 5. Multiple offices. The offices of secretary and treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices.

ARTICLE IX INDEMNIFICATION

The Association agrees to indemnify a person who was, is, or is threatened to be, made a named defendant or respondent in litigation or other proceeding because the person is or was a director or other person related to the corporation regardless of the provisions of the Act governing indemnification. The Board of Directors shall have the power to define the requirements and limitations for the corporation to indemnify directors, officers, members, or others related to the corporation.

ARTICLE X BOOKS AND RECORDS

A financial review of the books and associated records shall be made annually by qualified persons appointed by the president as soon after the close of the fiscal year as is feasible. The fiscal year of the association shall be from October 1 through September 30.

ARTICLE XI ANNUAL MEMBERSHIP FEES

Membership fees will be determined by the Board of Directors on an annual basis and will be payable on or before May 31 of each calendar year. Membership shall begin on May 1st and end on April 30th of the next year.

ARTICLE XII PARLIAMENTARY PROCEDURE

The rules of parliamentary procedure practice, contained in the current edition of Robert's Rules of Order, Newly Revised, shall govern the proceedings of this Association.

ARTICLE XIII AMENDMENTS

Section 1. These Bylaws may be amended, at a regular or special meeting of the members, by a majority vote of members present, provided that notice of the regular or special meeting set forth information regarding the proposal to amend the Bylaws.

Approved by unanimous vote at a special meeting of the Board of Directors on December 16, 1991.
Article IV, Section 2, amended and approved at the annual meeting of the membership on October 4, 1994.

Article VII, Section 2(1), and Article IX amended and approved at a special called meeting of the membership on March 12, 1997.

Revised Bylaws amended and approved at the special meeting of the membership on January 20, 2015.
Clarified membership eligibility, expanded written notification to include online and electronic means, approved indemnification of directors and officers, excepted routine expenditures in excess of \$100.00 such as utilities, pool chemicals, etc. from requiring advance board approval, and minor edits for readability.