

Denton County
Juli Luke
County Clerk

Instrument Number: 66241

ERecordings-RP

NOTICE

Recorded On: May 03, 2022 08:47 AM

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" Examined and Charged as Follows: "

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***** THIS PAGE IS PART OF THE INSTRUMENT *****

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.

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STATE OF TEXAS
COUNTY OF DENTON

I hereby certify that this Instrument was FILED In the File Number sequence on the date/time printed hereon, and was duly RECORDED in the Official Records of Denton County, Texas.

Juli Luke
County Clerk
Denton County, TX

**PRESTONWOOD POLO & COUNTRY CLUB
HOMEOWNERS ASSOCIATION, INC.**

NOTICE OF FILING OF DEDICATORY INSTRUMENTS

STATE OF TEXAS §
 §
COUNTY OF DENTON §

KNOW ALL MEN BY THESE PRESENTS:

This NOTICE OF FILING OF DEDICATORY INSTRUMENTS (this "Notice") is filed by Prestonwood Polo & Country Club Homeowners Association, Inc. (the "Association").

WITNESSETH:

WHEREAS, the Association is a "property owners' association" as defined in Section 202.001(2) of the Texas Property Code; and

WHEREAS, the Association is charged with administering and enforcing those certain covenants, conditions and restrictions contained in the Declaration of Covenants, Conditions and Restrictions for Prestonwood Polo and Country Club Addition, filed for record on February 27, 2017, as Document Number 22734, of the Official Public Records of Denton County, Texas (the "Declaration"), as such may be amended and/or supplemented from time to time; and

WHEREAS, Section 202.006 of the Texas Property Code, which became effective September 1, 1999, requires a "property owners' association" to file "the dedicatory instrument" in the real property records of each county in which the property to which the dedicatory instrument relates is located; and

WHEREAS, the Association, with the sole intention of filing the following instruments which might be interpreted as being within the scope of Section 202.006, acting by and through the undersigned duly authorized agent, files true and correct copies of the instruments more specifically set forth hereinafter.

NOW, THEREFORE, the Association, files true and correct copies of the following instruments of the Association which are attached hereto:

1. **PRESTONWOOD POLO & COUNTRY CLUB HOMEOWNERS ASSOCIATION, INC. - PAYMENT PLAN POLICY;**
2. **PRESTONWOOD POLO & COUNTRY CLUB HOMEOWNERS ASSOCIATION, INC. - DOCUMENT RETENTION POLICY;**
3. **PRESTONWOOD POLO & COUNTRY CLUB HOMEOWNERS ASSOCIATION, INC. - DOCUMENT INSPECTION AND COPYING POLICY;**
4. **PRESTONWOOD POLO & COUNTRY CLUB HOMEOWNERS ASSOCIATION, INC. - BID PROCESS POLICY;**
5. **PRESTONWOOD POLO & COUNTRY CLUB HOMEOWNERS ASSOCIATION, INC. - E-MAIL REGISTRATION POLICY;**

6. PRESTONWOOD POLO & COUNTRY CLUB HOMEOWNERS ASSOCIATION, INC. - GUIDELINES FOR DISPLAY OF FLAGS;
7. PRESTONWOOD POLO & COUNTRY CLUB HOMEOWNERS ASSOCIATION, INC. - GUIDELINES FOR RAINWATER RECOVERY DEVICES;
8. PRESTONWOOD POLO & COUNTRY CLUB HOMEOWNERS ASSOCIATION, INC. - GUIDELINES FOR THE DISPLAY OF CERTAIN RELIGIOUS ITEMS;
9. PRESTONWOOD POLO & COUNTRY CLUB HOMEOWNERS ASSOCIATION, INC. - GUIDELINES FOR ROOFING MATERIALS;
10. PRESTONWOOD POLO & COUNTRY CLUB HOMEOWNERS ASSOCIATION, INC. - GUIDELINES FOR SOLAR ENERGY DEVICES;
11. 4/23/22 BYLAWS OF PRESTONWOOD POLO & COUNTRY CLUB HOMEOWNERS ASSOCIATION, INC.; and
12. CERTIFICATE OF FORMATION.

IN WITNESS WHEREOF, the undersigned agent of Prestonwood Polo & Country Club Homeowners Association, Inc. certifies that, to the best of his knowledge, as of the effective date of this Notice of Filing of Dedicatory Instruments that the foregoing instruments are true and correct copies of the current instruments of the Association.

**PRESTONWOOD POLO & COUNTRY CLUB
HOMEOWNERS ASSOCIATION, INC.**



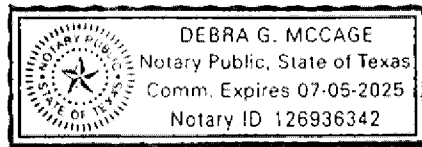
By: _____

Robert M. Blend
Duly Authorized Agent

STATE OF TEXAS §
§
COUNTY OF DALLAS §

BEFORE ME, the undersigned authority, a Notary Public in and for said county and state, on this day personally appeared Robert M. Blend, a duly authorized agent for Prestonwood Polo & Country Club Homeowners Association, Inc., known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 2nd day of May, 2022.





Notary Public in and for the State of Texas

**PRESTONWOOD POLO & COUNTRY CLUB
HOMEOWNERS ASSOCIATION, INC.**

PAYMENT PLAN POLICY

STATE OF TEXAS §
 § KNOW ALL PERSONS BY THESE PRESENTS:
COUNTY OF DENTON §

WHEREAS, Prestonwood Polo & Country Club Homeowners Association, Inc. (“Association”) is charged with administering and enforcing those certain covenants, conditions and restrictions contained in the Declaration of Covenants, Conditions and Restrictions for Prestonwood Polo and Country Club Addition, filed for record on February 27, 2017, as Instrument Number 22734, of the Official Public Records of Denton County, Texas (the “Declaration”), as such may be amended and/or supplemented from time to time; and

WHEREAS, Chapter 209 of the Texas Property Code was amended to add Section 209.0062 thereto dealing with payment plans; and

WHEREAS, the Board of Directors (the “Board”) of the Association is required to adopt reasonable guidelines regarding a payment schedule in which an owner may request to make partial payments to the Association for delinquent regular or special assessments or any other amounts owed to the Association.

WHEREAS, the Board of Directors of the Association desires to adopt a payment plan policy consistent with Section 209.0062 and to provide clear and definitive guidance to property owners.

NOW, THEREFORE, the Board has duly adopted the following *Payment Plan Policy* (the “Policy”).

1. Purpose. The purpose of this Policy is to assist Owners in remedying delinquencies and remaining current on the payment of amounts owed to the Association by establishing orderly procedures by which Owners may request and then make partial payments to the Association for amounts owed without accruing additional penalties.

2. Eligibility. To be eligible for a payment plan pursuant to the Association’s alternate payment plan schedule, an Owner must meet the following criteria:
 - a. The owner must currently be delinquent in the payment of regular assessments, special assessments, or any other amounts owed to the Association;

 - b. The Owner must not have defaulted on a prior payment plan within the prior two (2) year period; and

 - c. The Owner must submit a signed payment plan as defined below, along with the Owner’s initial payment to the address designated by the Association for correspondence.

3. Payment Plan Schedule/Guidelines. The Association hereby adopts the following alternate payment guidelines and makes the following payment plan schedule available to owners in order to make partial payments for delinquent amounts owed:

The Association's acceptance of payment arrangements that are different from the approved payment plan schedule/guidelines hereunder shall not be construed as a waiver of these guidelines nor authorize an owner to be granted a payment plan which differs from the one herein provided.

4. **Default.** If an Owner fails to timely submit payment in full of any installment payment (which installment payment must include the principal owed, the administration fees assessed to the plan and interest charges), or fails to timely pay any amount coming due during the duration of the plan, the Owner will be in default.

If an Owner defaults under a payment plan, the Association may proceed with collection activity without further notice. If the Association elects to provide a notice of default, the Owner will be responsible for all fees and costs associated with the drafting and sending of such notice. In addition, the Owner is hereby on notice that he/she will be responsible for any and all costs, including attorney's fees, of any additional collection action which the Association pursues.

5. **Board Discretion.** Any Owner who is not eligible for a payment plan under the Association's alternate payment plan schedule may submit a written request to the Board for the Association to grant the Owner an alternate payment plan. Any such request must be directed to the person or entity currently handling the collection of the Owner's debt (i.e. the Association's management company or the Association's attorney). The decision to grant or deny an alternate payment plan, and the terms and conditions for any such plan, will be at the sole discretion of the Association's Board of Directors.

6. **Severability and Legal Interpretation.** In the event that any provision herein shall be determined by a court with jurisdiction to be invalid or unenforceable in any respect, such determination shall not affect the validity or enforceability of any other provision, and this Policy shall be enforced as if such provision did not exist.

Furthermore, the purpose of this Policy is to satisfy the legal requirements of Section 209.0062 of the Texas Property Code. In the event that any provision of this Policy is deemed by a court with jurisdiction to be ambiguous or in contradiction with any law, this Policy and any such provision shall be interpreted in a manner that complies with an interpretation that is consistent with the law.

This Policy is effective upon recordation in the Public Records of Denton County, Texas and supersedes any policy regarding payment plans which may have previously been in effect. Except as affected by Section 209.0062 and/or by this Policy, all other provisions contained in the Declaration or any other dedicatory instrument of the Association shall remain in full force and effect.

This is to certify that the foregoing Policy was adopted by the Board at a meeting of the same held April 23, 2022, and has not been modified, rescinded or revoked.

**PRESTONWOOD POLO & COUNTRY CLUB
HOMEOWNERS ASSOCIATION, INC.**

By: 
Vaughn Miller, President

- a. Requirements of Payment Plan Request. Within forty-five (45) days of the date of the initial letter which informs the owner of the right to request a payment plan, an owner must submit a signed acceptance of the payment plan schedule described below to the Association's management company.
- b. Term. The term of the payment plan or schedule is three (3) months.
- c. Date of Partial Payments under Plan. The Owner must submit an initial payment at the time of the submission of the Owner's payment plan agreement. Such submission must be signed by all Owners. The initial payment must be in an amount equal to twenty-five percent (25%) of the delinquent amount owed. Thereafter, the Owner must make all additional monthly installments under the payment plan agreement in equal amounts commencing on 1st day of the month following the expiration of 30 days after the date of the execution of the payment plan agreement.

The Owner may pay off, in full, the balance under the payment plan at any time. All payments must be received by the Association at the Association's designated mailing address or lock box for all payments. Payments may be made through auto draft bill payment, in check or certified funds, or by credit card (to the extent the Association is set up to receive payment by credit card).

- d. Correspondence. Any correspondence to the Association regarding the amount owed, the payment plan, or such similar correspondence must be sent to the address designated by the Association for correspondence. Such correspondence shall not be included with an Owner's payment.
- e. Amounts Coming Due During Plan. Owners are responsible for remaining current on all assessments and other charges coming due during the duration of the Owner's payment plan and must, therefore, timely submit payment to the Association for any amounts coming due during the duration of the Owner's payment plan.
- f. Additional Charges. An Owner's balance owed to the Association shall not accrue late fees or other monetary penalties (except interest) while such Owner is in compliance with a payment plan under the Association's alternate payment plan schedule.

Owners in a payment plan are responsible for reasonable costs associated with administering the plan, and for interest on the unpaid balance, calculated at the highest rate allowed by the governing documents or by law.

The costs of administering the plan and interest shall be included in calculating the total amount owed under the payment plan and will be included in the payment obligation. The costs of administering the payment plan may include a reasonable charge for preparation and creation of the plan, as well as a monthly monitoring fee of no less than \$5.00 per month.

- g. Other Payment Arrangements. At the discretion of the Board of Directors, and only for good cause demonstrated by an Owner, the Association may accept payment arrangements offered by Owners which are different from the above-cited guidelines, provided that the term of payments is no less than three (3) months nor longer than eighteen (18) months.

**PRESTONWOOD POLO & COUNTRY CLUB
HOMEOWNERS ASSOCIATION, INC.**

DOCUMENT RETENTION POLICY

STATE OF TEXAS §
 § KNOW ALL PERSONS BY THESE PRESENTS:
COUNTY OF DENTON §

WHEREAS, Prestonwood Polo & Country Club Homeowners Association, Inc. (“Association”) is charged with administering and enforcing those certain covenants, conditions and restrictions contained in the Declaration of Covenants, Conditions and Restrictions for Prestonwood Polo and Country Club Addition, filed for record on February 27, 2017, as Instrument Number 22734, of the Official Public Records of Denton County, Texas (the “Declaration”), as such may be amended and/or supplemented from time to time; and

WHEREAS, Chapter 209 of the Texas Property Code was amended to add Section 209.005(m) thereto regarding retention of Association documents and records (“Documents”); and

WHEREAS, the Board of Directors (the “Board”) of the Association desires to establish a policy for document retention consistent with Section 209.005(m) and to provide clear and definitive guidance to property owners.

NOW, THEREFORE, the Board has duly adopted the following *Document Retention Policy*.


1. Association documents may be maintained in paper format and/or in an electronic format which can be readily transferred to paper.
2. Association documents shall be retained for the durations listed below, and the Board is authorized to make modifications to this Records Retention Schedule from time to time to ensure that it is in compliance with local, state and federal laws and that the schedule includes the appropriate document and record categories for the Association.
 - a. Certificate of formation or articles of incorporation, bylaws, restrictive covenants, other dedicatory instruments and any amendments to same shall be retained permanently;
 - b. Financial books and records, including annual budgets, reserve studies, monthly financial statements and bank statements, shall be retained for seven (7) years;
 - c. Account records of current owners shall be retained for five (5) years;
 - d. Account records of former owners shall be retained as a courtesy to that former owner for one (1) year after they no longer have an ownership interest in the property;
 - e. Contracts with a term of one year or more shall be retained for four (4) years after the expiration of the contract term;
 - f. Minutes of meetings of the owners and the Board shall be retained for seven (7) years after the date of the meeting;

- g. Tax returns and audit records shall be retained for seven (7) years after the last date of the return or audit year; and
 - h. Decisions of the Architectural Control Committee ("ACC") or Board regarding applications, variances, waivers or related matters associated with individual properties shall be retained for (7) years from the decision date.
3. Any documents not described above may be retained for the duration deemed to be useful to the purpose of the Association.
 4. Upon expiration of the retention period listed above, the Documents shall no longer be considered Association records and may be destroyed, discarded, deleted, purged or otherwise eliminated.
 5. In the event the Association is served with any subpoena or request for documents or the Association becomes aware of a governmental investigation or audit concerning the Association or the commencement of any litigation against or concerning the Association, all documents relating or pertaining to such investigation, claim or litigation shall be retained indefinitely, and any further disposal of documents shall be suspended and shall not be reinstated until conclusion of the investigation or lawsuit, or until such time as the Board, with the advice of legal counsel, determines otherwise.

This Policy is effective upon recordation in the Public Records of Denton County, Texas and supersedes any policy regarding document retention which may have previously been in effect. Except as affected by Section 209.005(m) and/or by this Policy, all other provisions contained in the Declaration or any other dedicatory instrument of the Association shall remain in full force and effect.

This is to certify that the foregoing Policy was adopted by the Board at a meeting of the same held April 23, 2022, and has not been modified, rescinded or revoked.

**PRESTONWOOD POLO & COUNTRY CLUB
HOMEOWNERS ASSOCIATION, INC.**

By: 

Vaughn Miller, President

**PRESTONWOOD POLO & COUNTRY CLUB
HOMEOWNERS ASSOCIATION, INC.**

DOCUMENT INSPECTION AND COPYING POLICY

STATE OF TEXAS §
 § KNOW ALL PERSONS BY THESE PRESENTS:
COUNTY OF DENTON §

WHEREAS, Prestonwood Polo & Country Club Homeowners Association, Inc. (“Association”) is charged with administering and enforcing those certain covenants, conditions and restrictions contained in the Declaration of Covenants, Conditions and Restrictions for Prestonwood Polo and Country Club Addition, filed for record on February 27, 2017, as Instrument Number 22734, of the Official Public Records of Denton County, Texas (the “Declaration”), as such may be amended and/or supplemented from time to time; and

WHEREAS, Chapter 209 of the Texas Property Code was amended to amend Section 209.005 thereto regarding owner access to Association documents and records (“Records”); and

WHEREAS, the Board of Directors (the “Board”) of the Association desires to establish a policy for records production consistent with Section 209.005 and to provide clear and definitive guidance to property owners.

NOW, THEREFORE, the Board has duly adopted the following *Document Inspection and Copying Policy*.

1. Right to Inspect. Every owner of a lot in the Association is entitled to inspect and copy the Association’s books and records in compliance with the procedures set forth in this Policy.
2. Books and Records Available for Inspection and Copying. The Association’s books and records available for inspection and copying by owners are those records designated by Section 209.005 of the Texas Property Code.

Pursuant to Section 209.005(d) of the Texas Property Code an attorney’s files relating to the Association, excluding invoices, are not records of the Association, are not subject to inspection by owners, or production in a legal proceeding.

Pursuant to Section 209.005(k), the Association is not required to release or allow inspection of any books and records relating to an employee of the Association, or any books and records that identify the violation history, contact information (other than the address and/or financial information of an individual owner) absent the express written approval of the owner whose information is the subject of the request or a court order requiring disclosure of such information.

3. Owner Request. An owner may submit a designation in writing, signed by the owner, specifying such other individuals who are authorized to inspect the Association’s books and records as the owner’s agent, attorney, or certified public accountant. The owner and/or the owner’s designated representative are referred to herein as the “Requesting Party.”

The Requesting Party seeking to inspect or copy the Association’s books and records must submit a written request via certified mail to the Association at the mailing address of the

Association or its managing agent as reflected on the Association's current management certificate.

The request must contain sufficient detail describing the requested Association's books and records, including pertinent dates, time periods or subjects sought to be inspected.

The request must also specify whether the Requesting Party seeks to inspect the books and records before obtaining copies or to have the Association forward copies of the requested books and records to the Requesting Party.

- a. Request to Inspect. If the Requesting Party elects to inspect the Association's books and records, the Association shall notify the Requesting Party within ten (10) business days after receiving the Requesting Party's request of the dates during normal business hours that the Requesting Party may inspect the requested books and records (the "Inspection Notice").
 - b. Request to Copy. If the Requesting Party requests copies of the Association's books and records, the Association shall produce the requested books and records by the 10th business day after the date the Association receives the request.
 - c. Association Notice of Delay in Producing Books and Records. If the Association is unable to produce the requested books and records by the 10th business day after the date the Association receives the request, the Association must provide written notice to the Requesting Party (the "Inspection Delay Letter") that:
 - (i) the Association is unable to produce the information by the 10th business day after the date the Association received the request, and
 - (ii) state a date by which the information will be either sent or made available for inspection that is not later than fifteen (15) business days after the date of the Inspection Delay Letter.
4. Inspection Time and Place. Any inspection shall take place at a mutually-agreed upon time during normal business hours. All inspections shall take place at the office of the Association's management company, if one is utilized by the Association, or such other location as the Association designates.

No Requesting Party or other individual shall remove original records from the location where the inspection is taking place, nor alter the records in any way. All individuals inspecting or requesting copies of records shall conduct themselves in a businesslike manner and shall not interfere with the operation of the Association's or management company's office, if a management company is utilized by the Association, or the operation of any other office where the inspection or copying is taking place.

At such inspection, the Requesting Party may identify such books and records for the Association to copy and forward to the Requesting Party. The Association may produce all requested books and records in hard copy, electronic, or other format reasonably available to the Association.

5. Costs Associated with Compilation, Production and Reproduction. The costs associated with compiling, producing and reproducing the Association's books and records in response to a request to inspect or copy documents shall be as follows:

a. Copy charges.

- (i) Standard paper copy. The charge for standard paper copies reproduced by means of an office machine copier or a computer printer is \$0.10 per page or part of a page. Each side that contains recorded information is considered a page.
- (ii) Nonstandard copy. The charges in this subsection are to cover the materials onto which information is copied and do not reflect any additional charges, including labor, that may be associated with a particular request. The charges for nonstandard copies are:
 - 1. Diskette--\$ 1.00;
 - 2. Magnetic tape--actual cost
 - 3. Data cartridge--actual cost;
 - 4. Tape cartridge--actual cost;
 - 5. Rewritable CD (CD-RW)--\$ 1.00;
 - 6. Non-rewritable CD (CD-R)--\$ 1.00;
 - 7. Digital video disc (DVD)--\$ 3.00;
 - 8. JAZ drive--actual cost;
 - 9. Other electronic media--actual cost;
 - 10. VHS video cassette--\$ 2.50;
 - 11. Audio cassette--\$ 1.00;
 - 12. Oversize paper copy (e.g.: 11 inches by 17 inches, greenbar, bluebar, not including maps and photographs using specialty paper)--\$0.50;
 - 13. Specialty paper (e.g.: Mylar, blueprint, blue-line, map, photographic)--actual cost.

b. Labor charge. The labor charge for locating, compiling, manipulating data, and reproducing information is as follows:

- (i) The charge for labor costs incurred in processing a request for information is \$15.00 an hour. The labor charge includes the actual time to locate, compile, manipulate data, and reproduce the requested information.
- (ii) When confidential information is mixed with non-confidential information in the same page, a labor charge may be recovered for time spent to redact, blackout, or otherwise obscure confidential information in order to release the information. A labor charge shall not be made for redacting confidential information for requests of fifty (50) or fewer pages.
- (iii) If the charge for providing a copy of information includes costs of labor, the Requesting Party may require that the Association provide a written statement as to the amount of time that was required to produce and provide the copy, signed by an officer of the Association. A charge may not be imposed for providing the written statement to the requestor.

c. Overhead charge.

- (i) Whenever any labor charge is applicable to a request, the Association may include in the charges direct and indirect costs, in addition to the specific labor charge. This overhead charge would cover such costs as depreciation of

capital assets, rent, maintenance and repair, utilities, and administrative overhead. If the Association chooses to recover such costs, a charge shall be made in accordance with the methodology described in paragraph (3) of this subsection. Although an exact calculation of costs will vary, the use of a standard charge will avoid complication in calculating such costs and will provide uniformity for charges.

- (ii) An overhead charge shall not be made for requests for copies of fifty (50) or fewer pages of standard paper records.
- (iii) The overhead charge shall be computed at twenty percent (20%) of the charge made to cover any labor costs associated with a particular request (example: if one hour of labor is used for a particular request, the formula would be as follows: Labor charge for locating, compiling, and reproducing, \$15.00 x .20 = \$ 3.00).

d. Postal and shipping charges.

- (i) The Association may add any related postal or shipping expenses which are necessary to transmit the reproduced information to the Requesting Party.

6. Payment. Upon receipt of a request to inspect and/or copy documents, the Association may require the Requesting Party to pay the estimated costs associated with production and copying in advance.

If the estimated cost of compilation, production and reproduction is different from the actual cost, the Association shall submit a final invoice to the owner on or before the 30th business day after the Association has produced and/or delivered the requested information.

If the actual cost is greater than the estimated amount, the owner must pay the difference to the Association within thirty (30) business days after the date the invoice is sent to the owner, or the Association will add such additional charges as an assessment against the owner's property in the Association.

If the actual cost is less than the estimated amount, the Association shall issue a refund to the owner within thirty (30) business days after the date the invoice is sent to the owner

This Policy is effective upon recordation in the Public Records of Denton County, Texas and supersedes any policy regarding document inspection and copying which may have previously been in effect. Except as affected by Section 209.005 and/or by this Policy, all other provisions contained in the Declaration or any other dedicatory instrument of the Association shall remain in full force and effect.

This is to certify that the foregoing Policy was adopted by the Board at a meeting of the same held April 23, 2022, and has not been modified, rescinded or revoked.

**PRESTONWOOD POLO & COUNTRY CLUB
HOMEOWNERS ASSOCIATION, INC.**

By: 
Vaughn Miller, President

**PRESTONWOOD POLO & COUNTRY CLUB
HOMEOWNERS ASSOCIATION, INC.**

BID PROCESS POLICY

STATE OF TEXAS §
 § KNOWN ALL MEN BY THESE PRESENTS:
COUNTY OF DENTON §

WHEREAS, Prestonwood Polo & Country Club Homeowners Association, Inc. (“Association”) is charged with administering and enforcing those certain covenants, conditions and restrictions contained in the Declaration of Covenants, Conditions and Restrictions for Prestonwood Polo and Country Club Addition, filed for record on February 27, 2017, as Instrument Number 22734, of the Official Public Records of Denton County, Texas (the “Declaration”), as such may be amended and/or supplemented from time to time; and

WHEREAS, the Association is a “property owners’ association” as defined in Section 202.001(2) of the Texas Property Code; and

WHEREAS, the Association is required by Section 209.0052 of the Texas Property Code to establish procedures for soliciting bids or proposals for services that will cost more than \$50,000.00; and

WHEREAS, the Board of Directors of the Association (“Board”) desires to establish procedures for soliciting bids or proposals for services that will cost more than \$50,000.00 consistent with Section 209.0052 of the Texas Property Code.

NOW, THEREFORE, IT IS RESOLVED that the Board adopts the following *Bid Process Policy* (the “Policy”):


For any contract for services that will cost more than \$50,000.00, the Association will solicit bids or proposals using the following bid process:

1. A scope of work will be developed for the work to be undertaken.
2. The Board may, in its discretion, form an ad hoc committee to assist with the procurement of bids.
3. The Board will obtain at least three (3) bids, if reasonably available.
4. Bids from vendors with a prior relationship with either the management company or any Association member may be accepted upon disclosure of the material facts regarding the relationship or interest with respect to the proposed contract.
5. One of the bids may be from a member of the Board, a Board member’s relative or a company affiliated with a Board member or their relative, if the requirements of Section 209.0052(b) of the Texas Property Code are met.
6. To the extent a prospective vendor is a residential delivery company or an in-home service company as defined in Texas Civil Practice & Remedies Code (“CPRC”) Section 145.001, the Association must request in writing that the vendor obtain an applicable criminal history background check as described in CPRC Section 145.002.

7. Prospective vendors must carry any appropriate licenses and general liability insurance and must provide the Association with copies showing such coverage and must provide a completed W-9.
8. Upon the selection of a vendor, the Board will vote on accepting the bid of the vendor and will document such in writing. The contract will be signed by a member of the Board.
9. Insurance obtained by the Association, since it is not a contract for services, is not subject to the above requirements.

This is to certify that the foregoing resolution was adopted by the Board of Directors at a meeting of the Board on April 23, 2022, and has not been modified, rescinded or revoked. This Resolution is effective and shall remain in force and effect until revoked, modified or amended.

**PRESTONWOOD POLO & COUNTRY CLUB
HOMEOWNERS ASSOCIATION, INC.**

By: 
Vaughn Miller, President

**PRESTONWOOD POLO & COUNTRY CLUB
HOMEOWNERS ASSOCIATION, INC.**

E-MAIL REGISTRATION POLICY

STATE OF TEXAS §
 §
COUNTY OF DENTON §

KNOWN ALL MEN BY THESE PRESENTS:

WHEREAS, pursuant to the provisions of Sections 209.0042 and 209.0051 of the Texas Property Code (the "Property Code"), the Board of Directors of Prestonwood Polo & Country Club Homeowners Association, Inc. (the "Association") is permitted to send notice of certain matters, including Board meetings, to the members via e-mail to each owner who has registered an e-mail address with the Association; and

WHEREAS, Section 209.0042 of the Texas Property Code, entitled "Methods of Providing Notices to Owners", provides the following:

- (a) Subject to this section, a property owners' association may adopt a method that may be used by the association to provide a notice from the association to a property owner.
- (b) A property owners' association may use an alternative method of providing notice adopted under this section to provide a notice for which another method is prescribed by law only if the property owner to whom the notice is provided has affirmatively opted to allow the association to use the alternative method of providing notice to provide to the owner notices for which another method is prescribed by law.
- (c) A property owners' association may not require an owner to allow the association to use an alternative method of providing notice adopted under this section to provide to the owner any notice for which another method of providing notice is prescribed by law.

WHEREAS, pursuant to Section 209.0051(f) of the Property Code, it is an owner's duty to keep an updated e-mail address with the Association once they have registered their e-mail address with the Association; and

WHEREAS, in order for the Association to provide notice via e-mail to an owner who has requested such, it is an owner's duty to provide the Association with a valid e-mail address and to update such e-mail address in the event such changes once they have registered their e-mail address with the Association; and

WHEREAS, the Association desires to allow Members of the Association an alternative method of notice, specifically e-mail notice, for those that choose to opt into receiving such in lieu of written notice that is mailed.

NOW, THEREFORE, IT IS RESOLVED, the following procedures and practices are established for the registration of e-mail addresses with the Association, and the same are to be known as the "E-Mail Registration Policy" of the Association.

ATTACHMENT "5"

1. **Purpose.** The purpose of this E-Mail Registration Policy is to ensure that, for any e-mail notification that the Association may send as may be permitted by law, each owner receives proper notice of such. This E-Mail Registration Policy is also intended to provide the Association with a method to verify the identity of owners who cast electronic ballots via e-mail and to provide newsletters and other notices to the owners via e-mail.

This E-Mail Registration Policy does not include notices from the Association to owners regarding violations of the Association's governing legal documents, unless such is authorized by law.

2. **Registration.** Each owner is responsible to register his or her e-mail address with the Association if he/she desires to receive e-mail notifications from the Association, and it is the owner's responsibility to keep his or her registered e-mail address up to date and accurate.

An owner may register his or her e-mail address by submitting a request to register or change his or her e-mail address to the Association via the email address set forth in the Association's current Management Certificate. Alternatively, the Association may allow an owner to register his or e-mail address through a form provided by the Association. Please allow seven (7) business days from submission of an e-mail address for the Association to update its records. Please note that correspondence to the Association and/or its property manager, if any, from an e-mail address for any other purpose other than to express a statement to register or change an e-mail address is not sufficient to register such e-mail address with the Association.


Multiple Record Owners of a Lot: Regardless of whether more than one person is a record owner of a lot within the Prestonwood Polo & Country Club development, the Association will only recognize one valid registered e-mail address per lot. The Association sending notice to one e-mail address shall constitute proper notice to all record owners of a lot.

3. **Failure to Register or Failure to Keep an Updated E-Mail Address.** In the event an owner fails to register an accurate e-mail address with the Association, the owner may not receive e-mail notification of regular and special Board meetings or other notices as described herein. Also, the Association may use an owner's registered e-mail address for purposes of verifying the owner's identity for electronic voting (if such process is utilized). If an owner fails to register an e-mail address with the Association or submits an electronic ballot from an e-mail address other than the e-mail address registered with the Association, such owner's electronic ballot will not be counted. The Association has no obligation to actively seek out a current e-mail address for each owner. In addition, the Association has no obligation to investigate or obtain an updated e-mail address for owners whose current registered e-mail address is returning an e-mail delivery failure message/undeliverable message.
4. **Definitions.** The definitions contained in the Association's dedicatory instruments are hereby incorporated by reference.

This is to certify that the E-Mail Registration Policy was adopted by the Board of Directors at a meeting on April 23, 2022, and has not been modified, rescinded or revoked.

IT IS FURTHER RESOLVED that this E-Mail Registration Policy is effective upon adoption hereof, to remain in force and full effect until revoked, modified or amended.

**PRESTONWOOD POLO & COUNTRY CLUB
HOMEOWNERS ASSOCIATION, INC.**

By: 
Vaughn Miller, President

**PRESTONWOOD POLO & COUNTRY CLUB
HOMEOWNERS ASSOCIATION, INC.**

GUIDELINES FOR DISPLAY OF FLAGS

STATE OF TEXAS §
 §
COUNTY OF DENTON §

KNOW ALL PERSONS BY THESE PRESENTS:

WHEREAS, Prestonwood Polo & Country Club Homeowners Association, Inc. (“Association”) is charged with administering and enforcing those certain covenants, conditions and restrictions contained in the Declaration of Covenants, Conditions and Restrictions for Prestonwood Polo and Country Club Addition, filed for record on February 27, 2017, as Instrument Number 22734, of the Official Public Records of Denton County, Texas (the “Declaration”), as such may be amended and/or supplemented from time to time; and

WHEREAS, Chapter 202 of the Texas Property Code was amended to add Section 202.012 thereto regarding the display of flags; and

WHEREAS, the Board of Directors (the “Board”) of the Association has determined that in connection with maintaining the aesthetics and architectural harmony of the community, and to provide clear and definitive guidance regarding the display of flags therein, it is appropriate for the Association to adopt guidelines regarding flag display within the community.

NOW, THEREFORE, the Board has duly adopted the following *Guidelines for the Display of Flags*.

1. An owner or resident may display:
 - a. the flag of the United States of America;
 - b. the flag of the State of Texas; and/or
 - c. an official or replica flag of any branch of the United States armed forces.

2. An owner may only display a flag described in 1 above if such display meets the following criteria:
 - a. The flag of the United States must be displayed in accordance with 4 U.S.C. Sections 5-10;
 - b. A flag of the State of Texas must be displayed in accordance with Chapter 3100 of the Texas Government Code;
 - c. A flagpole attached to a dwelling or a freestanding flagpole must be constructed of permanent, long-lasting materials, with a finish appropriate to the materials used in the construction of the flagpole and harmonious with the dwelling;
 - d. The display of a flag or the location and construction of the supporting flagpole must comply with applicable zoning ordinances, easements and setbacks of record; and


- e. A displayed flag and the flagpole on which it is flown must be maintained in good condition and any deteriorated flag or deteriorated or structurally unsafe flagpole must be repaired, replaced or removed.
3. The Association hereby adopts the following additional restrictions regarding flags and flag poles on an owner's lot:
- a. An owner may not install more than one flagpole on the owner's property. Such flag pole must either:
 - (i) not be greater than twenty feet (20') in height and located in the front yard of the property; "front yard" means a yard within a lot having a front building setback line with a setback of not less than 15 feet extending the full width of the lot between the front lot line and the front building setback line, as provided in Section 202.001 of the Texas Property Code, as such may be amended from time to time; or
 - (ii) be attached to any portion of a residential structure owned by the owner; the owner must make a request in writing to the Association for review and approval of the size of any flag pole proposed to be attached to any portion of a residential structure owned by the owner. An owner must receive written approval from the Association regarding the proposed size of such flag pole prior to the installation of same;
 - b. Any flag displayed must not be greater than 3' x 5' in size;
 - c. Lights used to illuminate a displayed flag must comply with the following:
 - (i) Be ground mounted in the vicinity of the flag;
 - (ii) Utilize a fixture that screens the bulb and directs light in the intended direction with minimal spillover;
 - (iii) Points towards the flag and faces the main structure on the property or to the center of the property if there is no structure; and
 - (iv) Provides illumination not to exceed the equivalent of a 300 watt incandescent bulb or per the lighting stipulations of the City.

Lights used to illuminate a displayed flag that do not comply with the above requirements constitute a nuisance and are not permitted on an owners' property.
 - d. An owner may not locate a displayed flag or flagpole on property that is:
 - (i) owned or maintained by the Association; or
 - (ii) owned in common by the members of the Association.
 - e. Flagpoles must not generate unreasonable noise levels which would disturb the quiet enjoyment of other residents. Each flagpole owner should take steps to reduce noise levels by using vinyl or plastic snap hooks, installing snap hook covers or securing a loose halyard (rope) around the flagpole with a flagpole clasp.

This Policy is effective upon recordation in the Public Records of Denton County, Texas and supersedes any policy regarding the display of flags which may have previously been in effect. Except as affected by Section 202.012 and/or by this Policy, all other provisions contained in the Declaration or any other dedicatory instrument of the Association shall remain in full force and effect.

This is to certify that the foregoing Policy was adopted by the Board at a meeting of the same held April 23, 2022, and has not been modified, rescinded or revoked.

**PRESTONWOOD POLO & COUNTRY CLUB
HOMEOWNERS ASSOCIATION, INC.**

By: 
Vaughn Miller, President

**PRESTONWOOD POLO & COUNTRY CLUB
HOMEOWNERS ASSOCIATION, INC.**

GUIDELINES FOR RAINWATER RECOVERY DEVICES

STATE OF TEXAS §
 §
COUNTY OF DENTON §

KNOW ALL PERSONS BY THESE PRESENTS:

WHEREAS, Prestonwood Polo & Country Club Homeowners Association, Inc. (“Association”) is charged with administering and enforcing those certain covenants, conditions and restrictions contained in the Declaration of Covenants, Conditions and Restrictions for Prestonwood Polo and Country Club Addition, filed for record on February 27, 2017, as Instrument Number 22734, of the Official Public Records of Denton County, Texas (the “Declaration”), as such may be amended and/or supplemented from time to time; and

WHEREAS, Chapter 202 of the Texas Property Code was amended to add Section 202.007(d) thereto dealing with the regulation of rainwater recovery devices; and

WHEREAS, the Board of Directors (the “Board”) of the Association has determined that in connection with maintaining the aesthetics and architectural harmony of the community, and to provide clear and definitive guidance regarding rainwater recovery devices therein, it is appropriate for the Association to adopt guidelines regarding rainwater recovery devices within the community.

NOW, THEREFORE, the Board has duly adopted the following *Guidelines for Rainwater Recovery Devices*.

1. An owner may not install a rain barrel or rainwater harvesting system if:
 - a. such device is to be installed in or on property:
 - (i) owned by the Association;
 - (ii) owned in common by the members of the Association; or
 - (iii) located between the front of the owner’s home and an adjoining or adjacent street; or
 - b. the barrel or system:
 - (i) is of a color other than a color consistent with the color scheme of the owner’s home; or
 - (ii) displays any language or other content that is not typically displayed by such a barrel or system as it is manufactured.
2. The Association may regulate the size, type, and shielding of, and the materials used in the construction of, a rain barrel, rainwater harvesting device, or other appurtenance that is located on the side of a house or at any other location that is visible from a street, another lot, or a common area if:


- a. the restriction does not prohibit the economic installation of the device or appurtenance on the owner's property; and
 - b. there is a reasonably sufficient area on the owner's property in which to install the device or appurtenance.
3. An owner must receive written approval from the Board or the architectural control or review committee (if one exists) prior to installing any rain barrel or rainwater harvesting system. Accordingly, an owner must submit plans and specifications to receive the written approval of the Board or architectural control/review committee.

The plans and specifications must show the proposed location, color, material, shielding devices, size and type of such system or device (and all parts thereof). The plans should also identify whether the device or any part thereof will be visible from any street, other lot or common area.

This Policy is effective upon recordation in the Public Records of Denton County, Texas and supersedes any policy regarding rainwater recovery devices which may have previously been in effect. Except as affected by Section 202.007(d) and/or by this Policy, all other provisions contained in the Declaration or any other dedicatory instrument of the Association shall remain in full force and effect.

This is to certify that the foregoing Policy was adopted by the Board at a meeting of the same held April 23, 2022, and has not been modified, rescinded or revoked.

**PRESTONWOOD POLO & COUNTRY CLUB
HOMEOWNERS ASSOCIATION, INC.**

By: 
Vaughn Miller, President

**PRESTONWOOD POLO & COUNTRY CLUB
HOMEOWNERS ASSOCIATION, INC.**

**GUIDELINES FOR
THE DISPLAY OF CERTAIN RELIGIOUS ITEMS**

STATE OF TEXAS §
 § KNOW ALL PERSONS BY THESE PRESENTS:
COUNTY OF DENTON §

WHEREAS, Prestonwood Polo & Country Club Homeowners Association, Inc. (“Association”) is charged with administering and enforcing those certain covenants, conditions and restrictions contained in the Declaration of Covenants, Conditions and Restrictions for Prestonwood Polo and Country Club Addition, filed for record on February 27, 2017, as Instrument Number 22734, of the Official Public Records of Denton County, Texas (the “Declaration”), as such may be amended and/or supplemented from time to time; and

WHEREAS, Chapter 202 of the Texas Property Code was amended to add Section 202.018 thereto dealing with the regulation of religious item display; and

WHEREAS, Sections 202.018(a) and (b) of the Texas Property Code were subsequently amended; and

WHEREAS, the Board of Directors (the “Board”) of the Association has determined that in connection with maintaining the aesthetics and architectural harmony of the community, and to provide clear and definitive guidance regarding the display of certain religious items therein, it is appropriate for the Association to establish guidelines regarding the display of certain religious items within the community.

NOW, THEREFORE, the Board has duly adopted the following *Guidelines for the Display of Certain Religious Items*.

1. A property owner or resident may display or attach one or more religious items on their property or dwelling. Such items include anything related to any faith that is motivated by the owner or resident’s sincere religious belief or tradition.
2. To the extent allowed by the Texas state constitution and the United States constitution, any such displayed or affixed religious items:
 - a. may not threaten public health or safety;
 - b. may not violate a law other than a law prohibiting the display of religious speech;
 - c. may not contain language, graphics or any display that is patently offensive to a passerby for reasons others than its religious content;
 - d. may not be installed on property owned or maintained by the Association;

- e. may not violate any applicable building line, right-of-way, setback or easement;
and
 - f. may not be attached to a traffic control device, street lamp, fire hydrant, or utility sign, pole or fixture.
3. Approval from the Association is not required for displaying religious items in compliance with these guidelines.
 4. As provided by Section 202.018, the Association may remove any items displayed in violation of these guidelines.

This Policy is effective upon recordation in the Public Records of Denton County, Texas and supersedes any policy regarding the display of certain religious items which may have previously been in effect. Except as affected by Section 202.018 and/or by this Policy, all other provisions contained in the Declaration or any other dedicatory instrument of the Association shall remain in full force and effect.

This is to certify that the foregoing Policy was adopted by the Board at a meeting of the same held April 23, 2022, and has not been modified, rescinded or revoked.

**PRESTONWOOD POLO & COUNTRY CLUB
HOMEOWNERS ASSOCIATION, INC.**

By: 
Vaughn Miller, President

**PRESTONWOOD POLO & COUNTRY CLUB
HOMEOWNERS ASSOCIATION, INC.**

GUIDELINES FOR ROOFING MATERIALS

STATE OF TEXAS §
 §
COUNTY OF DENTON §

KNOW ALL PERSONS BY THESE PRESENTS:

WHEREAS, Prestonwood Polo & Country Club Homeowners Association, Inc. (“Association”) is charged with administering and enforcing those certain covenants, conditions and restrictions contained in the Declaration of Covenants, Conditions and Restrictions for Prestonwood Polo and Country Club Addition, filed for record on February 27, 2017, as Instrument Number 22734, of the Official Public Records of Denton County, Texas (the “Declaration”), as such may be amended and/or supplemented from time to time; and

WHEREAS, Chapter 202 of the Texas Property Code was amended to add Section 202.011 thereto dealing with the regulation of roofing materials and other things; and

WHEREAS, the Board of Directors (the “Board”) of the Association has determined that in connection with maintaining the aesthetics and architectural harmony of the community, and to provide clear and definitive guidance regarding roofing materials therein, it is appropriate for the Association to adopt guidelines regarding roofing materials within the community.

NOW, THEREFORE, the Board has duly adopted the following *Guidelines for Roofing Materials*.


1. The Association shall not prohibit an owner who is otherwise authorized to install shingles on the roof of the owner’s property from installing shingles that:
 - a. are designed to:
 - (i) be wind and hail resistant;
 - (ii) provide heating and cooling efficiencies greater than those provided by customary composite shingles;
 - (iii) provide solar generation capabilities; and
 - b. when installed:
 - (i) resemble the shingles used or otherwise authorized for use on property in the subdivision;
 - (ii) are more durable than and are of equal or superior quality to the shingles described by subsection (i) above; and
 - (iii) match the aesthetics of the property surrounding the owner’s property.
2. The definitions contained in the Association’s dedicatory instruments are hereby incorporated herein by reference.

3. In the event of any conflict between these provisions and any roofing material restrictions contained in any governing document of the Association, including design guidelines, policies and the Declaration, this Roofing Materials Policy controls.

This Policy is effective upon recordation in the Public Records of Denton County, Texas and supersedes any policy regarding roofing materials which may have previously been in effect. Except as affected by Section 202.011 and/or by this Policy, all other provisions contained in the Declaration or any other dedicatory instrument of the Association shall remain in full force and effect.

This is to certify that the foregoing Policy was adopted by the Board at a meeting of the same held April 23, 2022, and has not been modified, rescinded or revoked.

**PRESTONWOOD POLO & COUNTRY CLUB
HOMEOWNERS ASSOCIATION, INC.**

By: 
Vaughn Miller, President

**PRESTONWOOD POLO & COUNTRY CLUB
HOMEOWNERS ASSOCIATION, INC.**

GUIDELINES FOR SOLAR ENERGY DEVICES

STATE OF TEXAS §
 §
COUNTY OF DENTON §

KNOW ALL PERSONS BY THESE PRESENTS:

WHEREAS, Prestonwood Polo & Country Club Homeowners Association, Inc. (“Association”) is charged with administering and enforcing those certain covenants, conditions and restrictions contained in the Declaration of Covenants, Conditions and Restrictions for Prestonwood Polo and Country Club Addition, filed for record on February 27, 2017, as Instrument Number 22734, of the Official Public Records of Denton County, Texas (the “Declaration”), as such may be amended and/or supplemented from time to time; and

WHEREAS, Chapter 202 of the Texas Property Code was amended to add Section 202.010 thereto dealing with the regulation of solar energy devices; and

WHEREAS, the Board of Directors (the “Board”) of the Association has determined that in connection with maintaining the aesthetics and architectural harmony of the community, and to provide clear and definitive guidance regarding solar energy devices therein, it is appropriate for the Association to adopt guidelines regarding solar energy devices within the community.

NOW, THEREFORE, the Board has duly adopted the following *Guidelines for Solar Energy Devices*.


1. These guidelines apply to solar energy devices (“Devices”) as defined in Section 171.107(a) of the Texas Tax Code. A solar energy device means a system or series of mechanisms designed primarily to provide heating or cooling or to produce electrical or mechanical power by collecting and transferring solar-generated energy. The term includes a mechanical or chemical device that has the ability to store solar-generated energy for use in heating or cooling or in the production of power.
2. Such Devices may be installed with advance approval of the Association, subject to these guidelines.
3. Any such Devices must be installed on land or structures owned by the property owner. No portion of the Devices may:
 - a. encroach on adjacent properties or common areas;
 - b. be located on property owned or maintained by the Association; or
 - c. be located on property owned in common by the members of the Association.
4. Such Devices may only be installed in the following locations:
 - a. on the roof of the main residential dwelling on an owner’s property;
 - b. on the roof of any other approved structure; or
 - c. within a fenced yard or patio.

5. For Devices mounted on a roof, the Devices must:
 - a. have no portion of the Devices higher than the roof section to which it is attached;
 - b. have no portion of the Devices extend beyond the perimeter boundary of the roof section to which it is attached;
 - c. conform to the slope of the roof;
 - d. be aligned so that the top edge of the Devices is parallel to the roof ridge line for the roof section to which it is attached;
 - e. have a frame, brackets, and visible piping or wiring that is a color that matches the roof shingles or a silver, bronze or black tone commonly available in the marketplace; and
 - f. be located in a position on the roof which is least visible from any street or common area which does not reduce estimated annual energy production more than ten percent (10%), as determined by a publically available modeling tool provided by the National Renewable Energy Laboratory (www.nrel.gov) or equivalent entity over alternative roof locations.
6. For Devices located in a fenced yard or patio, no portion of the Devices may extend above the fence. If the fence is not a solid fence which blocks view of the Devices, the Association may require the Devices be placed in a location behind a structure or otherwise require visual screening. The Association may consider installation of Devices on properties without a fenced yard if there is adequate screening from public view from any street or common area.
7. All Devices must be installed in compliance with manufacturer's instruction and in a manner which does not void material warranties. Licensed craftsmen must be used where required by law. Permits must be obtained where required by law.
8. Installed Devices may not:
 - a. threaten public health or safety;
 - b. violate any law; or
 - c. substantially interfere with the use and enjoyment of land by causing unreasonable discomfort or annoyance to any adjoining property owner or resident of ordinary sensibilities.
9. All Devices must be maintained in good repair. Unused or inoperable Devices must be removed if they can be seen from any street or common area.

This Policy is effective upon recordation in the Public Records of Denton County, Texas and supersedes any policy regarding solar energy devices which may have previously been in effect. Except as affected by Section 202.010 and/or by this Policy, all other provisions contained in the Declaration or any other dedicatory instrument of the Association shall remain in full force and effect.

This is to certify that the foregoing Policy was adopted by the Board at a meeting of the same held April 23, 2022, and has not been modified, rescinded or revoked.

**PRESTONWOOD POLO & COUNTRY CLUB
HOMEOWNERS ASSOCIATION, INC.**

By: 
Vaughn Miller, President

4/23/2022

BYLAWS

OF

**PRESTONWOOD POLO & COUNTRY CLUB
HOMEOWNERS ASSOCIATION, INC.**

ATTACHMENT "11"

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BYLAWS
OF
PRESTONWOOD POLO & COUNTRY CLUB
HOMEOWNERS ASSOCIATION, INC.

Article I

Name, Principal Office and Definitions

Section 1.01. Name. The name of the Association is Prestonwood Polo & Country Club Homeowners Association, Inc. (hereinafter sometimes referred to as the “Association”).

Section 1.02. Principal Office. The principal office of the Association in the State of Texas shall be located in Denton County, Texas or in a county adjacent to Denton County, Texas. The Association may have such other offices, either within or outside the State of Texas, as the Board of Directors may determine or as the affairs of the Association may require.

Section 1.03. Definitions. The words used in these Bylaws shall be given their normal commonly understood definitions. Capitalized terms shall have the same meaning as set forth in the Declaration of Covenants, Conditions and Restrictions for Prestonwood Polo and Country Club Addition, filed for record on February 27, 2017, as Instrument Number 22734, of the Official Public Records of Denton County, Texas (said Declaration, as amended, supplemented, renewed or extended from time to time, is hereinafter sometimes referred to as the “Declaration”), unless the context shall otherwise require.

Article II

Association: Membership, Meetings, Quorum, Voting, Proxies

Section 2.01. Membership. Any Person, on becoming an Owner of a Lot, shall automatically become a Member of the Association, as more fully set forth in the Declaration, the terms of which pertaining to membership are specifically incorporated herein by reference.

Section 2.02. Place of Meetings. Meetings of the Members 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 of Directors either within the Property or as convenient thereto as possible and practical.

Section 2.03. Annual Meetings. The first meeting of the Association, whether a regular or special meeting, shall be held within one (1) year from the date of incorporation of the

Association. Subsequent regular annual meetings shall be set by the Board of Directors so as to occur during the month of October each year on a date and at a time set by the Board of Directors.

Section 2.04. Special Meetings. The President may call special meetings. In addition, it shall be the duty of the President to call a special meeting of the Association if so directed by resolution of a majority of a quorum of the Board of Directors or upon a petition signed by Members representing at least twenty percent (20%) of all Members.

Section 2.05. Notice of Meetings. Notice for all meetings of the Members shall be as set forth in Article IV, Section 4.05 of the Declaration. The Secretary or managing agent shall send notices of annual and special meetings to each Member of the Association. Notice can be sent by (i) first class mail, postage pre-paid, addressed to the Member's last known post office address as shown on the records of the Association, (ii) electronic message at the electronic message address provided by the Member or to which the Member consents and as being shown as the Member's last known electronic message address on the records of the Association, (iii) personal delivery to the Member by hand or leaving such notice at the Member's residence in the Member's absence, or (iv) by any other means that may be allowed by law. If requested, any Mortgagee of record and its designee may be entitled to receive similar notice.

In the case of a special meeting, or when required by statute or these Bylaws, the purpose or purposes for which the meeting is called shall be stated in the notice. No business shall be transacted at a special meeting except as stated in the notice.

If mailed, the notice of a meeting shall be deemed to be delivered when deposited in the United States mail addressed to the Member at his address as it appears on the records of the Association, with postage thereon prepaid.

Section 2.06. 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 after such meeting. Attendance at a meeting by a Member or alternate shall be deemed waiver by such Member of notice of the time, date and place thereof, unless such Member specifically objects to lack of proper notice at the time the meeting is called to order. Attendance at a special meeting also shall be deemed waiver of notice of all business transacted unless an objection on the basis of lack of proper notice is raised before the business is put to a vote.

Section 2.07. Quorum. The quorum for all meetings of the Members shall be as set forth in Article IV, Section 4.05 of the Declaration.

Section 2.08. Adjournment of Meetings. If any meeting of the Association cannot be held because a quorum is not present, the meeting may be adjourned and an additional meeting may be called as set forth in Article IV, Section 4.05 of the Declaration.

Section 2.09. Voting. The voting rights of the Members shall be as set forth in the Declaration, including those set forth in Article IV, Sections 4.04 and 4.05 of the Declaration, and such voting rights provisions are specifically incorporated herein.

Section 2.10. Proxies, Absentee Ballots or Electronic Ballots. At all meetings of Members, each Member may vote in person or by proxy, or also by absentee mail ballot, or by electronic ballot if the Board decides to utilize such voting method. All proxies shall be in writing, dated and filed with the Secretary before the appointed time of each meeting. Every proxy shall be revocable and shall automatically cease upon conveyance by the Member of such Member's Lot, or upon receipt of notice by the Association's Secretary, or appointed agent, of the death or judicially declared incompetence of a Member, or of written revocation, or upon the expiration of eleven (11) months from the date of the proxy unless the proxy specifies that it is to remain effective for a shorter or longer period of time. A proxy is void if it is not dated or if it purports to be revocable without notice. Absentee or electronic ballots, if utilized, (i) may be counted as an owner present and voting for the purposes of establishing a quorum only for items appearing on the ballot; (ii) may not be counted, even if properly delivered, if the owner attends any meeting to vote in person, so that any vote cast at a meeting by a property owner supersedes any vote submitted by absentee or electronic ballot previously submitted for that proposal; and (iii) 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.

Section 2.11. Majority. As used in these Bylaws, the term "majority" shall mean those votes, owners or other group, as the context may indicate, totaling more than fifty percent (50%) of the total number.

Section 2.12. Conduct of Meetings. The President shall preside over all meetings of the Association, and the Secretary shall keep the minutes of the meeting and record in a minute book all resolutions adopted at the meeting, as well as a record of all transactions occurring at the meeting.

Section 2.13. Action Without a Meeting. Any action required by law to be taken at a meeting of the Members, or any action which may be taken at a meeting of the Members, may be taken without a meeting as set forth in Article IV, Section 4.05(d) of the Declaration.

Article III

Board of Directors; Number, Powers, Meetings

A. Composition and Selection.

Section 3.01. Governing Body; Composition. The affairs of the Association shall be governed by a Board of Directors, each of whom shall have one vote. Except as set forth in the Declaration and/or these Bylaws with respect to Declarant's right to elect or appoint directors, the directors shall be Members, or spouses of such Members; provided, however, no person and his or her spouse may serve on the Board of Directors at the same time. In the case of a Member which

is not a natural person, the person designated in writing to the Secretary of the Association as the representative of such Member shall be eligible to serve as a director; provided, no Member may have more than one representative on the Board of Directors at a time.

Section 3.02. Directors During Class “B” Control Period. Subject to the provisions of Section 3.06 below, the directors shall be selected by the Declarant, as Declarant is defined in the Declaration, acting in its sole discretion and shall serve at the pleasure of the Declarant until the end of the Class B Control Period, as further set forth in the Declaration, which is when all of the Lots shown on the recorded sub-division plats for the Community (the “Plats”), as may be amended from time to time, have been sold by the Declarant and have been conveyed to Persons other than Builders.

Section 3.03. Right to Disapprove Actions. So long as the Declarant owns property for development and/or sale in the Community, the Declarant shall have a right to disapprove any action, policy or program of the Association, the Board and any committee which, in the judgment of the Declarant, would tend to impair rights of the Declarant or Builders under the Declaration or these Bylaws, or interfere with development, construction of any portion of the Community, or diminish the level of services being provided by the Association.

No such action, policy or program described above shall become effective or be implemented until and unless:

(a) Declarant shall have been given written notice of all meetings and proposed actions approved at meetings of the Association, the Board or any committee thereof by certified mail, return receipt requested, or by personal delivery at the address it has registered with the Secretary of the Association, as it may change from time to time, which notice complies as to the Board of Directors meetings with Article III, Sections 3.10, 3.11 and 3.12 of these Bylaws and which notice shall, except in the case of the regular meetings held pursuant to the Bylaws, set forth in reasonable particularity the agenda to be followed at said meeting; and

(b) Declarant shall be given the opportunity at any such meeting to join in or to have its representatives or agents join in discussion from the floor of any prospective action, policy or program which would be subject to the right of disapproval set forth herein. Declarant, its representatives or agents, shall make its concerns, thoughts and suggestions known to the Board and/or the members of the subject committee; and

(c) Declarant fails to disapprove of any such action, policy or program authorized by the Association, the Board of Directors or any committee thereof within the time period described below. This right to disapprove may be exercised by the Declarant, its successors, assigns, representatives or agents at any time within ten (10) days following the meeting held pursuant to the terms and provisions hereof. This right to disapprove may be used to block proposed actions but shall not extend to the requiring of any action or counteraction on behalf of any committee, or the Board of the Association. Declarant shall not use its right to disapprove to reduce the level of services which the Association is obligated to provide or to prevent capital repairs or any expenditure required to comply with applicable laws and regulations.

Section 3.04. Number of Directors. The number of directors in the Association shall be no less than three (3) and no more than five (5). The initial Board of Directors shall consist of three (3) members.

Section 3.05. Nomination of Directors. Except with respect to directors selected by the Declarant, nominations for election to the Board of Directors may be made by a Nominating Committee or from the floor at the annual meeting. The Nominating Committee, if established, shall consist of a chairman, who shall be a member of the Board of Directors, and three (3) or more Members of the Association. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but in no event less than the number of positions to be filled. All candidates shall have a reasonable opportunity to communicate their qualifications to the Members and to solicit votes.

Section 3.06. Election and Term of Office.

Notwithstanding any other provision contained herein:

(a) On or before the 120th day after the date seventy-five percent (75%) of the Lots that may be created and made subject to the Declaration are conveyed to owners other than Declarant, or whenever the Declarant earlier determines, the President shall call a special meeting at which Members representing the Class "A" Members shall be entitled to elect one (1) of the three (3) directors, who shall be an at-large director. The remaining two (2) directors shall be appointees of the Declarant. The director elected by the Members shall not be subject to removal by the Declarant and shall be elected for a term of two (2) years or until the happening of the event described in Subsection (b) below, whichever is shorter. If such director's term expires prior to the happening of the event described in Subsection (b) below, a successor shall be elected for a like term.

(b) Within ninety (90) days after termination of the Class "B" Control Period, the Association shall call a special meeting at which Members representing the Class "A" Members shall be entitled to elect two (2) of the three (3) directors, who shall serve as at-large directors. The remaining director shall be an appointee of the Declarant. If the Board has been increased to five (5) members, Class "A" Members shall be entitled to elect three (3) of the five (5) directors and the Declarant shall appoint the remaining two (2) directors. The directors elected by the Members shall not be subject to removal by the Declarant and shall serve until the first annual meeting following the termination of the Class "B" Control Period. If such annual meeting occurs within ninety (90) days after termination of the Class "B" Control Period, this Subsection shall not apply and directors shall be elected in accordance with Subsection (c) below.

(c) At the first annual meeting of the Membership after the termination of the Class "B" Control Period, the directors shall be elected by the Members representing both Class "A" and Class "B" Members. If the Board consists of three (3) members, two (2) directors shall be elected for a term of two (2) years and one (1) director shall be elected for a term of one (1) year. If the Board consists of five (5) directors, three (3) directors shall be elected for a term of two (2) years and two (2) directors shall be elected for a term of one (1) year. At the expiration of the initial term of

office of each member of the Board of Directors and at each annual meeting thereafter, a successor shall be elected to serve for a term of two (2) years.

(d) At the first annual meeting of the Membership after the termination of the Class "B" Control Period, and at any annual meeting thereafter, notwithstanding any provision contained in the Declaration or these Bylaws to the contrary, in order to comply with Section 209.00593 of the Texas Property Code, which is entitled "Election of Board Members," if the quorum required is not obtained for the originally called annual meeting of the Members, the following process will be implemented to provide for the election of Directors:

The Secretary will announce that no quorum was obtained for the annual meeting of the Members. Thereafter, the Members present, in person or by other legal means, will convene an election meeting. The Members present, in person or by other legal means, will constitute a quorum for the purpose of conducting such meeting and an election of Directors will be conducted. No other business of the Association will be conducted at such election meeting. No notice of such meeting need be given to the Members other than that sent to the Members providing notice of the annual meeting.

Section 3.07. Voting. Each Member shall be entitled to cast one vote for each Lot owned by such Member and each such vote shall be weighted equally. There shall be no cumulative voting. The candidate(s) receiving the most votes shall be elected. The directors elected by the Members shall hold office until the end of his/her term. Directors may be elected to serve any number of consecutive terms.

Section 3.08. Removal of Directors; Vacancies. Any director elected by the Members may be removed, with or without cause, by the vote of a Majority of the Members of the Association. Directors appointed by the Declarant during the Class "B" Control Period shall not be subject to removal by the Class "A" Members. 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 elect the director so removed to fill the vacancy for the remainder of the term of such director.

Any director elected by the Members who has three (3) consecutive unexcused absences from Board of Directors meetings or who is delinquent in the payment of any assessment or other charge due the Association for more than thirty (30) days, may be removed by a majority of the directors present at a regular or special meeting at which a quorum is present, and a successor may be appointed by the Board of Directors to fill the vacancy for the remainder of the term.

A vacancy occurring on the Board of a director elected/appointed by the Declarant caused by way of resignation, death or disability, may be filled by the Declarant. A vacancy occurring on the Board of a director elected by the Members caused by way of resignation, death or disability, excluding the removal of a director by the vote of the Members, shall be filled with another director who is a Member of the Association by the vote of the majority of the remaining directors, even though less than a quorum, at any meeting of the Board. Each person so elected shall serve the unexpired portion of the term.

B. Meetings.

Section 3.09. Organizational Meetings. The first meeting of the Board of Directors following each annual meeting of the Membership shall be held within ten (10) days thereafter at such time and place as shall be fixed by the Board of Directors.

Section 3.10. Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined from time to time by a majority of the directors. Notice of the time and place of the meeting shall be sent as provided in Section 3.12 below.

Section 3.11. Special Meetings. Special meetings of the Board of Directors shall be held when called by written notice signed by the President of the Association or by a majority of the directors. Notice of the meeting shall be sent as provided in Section 3.12 below. The notice shall also specify the time and place of the meeting and the nature of any special business to be considered.

Section 3.12. Notice of Board Meetings. The notice shall be given to each director by one of the following methods: (i) by personal delivery; (ii) written notice by first-class mail, postage prepaid; (iii) by telephone communication, either directly to the director or to a person at the director's office or home who would reasonably be expected to communicate such notice promptly to the director; or (iv) by electronic mail, facsimile, computer, or other communication device. All such notices shall be given at the director's contact information as shown on the records of the Association. Notices sent by first-class mail shall be deposited into a United States mailbox at least four (4) days before the time set for the meeting. Notices given by personal delivery, telephone, facsimile or electronic mail shall be delivered, telephoned or sent at least seventy-two (72) hours before the time set for the meeting.

Members must also be given notice of the date, hour, place, and general subject of a regular or special board meeting, including a general description of any matter to be brought up for deliberation in executive session. The notice shall be:

(a) mailed to each property owner not later than the 10th day or earlier than the 60th day before the date of the meeting; or

(b) provided at least 144 hours before the start of a regular meeting, and at least 72 hours before the starts of a special meeting, by:

(i) posting the notice in a conspicuous manner reasonably designed to provide notice to Association members:

(1) in a place located on the Association's Common Amenities/Properties or, with the Member's consent, on other conspicuously located privately owned property within the subdivision; or

(2) on any internet website available to Association Members that is maintained by the Association or by a management company on behalf of the Association; and

(ii) sending the notice by e-mail to each Member who has registered an e-mail address with the Association.

Any Owner who has registered an e-mail address with the Association has the sole duty (i) to keep the e-mail address updated by notifying the Association in writing that the Owner's e-mail address has changed, and (ii) to provide the Association with a new e-mail address. Only one official e-mail address will be recognized per Lot.

Section 3.13. Waiver of Notice. The transactions of any meeting of the Board of Directors, 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 (i) a quorum is present, and (ii) 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 also shall be deemed given to any director who attends the meeting without protesting before or at its commencement about the lack of adequate notice.

Section 3.14. Quorum of Board of Directors. At all meetings of the Board of Directors, a majority of the directors shall constitute a quorum for the transaction of business, and the directors present at a meeting at which a quorum is present shall constitute the decision of the Board of Directors. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of directors, if any action taken is approved by at least a majority of the required quorum for that meeting.

Section 3.15. Compensation. No director shall receive any compensation from the Association for acting as a director; however, a director may be reimbursed for expenses incurred on behalf of the Association upon approval of a majority of the other directors.

Section 3.16. Conduct of Meetings. The President shall preside over all meetings of the Board of Directors, and the Secretary shall keep a minute book of meetings of the Board of Directors, recording therein all resolutions adopted by the Board of Directors and all transactions and proceedings occurring at such meetings. Meetings may be held by any method allowed by law. A meeting of the Board of Directors may be held by electronic or telephonic means provided that: (1) each Board member may hear and be heard by every other Board member; (2) except for any portion of the meeting conducted in executive session (i) all Owners in attendance at the meeting may hear all Board members; and (ii) Owners are allowed to listen using any electronic or telephonic communication method used or expected to be used by a Board member to participate; and (3) the notice of the meeting includes instructions for Owners to access any communication method required to be accessible under 2(ii) of this section.

Section 3.17. Open Meetings. Subject to the provisions of Section 3.18 of this Article, all regular and special meetings of the Board of Directors shall be open to all Members, subject to the

right of the Board to adjourn a Board meeting and reconvene in closed executive session to consider actions involving personnel, pending or threatened litigation, contract negotiations, enforcement actions, confidential communications with the Association's attorney, matters involving the invasion of privacy of individual owners, 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 Owners, 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.

The Board may not, unless done in an open meeting for which prior notice was given to Owners as set forth in Section 3.12 of these Bylaws, consider or vote on (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 control approval; (8) a suspension of a right of a particular owner before the Owner has an opportunity to attend a Board meeting to present the Owner's position, including any defense, on the issue; (9) lending or borrowing money; (10) the adoption or amendment of a dedicatory instrument; (11) the approval of an annual budget or the approval of an amendment of an annual budget; (12) the sale or purchase of real property; (13) the filling of a vacancy on the Board; (14) the construction of capital improvements other than the repair, replacement, or enhancement of existing capital improvements; or (15) the election of an officer.

Members other than members of the Board of Directors may not participate in any discussion or deliberation unless permission to speak is requested on his or her behalf by a Director. In such case, the President may limit the time any Member may speak.

Section 3.18. Action Without a Formal Meeting. Except as provided by Section 3.17 of these Bylaws, the Board may take action outside of a meeting of the Board, including voting by electronic or telephonic means, without prior notice to Owners as set forth in Section 3.12 of these Bylaws, if each Board member is given a reasonable opportunity to express the Board member's opinion to all other Board members and to vote. Any action taken without notice to the Owners must be summarized orally, including an explanation of any known actual or estimated expenditures approved at the meeting, and documented in the minutes of the next regular or special Board meeting.

C. Powers and Duties.

Section 3.19. Powers. The Board of Directors shall be responsible for the affairs of the Association and shall have all of the powers and duties necessary for the administration of the Association's affairs and, as provided by law, including, but not limited to, the powers and duties set forth in Article III, Sections 3.06 and 3.07 of the Declaration, and may do or cause to be done all acts and things as are not by the Declaration, Certificate of Formation or these Bylaws directed to be done and exercised exclusively by the Members or the membership generally.

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

Unless otherwise provided by Declaration, the Certificate of Formation, these Bylaws, in addition to the duties imposed by the Declaration, the Certificate of Formation, these Bylaws or by any resolution of the Association that may hereafter be adopted, the Board of Directors shall have the power to establish policies relating to, and shall be responsible for, performing or causing to be performed, the following, in way of explanation, but not limitation:

(a) preparation and adoption of annual budgets in which there shall be established the contribution of each Owner to the Common Expenses;

(b) making assessments to defray the Common Expenses, establishing the means and methods of collecting such assessments, and establishing the period of the installment payments of the annual assessment; provided, unless otherwise determined by the Board of Directors;

(c) providing for the operation, care, upkeep and maintenance of the Common Amenities/Properties of the Community;

(d) 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 Amenities/Properties of the Community 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;

(e) collecting the assessments, depositing the proceeds thereof in a bank depository which it shall approve and using the proceeds to operate the Association; provided, any reserve fund may be deposited in the directors' best business judgment, in depositories other than banks;

(f) making and amending rules, regulations and/or policies;

(g) opening of bank accounts on behalf of the Association and designating the signatories required;

(h) making or contracting for the making of repairs, additions and improvements to or alterations of the Common Amenities of the Community in accordance with any provision of the Declaration and these Bylaws after damage or destruction by fire or other casualty;

(i) enforcing by legal means the provisions of the Declaration, these Bylaws and the rules and regulations adopted by it and bringing any proceedings which may be instituted on behalf of or against the Owners concerning the Association;

(j) obtaining and carrying insurance against casualties and liabilities, as may be provided in the Declaration, 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 Owners;

(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) making available to any prospective purchaser of a Lot, any Owner of a Lot, any first mortgagee, and the holders, insurers and guarantors of a first mortgage on any Lot, current copies of the Declaration, the Certificate of Formation, the Bylaws, rules governing the Community, and all other books, records and financial statements of the Association; and

(n) permitting utility suppliers to use portions of the Common Amenities of the Community reasonably necessary to the ongoing development or operation of the Property within the Community.

Section 3.20. Management. The Board of Directors may employ for the Association a professional management agent or agents at a compensation established by the Board of Directors to perform such duties and services as the Board of Directors shall authorize. The Board of Directors may delegate to the managing agent or manager, subject to the Board of Directors's supervision, all of the powers granted to the Board of Directors by these Bylaws, except for such that may be prohibited by law.

Section 3.21. Accounts and Reports. The following management standards of performance will be followed unless the Board of Directors by resolution specifically determines otherwise:

(a) accrual accounting, as defined by generally accepted accounting principles, shall be employed;

(b) accounting and controls should conform to generally accepted accounting principles;

(c) cash accounts of the Association shall not be commingled with any other accounts;

(d) no remuneration shall be accepted by the managing agent from vendors, independent contractors or others providing goods or services to the Association, whether in the form of commissions, finder's fees, service fees, prizes, gifts or otherwise; anything of value received shall benefit the Association;

(e) any financial or other interest which the managing agent may have in any firm providing goods or services to the Association shall be disclosed promptly to the Board of Directors;

(f) financial reports shall be prepared for the Association at least quarterly containing:

(i) an income statement reflecting all income and expense activity for the preceding period on an accrual basis;

(ii) a statement reflecting all cash receipts and disbursements for the preceding period;

(iii) a variance report reflecting the status of all accounts in an “actual” versus “approved” budget format;

(iv) a balance sheet as of the last day of the preceding period; and

(v) a delinquency report listing all Owners who are delinquent in paying any assessments at the time of the report and describing the status of any action to collect such assessments which remain delinquent (any assessment or installment thereof shall be considered to be delinquent on the fifteenth (15th) day following the due date unless otherwise specified herein or by resolution of the Board of Directors); and

(g) an annual report consisting of at least the following shall be made available to all Members within one hundred twenty (120) days after the close of the fiscal year: (i) a balance sheet; (ii) an operating (income) statement; and (iii) a statement of changes in financial position for the fiscal year. The annual report referred to above shall be prepared on an audited basis, by an independent certified public accountant.

Section 3.22. Borrowing. The Association, acting through the Board of Directors, shall have the power to borrow money, and pledge assets of the Association, including assigning the right to collect assessments and the right to enforce the lien for delinquent assessments to secure any such loan, for the purpose of maintenance, repair or restoration of the Common Amenities of the Community without the approval of the Members of the Association. The Board of Directors shall also have the power to borrow money for other purposes, and the right to pledge assets of the Association, including assigning the right to collect assessments and the right to enforce the lien for delinquent assessments to secure any such loan; provided, the Board of Directors shall obtain the approval of a Majority of the Members of the Association for special assessments in the event that the proposed borrowing is for the purpose of modifying, improving or adding amenities and the total amount of such borrowing exceeds or would exceed five percent (5%) of the budgeted gross expenses of the Association for that fiscal year. No mortgage lien shall be placed on any portion of the Common Amenities of the Community without the affirmative vote or written consent, or any combination thereof, of a Majority of the Members.

Section 3.23. Rights of the Association. The Association shall have the right to contract with any person for the performance of various duties and functions. Without limiting the foregoing, this right shall entitle the Association to enter into common management, operational or other agreements with trusts, condominiums, cooperatives and other owners or residents associations, both within and without the Community. Such agreements shall require the consent of a majority of the total number of directors of the Association.

Section 3.24. Enforcement. The Board of Directors shall have the power to enforce the Declaration, these Bylaws or any rules, regulations, resolutions, guidelines, policies or procedures of the Association, including, but not limited to, the power to suspend an Owner's right to use the Common Amenities, file a suit against an Owner, charge an Owner for property damage or levy a fine for a violation of the Declaration, these Bylaws or any rules, regulations, resolutions, guidelines, policies or procedures of the Association, which shall constitute a lien upon the property of the violating Owner, and to suspend an Owner's right to use the Common Amenities of the Community for violation of any duty imposed under the Declaration, these Bylaws or any rules, regulations, resolutions, guidelines, policies or procedures duly adopted hereunder; provided, however, nothing herein shall authorize the Association or the Board of Directors to limit ingress and egress to or from a Lot. The failure of the Board of Directors to enforce any provision of the Declaration, Bylaws or any rule or regulation or policy shall not be deemed a waiver of the right of the Board of Directors to do so thereafter.

(a) Notice. Prior to the Association suspending an Owner's right to use a Common Amenities, filing a suit against an Owner other than a suit to collect a regular or special assessment or foreclose under the Association's lien, charge an Owner for property damage, or levy a fine for a violation of the Declaration, these Bylaws or any rules, regulations, resolutions, guidelines, policies or procedures of the Association, the Association or its agent must give written notice to the Owner, by certified mail, return receipt requested (i) describing the violation or property damage that is the basis for the suspension action, charge, or fine and state any amount due the Association from the Owner, and (ii) informing the Owner that the Owner (a) is entitled to a reasonable period to cure the violation and avoid the fine or suspension unless the Owner was given notice and a reasonable opportunity to cure a similar violation within the preceding six (6) months, and (b) may request a hearing under Section 209.007 of the Texas Property Code, as such may be amended, supplemented and/or replaced from time to time, on or before the thirtieth (30th) day after the date the Owner receives the notice.

The Association may collect reimbursement of reasonable attorney's fees and other reasonable costs incurred by the Association relating to collecting amounts, including damages, due the Association for enforcing the Declaration, the Bylaws or any rules, regulations, resolutions, guidelines, policies or procedures of the Association if the written notice set forth above in this Section 3.24(a) provides that attorney's fees and costs will be charged to the Owner if the delinquency or violation continues after a date certain. However, an Owner is not liable for attorney's fees incurred by the Association relating to a matter described by the notice under this Section 3.24(a) if the attorney's fees are incurred before the conclusion of the hearing under Section 3.24(b) hereafter, or, if the Owner does not request a hearing under that section, before the date by which the owner must request a hearing. The Owner's presence is not required to hold a hearing under Section 3.24(b).

(b) Hearing. If the Owner is entitled to an opportunity to cure the violation, the Owner has the right to submit a written request for a hearing to discuss and verify facts and resolve the matter in issue before a committee appointed by the Board of Directors of the Association or before the Board of Directors if the Board of Directors does not appoint a committee. If a hearing is to be held before a committee, the notice required by Section 3.24(a) above must state that the

Owner has the right to appeal the committee's decision to the Board of Directors by written notice to the Board of Directors.

The Association shall hold a hearing under this section not later than the 30th day after the date the Board of Directors receives the Owner's request for a hearing and shall notify the Owner of the date, time, and place of the hearing not later than the 10th day before the date of the hearing. The Board of Directors or the Owner may request a postponement, and, if requested, a postponement shall be granted for a period of not more than 10 days. Additional postponements may be granted by agreement of the parties. The Owner or the Association may make an audio recording of the meeting. The Owner's presence is not required to hold a hearing under this section.

The notice and hearing provisions of Section 3.24(a) above and this section do not apply if the Association files a lawsuit seeking a temporary restraining order or temporary injunctive relief or files a lawsuit that includes foreclosure as a cause of action. If a lawsuit is filed relating to a matter to which those sections apply, a party to the lawsuit may file a motion to compel mediation. The notice and hearing provisions of Section 3.24(a) and this section do not apply to a temporary suspension of a person's right to use the Common Amenities if the temporary suspension is the result of a violation that occurred in the Common Amenities and involved a significant and immediate risk of harm to others in the subdivision. The temporary suspension is effective until the Board of Directors makes a final determination on the suspension action after following the procedures prescribed by this section.

Prior to the effectiveness of any fine hereunder, proof of proper notice shall be placed in the minutes of the meeting. Such proof shall be deemed adequate if a copy of the notice, together with a statement of the date and manner of delivery, is entered by the officer, director or agent who delivered such notice. The minutes of the meeting shall contain a written statement of the results of the hearing and the fine, if any, imposed.

(c) Alternative Dispute Resolution. An owner or the Association may use alternative dispute resolution services.

(d) Additional Enforcement Rights. Notwithstanding anything to the contrary herein contained, the Association, acting through the Board of Directors, may elect to enforce any provision of the Declaration, these Bylaws or the rules and regulations of the Association by self-help (specifically including, but not limited to, the towing of vehicles that are in violation of parking rules and regulations) or by suit at law or in equity to enjoin any violation or to recover monetary damages or both without the necessity of compliance with the procedure set forth above. In any such action, to the maximum extent permissible, the Owner responsible for the violation of which abatement is sought shall pay all costs, including reasonable attorney's fees actually incurred.

Nothing contained in this Section 3.24 is intended to be contrary to the provisions contained in Sections 209.006 and 209.007 of the Texas Property Code as those Sections may be amended from time to time. To the extent that there is any conflict between the provisions herein and those in Sections 209.006 and 209.007 of the Texas Property Code, the provisions of the Texas Property Code shall take precedence.

Article IV

Officers

Section 4.01. 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 of Directors. The Board of Directors may appoint such other officers, including one or more Assistant Secretaries and one or more Assistant Treasurers, as it shall deem desirable, such officers to have the authority and perform the duties prescribed from time to time by the Board of Directors. Any two or more offices may be held by the same person, except the offices of President and Secretary.

Section 4.02. Election and Term of Office. The officers of the Association shall be elected annually by the Board of Directors at the first meeting of the Board of Directors following each annual meeting of the Members, as set forth in Article III.

Section 4.03. Removal and Vacancies. Any officer may be removed by the Board of Directors whenever in its judgment the best interests of the Association will be served thereby. A vacancy in any office arising because of death, resignation, removal or otherwise may be filled by the Board of Directors for the unexpired portion of the term.

Section 4.04. Powers and Duties. The officers of the Association shall each have such powers and duties as generally pertain to their respective offices, as well as such powers and duties as may from time to time specifically be conferred or imposed by the Board of Directors. The President shall be the chief executive officer of the Association. The Treasurer shall have primary responsibility for the preparation of the budget as provided for in the Declaration and may delegate all or part of the preparation and notification duties to a finance committee, management agent or both.

Section 4.05. Resignation. Any officer may resign at any time by giving written notice to the Board of Directors, 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.

Section 4.06. Agreements, Contracts, Deeds, Leases, Checks, etc. All agreements, contracts, deeds, leases, checks and other instruments of the Association shall be executed by at least two (2) officers or by such other person or persons as may be designated by resolution of the Board of Directors.

Section 4.07. Compensation. Compensation of officers shall be subject to the same limitations as compensation of directors under Article III, Section 3.15 hereof.

Article V

Committees

Section 5.01. General. Committees are hereby authorized 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 shall cooperate in accordance with the terms of the resolution of the Board of Directors designating the committee or with rules adopted by the Board of Directors.

Section 5.02. Covenants Committee. In addition to any other committees which may be established by the Board of Directors pursuant to Section 5.01 of this Article, the Board of Directors may appoint a Covenants Committee consisting of three (3) members. Acting in accordance with the provisions of the Declaration, these Bylaws and resolutions the Board of Directors may adopt, the Covenants Committee, if established, shall be the hearing tribunal of the Association and shall conduct all hearings held pursuant to Article III, Section 3.24 of these Bylaws.

Article VI

Miscellaneous

Section 6.01. Fiscal Year. The fiscal year of the Association shall be set by resolution of the Board of Directors. In the absence of a resolution, the fiscal year shall be the calendar year.

Section 6.02. Conflicts. If there are conflicts between the provisions of Texas law, the Certificate of Formation, the Declaration and these Bylaws, the provisions of Texas law, the Declaration, the Certificate of Formation and the Bylaws (in that order) shall prevail.

Section 6.03. Books and Records Inspection by Members and Mortgagees. The Declaration, Bylaws and Certificate of Formation, any amendments to the foregoing, the rules and regulations, guidelines and policies or procedures of the Association, the membership register, books of account, correspondence relating to any amendments to the Declaration or Bylaws and the minutes of meetings of the Members, the Board of Directors (excluding executive session minutes of the meetings of the Board of Directors, if any) and committees shall be made available for inspection and copying by any holder, insurer or guarantor of a first mortgage on a Lot, Member of the Association, or by the duly appointed representative of any of the foregoing per the Document Inspection and Copying Policy adopted by the Association per Section 209.005 of the Texas Property Code.

Every director shall have the absolute right at any reasonable time to inspect all books, records and documents of the Association. The right of inspection by a director includes the right to make extracts and a copy of relevant documents at the expense of the Association.

Section 6.04. Notices. Unless otherwise provided in these Bylaws, all notices, demands, bills, statements or other communications under these Bylaws may be made in any manner

authorized by law. Absent written direction by a Member to the Association requesting another legal method of receiving written notice from the Association, notices 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 which the Member has designated in writing and filed with the Secretary or, if no such address has been designated, at the address of the Lot of such Member; or

(b) if to the Association, the Board of Directors, or 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.

Section 6.05. Amendment.

Except as provided above and otherwise specifically provided herein, these Bylaws may be amended by (i) the affirmative vote or written consent, or any combination thereof, of the Board of Directors, or (ii) the affirmative vote or written consent, or any combination thereof, of a Majority of the Members at a meeting of the Members. In addition, any approval requirements which may be set forth in the Declaration shall be met, if applicable. Any amendment, to be effective, must be recorded in the Official Public Records of Denton County, Texas.


If an Owner consents to any amendment to the Declaration or these Bylaws, it will be conclusively presumed that such Owner has the authority so to consent and no contrary provision in any Mortgage or contract between the Owner and a third party will affect the validity of such amendment.

CERTIFICATE

I HEREBY CERTIFY, that the foregoing is true, complete and correct copy of the Bylaws of Prestonwood Polo & Country Club Homeowners Association, Inc., as adopted by the Board of Directors at its meeting held on April 23, 2022.

IN WITNESS WHEREOF, hereunto set my hand, the 23 day of April, 2022.

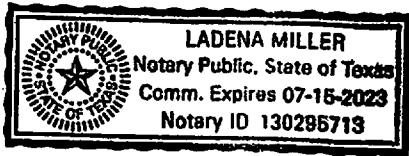
**PRESTONWOOD POLO & COUNTRY CLUB
HOMEOWNERS ASSOCIATION, INC.**

By: 
Vaughn Miller
Printed Name
Title: President

STATE OF TEXAS §
COUNTY OF Denton §

BEFORE ME, the undersigned notary public, on the day personally appeared Vaughn Miller, Secretary of Prestonwood Polo & Country Club Homeowners Association, Inc., known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that she/he executed the same for the purpose and in the capacity therein expressed.

SUBSCRIBED AND SWORN TO BEFORE ME on this the 23 day of April, 2022 to certify which witness my hand and official seal.



Ladena Miller
Notary Public in and for the State of Texas



Office of the Secretary of State

CERTIFICATE OF FILING OF

Prestonwood Polo & Country Club Homeowners Association, Inc.
File Number: 804401568

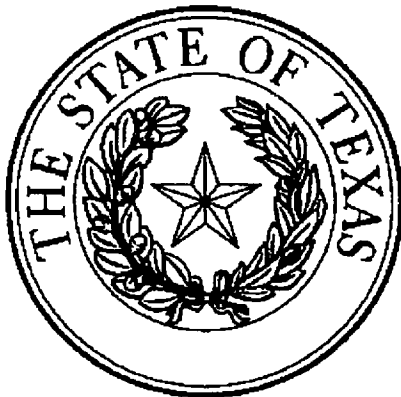
The undersigned, as Secretary of State of Texas, hereby certifies that a Certificate of Formation for the above named Domestic For-Profit Corporation has been received in this office and has been found to conform to the applicable provisions of law.

ACCORDINGLY, the undersigned, as Secretary of State, and by virtue of the authority vested in the secretary by law, hereby issues this certificate evidencing filing effective on the date shown below.

The issuance of this certificate does not authorize the use of a name in this state in violation of the rights of another under the federal Trademark Act of 1946, the Texas trademark law, the Assumed Business or Professional Name Act, or the common law.

Dated: 01/24/2022

Effective: 01/24/2022



A handwritten signature in black ink, appearing to read "John B. Scott".

John B. Scott
Secretary of State

Form 201

Secretary of State
P.O. Box 13697
Austin, TX 78711-3697
FAX: 512/463-5709



**Certificate of Formation
For-Profit Corporation**

**Filed in the Office of the
Secretary of State of Texas
Filing #: 804401568 01/24/2022
Document #: 1113958690002
Image Generated Electronically
for Web Filing**

Filing Fee: \$300

Article 1 - Entity Name and Type

The filing entity being formed is a for-profit corporation. The name of the entity is:

Prestonwood Polo & Country Club Homeowners Association, Inc.

The name must contain the word "corporation," "company," "incorporated," "limited," or an abbreviation of one of these terms. The name must not be the same as, deceptively similar to or similar to that of an existing corporate, limited liability company, or limited partnership name on file with the secretary of state. A preliminary check for "name availability" is recommended.

Article 2 - Registered Agent and Registered Office

A. The initial registered agent is an organization (cannot be corporation named above) by the name of:

OR

B. The initial registered agent is an individual resident of the state whose name is set forth below:

Name:

Vaughn Miller

C. The business address of the registered agent and the registered office address is:

Street Address:

525 Yacht Club Road Oak Point TX 75068

Consent of Registered Agent

A. A copy of the consent of registered agent is attached.

OR

B. The consent of the registered agent is maintained by the entity.

Article 3 - Directors

The number of directors constituting the initial board of directors and the names and addresses of the person or persons who are to serve as directors until the first annual meeting of shareholders or until their successors are elected and qualified are set forth below:

Director 1: **Vaughn Miller**

Address: **525 Yacht Club Road Oak Point TX, USA 75068**

Article 4 - Authorized Shares

The total number of shares the corporation is authorized to issue and the par value of each of such shares, or a statement that such shares are without par value, is set forth below.

Number of Shares	Par Value (must choose and complete either A or B)	Class	Series
1000000	<input checked="" type="checkbox"/> A. has a par value of \$.01 <input type="checkbox"/> B. without par value.		

If the shares are to be divided into classes, you must set forth the designation of each class, the number of shares of each class, and the par value (or statement of no par value), of each class. If shares of a class are to be issued in series, you must provide the designation of each series. The preferences, limitations, and relative rights of each class or series must be stated in space provided for supplemental information.

Article 5 - Purpose

The purpose for which the corporation is organized is for the transaction of any and all lawful business for which corporations may be organized under the Texas Business Organizations Code.

Supplemental Provisions / Information

[The attached addendum, if any, is incorporated herein by reference.]

Supplemental Provisions-Prestonwood HOA.pdf

Effectiveness of Filing

A. This document becomes effective when the document is filed by the secretary of state.

OR

B. This document becomes effective at a later date, which is not more than ninety (90) days from the date of its signing. The delayed effective date is:

Initial Mailing Address

Address to be used by the Comptroller of Public Accounts for purposes of sending tax information.

The initial mailing address of the filing entity is:

**525 Yacht Club Road
Oak Point, TX 75068
USA**

Organizer

The name and address of the organizer is set forth below.

Keith H. Cole 3104 Jarrard St., Houston, TX 77005

Execution

The undersigned affirms that the person designated as registered agent has consented to the appointment. The undersigned signs this document subject to the penalties imposed by law for the submission of a materially false or fraudulent instrument and certifies under penalty of perjury that the undersigned is authorized under the provisions of law governing the entity to execute the filing instrument.

Keith H. Cole

Signature of organizer

FILING OFFICE COPY

Supplemental Provisions
(Prestonwood Polo & Country Club Homeowners Association, Inc.)

1. Each person who is or was a 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 or agent shall be indemnified by, and shall be advanced expenses by, the corporation to the fullest extent to which such person may be or is required to be indemnified or advanced expenses under any applicable provision of law or any bylaw, agreement, resolution, vote of shareholders or disinterested directors, or otherwise, including without limitation Chapter 8 of the Texas Business Organizations Code. The corporation may, but shall not be obligated to, purchase and maintain insurance, and/or enter into agreements, trusts and other arrangements providing protection, on behalf of any person who is or was a 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 or agent against any liability asserted against such person and incurred by such person in such a capacity or arising out of his status as such a person, whether or not the corporation would otherwise have the power to indemnify such person against, or advance expenses to such person in connection with, that liability under this article.

All the indemnity, insurance and other benefits to be provided to a person under this article shall continue as to a person even though such person has ceased to serve the corporation in the capacity or capacities with respect to which such indemnity, insurance or other benefits is applicable hereunder.

2. A director of the corporation shall not be liable to the corporation or its shareholders for monetary damages for an act or omission in the director's capacity as a director of the corporation, except for liability for (i) a breach of the director's duty of loyalty to the corporation or its shareholders, (ii) an act or omission not in good faith or that involves intentional misconduct or a knowing violation of the law, (iii) a transaction from which the director received an improper benefit, whether or not the benefit resulted from an action taken within the scope of the director's

office, (iv) an act or omission for which the liability of the director is expressly provided for by statute, or (v) an act related to an unlawful stock repurchase or payment of a dividend.

If any applicable provision of Texas law is hereafter amended to authorize further elimination or limitation of the liability of directors, then the liability of a director of the corporation, in addition to the limitation on liability provided herein, shall be limited to the fullest extent permitted by such applicable provisions of Texas law. Any repeal or modification of this ARTICLE IX(b) by the shareholders of the corporation shall be prospective only, and shall not adversely affect any limitation on the liability of a director existing at the time of such repeal or modification.

3. Except to the extent such power may be modified or divested by action of shareholders representing a majority of the issued and outstanding shares of the capital stock of the corporation, the power to alter, amend or repeal the Bylaws of the corporation shall be vested in the Board of Directors.