DOC #2021073395
Pages 61

After Recording, Return To
Baird, Crews, Schiller & Whitaker, P.C.
Attn: Juli A. Bryan
15 N. Main Street
Temple, Texas 76501

HERRING LEGACY ESTATES PROPERTY OWNERS' ASSOCIATION, INC.,

NOTICE OF DEDICATORY INSTRUMENTS

HERRING LEGACY PHASE ONE, a subdivision located in Bell County, Texas (the "Subdivision") is subject to the "Declaration of Covenants, Conditions and Restrictions of Herring Legacy Estates Property Owners' Association, Inc., a Texas nonprofit property owners' association, and of Herring Legacy Phase One, a subdivision in Bell County, Texas" duly recorded under Document Number 2021072416, Official Public Records of Bell County, Texas, as amended (the "Declaration").

HERRING LEGACY ESTATES PROPERTY OWNERS' ASSOCIATION, INC., a Texas nonprofit property owners' association (the "Association") is the property owners association established pursuant to the terms of the Declaration. This instrument, which has been adopted and approved by the Board of Directors of the Association (the "Board"): (1) causes previously unrecorded dedicatory instruments of the Association to be recorded as required by Section 202.006 of the Texas Property Code (the "Code"); and (2) sets forth certain policies and guidelines adopted by the Board in accordance with the requirements of applicable law and its authority under the Declaration and causes such policies and guidelines to be recorded as required by Section 202.006 of the Code.

Capitalized terms used but not defined herein have the meanings ascribed to such terms in the Declaration.

HERRING LEGACY ESTATES PROPERTY OWNERS' ASSOCIATION, INC.,
A Texas Nonprofit Property Owners' Association

By: _____
Austine Turner, Secretary

ACKNOWLEDGMENT

State of Texas
County of Bell

This instrument was acknowledged before me on July 16, 2021, by Austine Turner in his capacity as Secretary of HERRING LEGACY ESTATES PROPERTY OWNERS' ASSOCIATION, INC., a Texas nonprofit property owners' association on behalf of said property owners' association.

JULI A. BRYAN
Commission # 126216806
My Commission Expires
January 14, 2025

_____
Notary Public, State of Texas

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ATTACHMENT 1

CERTIFICATE OF FILING AND CERTIFICATE OF FORMATION

Corporations Section
P.O.Box 13697
Austin, Texas 78711-3697

Jose A. Esparza
Deputy Secretary of State

Office of the Secretary of State

October 08, 2021

Attn: Baird Crews Schiller & Whitaker PC

Baird Crews Schiller & Whitaker PC
15 North Main Street
Temple, TX 76501 USA

RE: HERRING LEGACY ESTATES PROPERTY OWNERS' ASSOCIATION, INC.
File Number: 804262018

It has been our pleasure to file the certificate of formation and issue the enclosed certificate of filing evidencing the existence of the newly created nonprofit corporation.

Nonprofit corporations do not automatically qualify for an exemption from federal and state taxes. Shortly, the Comptroller of Public Accounts will be contacting the corporation at its registered office for information that will assist the Comptroller in setting up the franchise tax account for the corporation. Information about franchise tax, and contact information for the Comptroller's office, is available on their web site at https://window.state.tx.us/taxinfo/franchise/index.html. For information on state tax exemption, including applications and publications, visit the Comptroller's Exempt Organizations web site at https://window.state.tx.us/taxinfo/exempt/index.html. Information on exemption from federal taxes is available from the Internal Revenue Service web site at https://www.irs.gov.

Nonprofit corporations do not file annual reports with the Secretary of State, but do file a report not more often than once every four years as requested by the Secretary. It is important for the corporation to continuously maintain a registered agent and office in Texas as this is the address to which the Secretary of State will send a request to file a periodic report. Failure to maintain a registered agent or office in Texas, failure to file a change to the agent or office information, or failure to file a report when requested may result in the involuntary termination of the corporation. Additionally, a nonprofit corporation will file documents with the Secretary of State if the corporation needs to amend one of the provisions in its certificate of formation. If we can be of further service at any time, please let us know.

Sincerely,

Corporations Section
Business & Public Filings Division
(512) 463-5555
Enclosure

Corporations Section
P.O.Box 13697
Austin, Texas 78711-3697

Jose A. Esparza
Deputy Secretary of State

Office of the Secretary of State

CERTIFICATE OF FILING
OF

HERRING LEGACY ESTATES PROPERTY OWNERS' ASSOCIATION, INC.
File Number: 804262018

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

ACCORDINGLY, the undersigned, as Deputy 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: 10/06/2021

Effective: 10/06/2021

Jose A. Esparza
Deputy Secretary of State

Form 202		
Secretary of State P.O. Box 13697 Austin, TX 78711-3697 FAX: 512/463-5709 Filing Fee: $25	**Certificate of Formation Nonprofit Corporation**	**Filed in the Office of the Secretary of State of Texas Filing #: 804262018 10/06/2021 Document #: 1084473470002 Image Generated Electronically for Web Filing**

Article 1 - Corporate Name

The filing entity formed is a nonprofit corporation. The name of the entity is :

HERRING LEGACY ESTATES PROPERTY OWNERS' ASSOCIATION, INC.

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:
James Herring

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

Street Address:
1507 W. Stan Schlueter Loop, Suite 103 Killeen TX 76549

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 - Management

☐ A. Management of the affairs of the corporation is to be vested solely in the members of the corporation.

OR

☑ B. Management of the affairs of the corporation is to be vested in its board of directors. The number of directors, which must be a minimum of three, that constitutes the initial board of directors and the names and addresses of the persons who are to serve as directors until the first annual meeting or until their successors are elected and qualified are set forth below.

Director 1: **James Herring**	Title: **Director**
Address: **1507 W. Stan Schlueter Loop, Suite 103 Killeen TX, USA 76549**	
Director 2: **Wayne Herring**	Title: **Director**
Address: **1507 W. Stan Schlueter Loop, Suite 103 Killeen TX, USA 76549**	
Director 3: **Austine Turner**	Title: **Director**
Address: **1507 W. Stan Schlueter Loop, Suite 103 Killeen TX, USA 76549**	

Article 4 - Organization Structure

☑ A. The corporation will have members.

or

☐ B. The corporation will not have members.

Article 5 - Purpose

The corporation is organized for the following purpose or purposes:

(a) to obtain, regulate, manage, conduct, and maintain the Property; and to enforce covenants, conditions, and restrictions pertaining to the Property and perform other items related to the Property, including all additions,

annexations, and phases thereto;
b) to exercise the rights and powers and to perform the duties and obligations of a Texas property owners association, in accordance with the Governing Documents and State law, as each may be amended from time to time, and
(c) for any lawful purpose not expressly prohibited under Chapters 2 or 22 of the Texas Business Organizations Code (the "Code"), including any purpose described by Section 2.002 of the Code.

Supplemental Provisions / Information

See attached addendum

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

Herring - Addendum to Certificate of Formation (02554431x9EB99).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:

Organizer

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

James Herring **1507 W. Stan Schlueter Loop, Suite 103, Killeen, Texas 76549**

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.

James Herring
Signature of organizer.

FILING OFFICE COPY

ADDENDUM TO CERTIFICATE OF FORMATION
FOR
HERRING LEGACY ESTATES PROPERTY OWNERS' ASSOCIATION, INC.

ARTICLES 6 THROUGH 18 ARE ADDED AS FOLLOWS:

ARTICLE 6 - MANNER OF DISTRIBUTION

The Association is authorized, on its winding up, to distribute its assets in a manner other than as provided by Section 22.304 of the Code. The manner of distribution is as follows: In the event of winding up, the assets of the Association will belong to the members of the Association at the time of winding up and will be distributed, liquidated, or conveyed in accordance with the terms of a termination agreement approved by owners to whom 80% or more of the votes in the Association are allocated at the time of winding up.

ARTICLE 7 - DURATION

The duration of the Association is perpetual.

ARTICLE 8 - POWERS

Subject to the limitations in this Certificate, the Association has the authority to take any action it deems necessary relating to the management of the Association, including the following powers:

1. all rights and powers conferred on nonprofit entities by State law in effect from time to time;
2. all rights and powers conferred on property owners associations by State law, in effect from time to time;
3. all powers necessary, appropriate, or advisable to perform any purpose or duty of the Association as set out in the Governing Documents or State law, including but not limited to the TBOC Chapter 22 - the Nonprofit Corporation Law (collectively the "Act").

ARTICLE 9 - MEETING LOCATION

Unless the Declaration or Bylaws provides otherwise, meetings of members of the Association will be held at a suitable place convenient to the board.

ARTICLE 10 - LIMITATION ON LIABILITY OF DIRECTORS

A director of the Association is not liable to the Association or its members for monetary damages for acts or omissions that occur in the person's capacity as a director if the director acted in compliance with Chapter 22 of the Code:

1. in good faith;
2. with ordinary care; and
3. in a manner the director reasonably believed to be in the best interest of the Association; except to the extent a person is found liable for:
    a. a breach of the director's duty of loyalty to the Association or its members;
    b. an act or omission not in good faith that constitutes a breach of duty of the director to the Association;
    c. an act or omission that involves intentional misconduct or a knowing violation of the law;

d. a transaction from which the director receives an improper benefit, whether or not the benefit resulted from an action taken within the scope of the person's office; or

e. an act or omission for which the liability of a director is expressly provided by an applicable statute.

If the director is a member of the Association, this limitation on liability does not eliminate or modify that person's pro rata share of the Association's liability as a member of the Association.

ARTICLE 11 - INDEMNIFICATION

As provided by the Bylaws, the Association will indemnify a person who was, is, or is threatened to be made a named defendant or respondent in a proceeding because the person is or was a director, officer, committee chair, or committee member of the Association. Additionally, the Association may indemnify a person who is or was an employee, trustee, agent, or attorney of the Association, against any liability asserted against him and incurred by him in that capacity and arising out of that capacity

ARTICLE 12 - IMMUNITY FOR VOLUNTEERS

To preserve the protections for Association volunteers afforded by the Charitable Immunity and Liability Act of 1987 (Chapter 84, Texas Civil Practice & Remedies Code), the Association will operate in a manner that preserves the Association's status as a homeowners association as defined by Section 528(c) of the Internal Revenue Code of 1986, as amended.

ARTICLE 13 - AMENDMENT OF CERTIFICATE

This Certificate may be amended or restated subject to the following:

A. General Provisions.

1. An amendment may not conflict with the Declaration, the Bylaws, or applicable State law.
2. An amendment may not impair or dilute a right granted to a person by the Declaration, without that person's written consent.
3. If the Association is incorporated by the State of Texas at the time of amendment, an amendment must be in accordance with applicable provisions of the Code.

A. Amendment by Board.

The board of directors may unilaterally amend or restate this Certificate, without a vote of the owners, for the following limited purposes:

1. to delete the names and addresses of the initial directors,
2. to delete the name and address of the initial registered agent or office, provided a statement of change is on file with the Secretary of State, and
3. to change the name of the Association with the Secretary of State by adding, deleting, or changing a geographical attribute to the name.

A. Amendment by Members.

For all other purposes, an amendment must be approved by the board and by at least two-thirds (2/3's) of the votes or voting interests present, in person or by proxy, at a properly called meeting of the Association for which a quorum is obtained.

ARTICLE 14 - AMENDMENT OF BYLAWS

The Bylaws of the Association may be amended or repealed according to the amendment provision of the Bylaws, which reserve those powers to the members, with limited exceptions for the board acting alone.

ARTICLE 15 - ACTION WITHOUT MEETING

Subject to the additional requirements of the Code, Section 6.202, any action required by the Code or by the Governing Documents to be taken at a meeting of members or owners may be taken without a meeting if a consent in writing, setting forth the action to be taken, is signed by a sufficient number of members or owners as would be necessary to take that action at a meeting at which the required number of owners or members were present and voted.

ARTICLE 16 - DECLARANT CONTROL PERIOD

The Declaration provides for a Declarant Control Period during which Declarant determines the number and qualification of officers and directors, who serve at the pleasure of Declarant, who is empowered by the Declaration to appoint, remove, and replace the officers and directors of the Association. The Declaration also determines the weight or numbers of votes allocated to each Lot governed by the Association.

Because Declarant has powers, rights, and duties in addition to those of other members, Declarant may constitute a membership "class" as described by the Code, the other Lot owners constituting a different "class."

ARTICLE 17 - CHANGE OF STATUS

The continuing existence of the Association as described in its Governing Documents is vested in its members - the owners of the Property - not in its corporate status, its name, or its filing number. During any period in which the Association is not incorporated, it will be subject to the Texas Uniform Unincorporated Nonprofit Association Act (Chapter 252 of the Code), and this Certificate of Formation will continue to be effective as a Governing Document of the Association.

ARTICLE 18 - TERMINOLOGY

Capitalized terms used in this Certificate, such as Association, Declarant, Declarant Control Period, Declaration, Governing Documents and Lot, have the same meanings as defined in Article 1 of the Declaration. As applied to this Association, the following terms which are defined or used in the Code are construed as follows:

A. Governing Documents.

"Governing Documents," as defined by the Code, is construed by the Association to mean the "Governing Documents," as defined by the Declaration, even though Governing Documents may have been initially adopted by the Declarant of the Property for the benefit and use of the members of the Association, rather than having been adopted by the Association, as indicated by the Code's definition of Governing Documents.

A. Member Entitled to Vote.

"Each member entitled to vote at the meeting," as used in the Code, is construed by the Association to mean that if a Lot is co-owned, even though all the co-owners are members of the Association, the co-owners share one (1) membership per Lot for notification and voting purposes. Therefore, votes and memberships are tabulated on a per-Lot basis, rather than on a headcount of owners and co-owners.

ATTACHMENT 2
BYLAWS

After Recording, Return To
Baird, Crews, Schiller & Whitaker, P.C.
Attn: Juli A. Bryan
15 N. Main Street
Temple, Texas 76501

BYLAWS
OF
HERRING LEGACY ESTATES PROPERTY OWNERS' ASSOCIATION, INC.,
A Texas Nonprofit Property Owners' Association

Prepared By:
Juli A. Bryan
BAIRD, CREWS, SCHILLER & WHITAKER, P.C.
15 North Main
Temple, Texas 76501

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BYLAWS
OF
HERRING LEGACY ESTATES PROPERTY OWNERS' ASSOCIATION, INC.,
A Texas Nonprofit Property Owners' Association

ARTICLE I. INTRODUCTION

A. Property.

These Bylaws provide for the governance of the Herring Legacy Phase One, a subdivision in the Killeen, Bell County, Texas, that will be governed by HERRING LEGACY ESTATES PROPERTY OWNERS' ASSOCIATION, INC., a Texas nonprofit property owners' association, and its governing documents, and which initial property is described as:

> Lots One (1) through Ten (10), inclusive, in Block One (1), Lots One (1) through Seven (7), inclusive, in Block Two (2), Lots One (1) through Fifteen (15), inclusive and Lots Nineteen (19) through Twenty-One (21), inclusive, in Block Three (3), Lots One (1) through Twenty-Eight (28), inclusive, in Block Four (4), Lots One (1) through Fourteen (14), inclusive, in Block Five (5), Lot One (1), in Block Six (6), Lots One (1) through Four (4), inclusive, in Block Seven (7), Lots One (1) through Six (6) inclusive, in Block Eight (8), and Lot One (1) in Block Nine (9), Herring Legacy Phase One, a subdivision in the City of Killeen, Bell County, Texas, according to the map or plat of record in Instrument Number 2020-36028 A&B, Official Public Records of Real Property, Bell County, Texas and Lot Sixteen- A (16-A) and Eighteen-A (18-A) in Herring Legacy Estate Phase One 1st Amendment, according to the map or plat of record in Instrument Number 2021021037, Official Public Records of Real Property, Bell County, Texas .
>
> (collectively referred to herein as the "Property" and sometimes referred to as the "Subdivision"). Property and Subdivision specifically excludes Lot Twenty-two, Block Three (3).

B. Declaration.

The Property is subject to a number of publicly recorded documents, including the Declaration of Covenants, Conditions, and Restrictions of HERRING LEGACY ESTATES PROPERTY OWNERS' ASSOCIATION, INC., and of Herring Legacy Phase One, recorded or to be recorded in the Official Public Records of Bell County, Texas (the "Declaration").

C. Definitions.

Words and phrases defined in the Declaration have the same meanings when used in these Bylaws.

D. Declarant Control.

Notwithstanding anything to the contrary in these Bylaws, a number of provisions in these Bylaws are modified by Declarant's rights and reservations under these Bylaws or the Declaration during the Declarant Control Period and the Development Period, such as the number, qualification, appointment, removal, and replacement of directors, as well as the weight of votes allocated to Lots owned by Declarant.

E. Parties to Bylaws.

All present or future Lot Owners and all other persons who use or occupy the Property in any manner are subject to these Bylaws, the Declaration, and the other Governing Documents as

defined in the Declaration. The mere acquisition of a Lot or occupancy of a Lot's improvements will signify that these Bylaws are accepted, ratified, and will be strictly followed.

F. Type of Organization.

As an organization of Owners, the Association is created by the Declaration and these Bylaws. The Association is a nonprofit organization and may be incorporated or unincorporated.

G. Applicable Law.

The Association is a legal entity governed by the Texas Business Organizations Code (the "Code"). If the Association is not incorporated, it is an unincorporated nonprofit association subject to Chapter 252 of Title 6 of the Code, the Texas Uniform Unincorporated Nonprofit Association Act. If the Association is incorporated, it is a domestic nonprofit corporation subject to Chapter 22 of Title 2 of the Code, the Texas Nonprofit Corporation Law.

H. General Powers and Duties.

The Association, acting through the Board, has the powers and duties necessary for the administration of the affairs of the Association and for the operation and maintenance of the Property as may be required or permitted by the Governing Documents and applicable law. The Association may do any and all things that are lawful and which are necessary, proper, or desirable in operating for the best interests of its Members, subject only to limitations upon the exercise of such powers as may be contained in applicable law or the Governing Documents.

ARTICLE II. BOARD OF DIRECTORS

A. Number and Term of Office.

The Board will consist of three (3) persons. The number of directors may be changed by amendment of these Bylaws but may not be less than three (3) Upon election, each director will serve a term of two (2) years. A director takes office upon the adjournment of the meeting or balloting at which he is elected or appointed and, absent death, ineligibility, resignation, or removal, will hold office until his successor is elected or appointed.

B. Staggered Terms.

To establish staggered terms, the first election of directors will be held during the transition meeting following the expiration of the Declarant Control Period. At that first election, the two (2) candidates receiving the most votes will serve an initial term of two (2) years, and the remaining candidate(s) will serve an initial term of one (1) year. At the following election, the successor of the directors serving an initial 1-year term will serve a term of two (2) years. Thereafter, each director's successor will serve terms of two (2) years. If the Board is ever elected *en masse*, the same method will be used to re-establish staggered terms.

C. Qualification.

The following qualifications apply to the election or subsequent appointment of persons to the Board.

1. Owners.

At least a majority of the directors must be Members of the Association, spouses of Members, or residents of the Property. However, during any term following the expiration of the Declarant Control Period, directors may not be related within the third degree by consanguinity or affinity, as determined under Chapter 573 of the Texas Government Code.

2. Election of Board Members Once at Least 75% Lots Sold.

Regardless of the Declarant Control Period as provided in the Declaration, on or before the 120th day after the date 75% of the lots that may be created and made subject to the Declaration are conveyed to owners other than Declarant (or an entity owned or controlled by a principal of Declarant), at least one-third of the Board members must be elected by Members other than the Declarant. If the Declaration does not include the number of Lots that may be created and made subject to the Declaration, at least one-third of the Board members must be elected by Members other than the Declarant not later than the 10th anniversary of the date the Declaration was recorded.

3. Entity Member.

If a Lot is owned by a legal entity, such as a partnership or corporation, any officer, partner, agent, or employee of that entity member is eligible to serve as a director and is deemed to be a Member for the purposes of this ARTICLE II.C.3. If the relationship between the entity member and the director representing it terminates, that directorship will be considered vacant.

D. Election.

Beginning with the election held during the transition meeting following the expiration of the Declarant Control Period, directors will be elected by the Members of the Association. The election of directors will be conducted at the annual meeting of the Association, at any special meeting called for that purpose, or by any method permitted by applicable law, such as Section 22.160(d) of the Code, which may include, without limitation, mail, facsimile transmission, electronic mail, or a combination of any of these.

E. Vacancies.

Subject to the exceptions in these Bylaws, vacancies on the Board caused by any reason are filled by a vote of the Majority of the remaining directors, even though less than a quorum, at any meeting of the Board. Recommendations for such vacancies may be made by the president to the Board. Each director so elected serves until the next meeting of the Association, at which time a successor will be elected to fill the remainder (if any) of the term that was vacated. The exceptions to board-elected replacements are (1) the removal of a director by a vote of the Association's Members, who will elect a replacement, and (2) a vacancy occurring because of an increase in the number of directors, which also will be filled by election of the Members.

F. Removal of Directors.

1. Removal by Members.

At any annual meeting of the Association or at any special meeting of the Association called for the purpose of removing a director, any one or more of the directors may be removed with or without cause by Members representing at least two-thirds (2/3's) of the votes present in person or by proxy at the meeting, and a successor may then and there be elected to fill the vacancy thus created. Any director whose removal has been proposed by the Members must be given an opportunity to be heard at the meeting.

2. Removal by Directors.

A director may not be removed by the officers or by the remaining directors, except for the following limited reasons for which a director may be removed by at least a Majority of the other directors at a meeting of the Board called for that purpose:

a. The director is a party adverse to the Association, the board, or a committee of the Association in pending litigation to which the Association, board, or committee is a party, provided the Association did not file suit to effect removal of the director.

b. The director has refused or failed to attend three (3) or more meetings of the Board during the preceding twelve (12) months, provided he was given proper notice of the meetings.

c. In accordance with the provisions of the Texas Property Code, as amended.

3. No Removal by Officers.

A director may not be removed by officers of the Association, acting in their capacity of officers of the Association, under any circumstance.

G. Meetings of the Board.

1. Organizational Meeting of the Board.

Provided a quorum of the directors is present at the annual meeting of the Board, the directors will elect officers for the upcoming 12-month period. In the event a quorum of directors is not present at the annual meeting, within ten (10) days after such annual meeting of the Board, the directors will convene an organizational meeting for the purpose of electing officers. The time and place of the meeting will be fixed by the Board and announced to the directors.

2. Place of Board Meetings.

The Board will conduct its meetings at a location that is reasonably convenient for the greatest number of directors, and at a place or facility that is sufficiently large to accommodate the number of Owners who typically attend Board meetings as observers. The decision of where to meet may be made on a meeting by meeting basis by the President, and in the President's absence, by the officer or director who calls the meeting, by Board resolution, or by any other practice that is customary for property owners associations. The Board is not required (1) to conduct its meetings at the Property, (2) to maintain a fixed place for its meetings, (3) to select a location that is convenient to Owners, or (4) to select a facility that accommodates a larger number of spectator Members than is customary.

3. Types of Board Meetings.

Regular meetings of the Board may be held at a time and place that the Board determines, from time to time, but at least one such meeting must be held each calendar quarter, with or without notice. Special meetings of the Board may be called, with notice, by the president or, if he is absent or refuses to act, by the secretary, or by any two (2) directors. In case of emergency, the Board may convene an emergency meeting for the purpose of dealing with the emergency after making a diligent attempt to notify each director by any practical method.

4. Notice to Directors of Board Meetings.

Notice is not required for regular meetings of the Board, provided all directors have actual or constructive knowledge of the meeting date, time, and place. Notice of a special

meeting must be given at least one (1) day in advance of the meeting. If notice is given, it may be given by any method or combination of methods that is likely to impart the information to the directors.

5. Conduct of Meetings.

The president presides over meetings of the Board and the secretary keeps, or causes to be kept, a record of resolutions adopted by the Board and a record of transactions and proceedings occurring at meetings. When not in conflict with law or the Governing Documents, the then current edition of Robert's Rules of Order governs the conduct of the meetings of the Board.

6. Quorum.

At meetings of the Board, a majority of directors constitutes a quorum for the transaction of business, and the acts of the majority of the directors present at a meeting at which a quorum is present are the acts of the Board. If less than a quorum is present at a meeting of the Board, the Majority of those present may adjourn the meeting from time to time. At any reconvened meeting at which a quorum is present, any business that may have been transacted at the meeting as originally called may be transacted without further notice.

7. Minutes.

The written report of a Board meeting is not the minutes of the meeting until approved by the directors at a future meeting. The minutes must report actions taken by the Board but need not report the substance of discussion. The Board is not required to distribute minutes of its meetings to the Members but will make such minutes available to a Member for inspection and copying on the Member's written request.

8. Voting.

A director who is also an officer of the Association, even the presiding officer, is expected to participate and to vote in the manner of every other director. The president of the Association is not prohibited from voting and is not limited to tie-breaking votes. Directors may not participate by proxy at meetings of the Board.

9. Open Meetings.

Regular and special meetings of the Board are open to Members of the Association, subject to the following provisions to the extent permitted or required by applicable law:

a. No audio or video recording of the meeting may be made, except by the Board or with the Board's prior express consent.

b. Members who are not directors may not participate in Board deliberations under any circumstances and may not participate in Board discussions unless the Board expressly so authorizes at the meeting.

c. Executive sessions are not open to Members.

d. The Board may prohibit attendance by non-members, including representatives, proxies, agents, and attorneys of Members.

e. The Board may prohibit attendance by any member who disrupts meetings or interferes with the conduct of Board business.

10. Executive Session.

The Board may adjourn any regular or special meeting of the Board and reconvene in executive session, subject to the following conditions:

a. The nature of business to be considered in executive session will first be announced in open session.

b. No action may be taken nor decision made in executive session, which is for discussion and informational purposes only.

c. The limited purposes for which the Board may convene in executive session are (1) to confer with the Association's legal counsel, (2) to discuss litigation or resolution of claims with which the Association is threatened or involved, (3) to discuss contract negotiations, (4) to discuss labor or personnel matters, (5) to discuss enforcement actions or a complaint from or an alleged violation by an Owner when the Board determines that public knowledge would be injurious to the Owner, (5) on advice of counsel, to discuss matters of a particularly sensitive nature, or (6) matters that are to remain confidential by request of the affected parties and agreement of the board.

d. At the end of the executive session, the Board must return to the open meeting and announce the general nature of the business that was considered in executive session. Any vote, act, or decision that would have been made in executive session (but for this requirement) must be made in the open meeting and placed in the minutes of the open meeting, in general terms, without breaching privacy, privilege or confidentiality.

e. The Board is not required to make or maintain separate minutes of executive sessions.

11. Telephone Meetings.

Members of the Board or any committee of the Association may participate in and hold meetings of the Board or committee by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other. Participation in such meeting constitutes presence in person at the meeting, except where a person participates in the meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened.

H. Action Without Meeting.

Subject to restrictions set out in the Code and the Texas Property Code, any action required or permitted to be taken by the Board at a meeting may be taken without a meeting, subject to the following requirements:

1. Unanimous Consents.

If all directors individually or collectively consent in writing to such action, the written consents have the same force and effect as the unanimous approval of directors at a meeting.

2. Majority Consents.

If at least a Majority of the directors, individually or collectively, consent in writing to such action, the written consents have the same force and effect as approval by a Majority of the directors at a meeting. Prompt notice of the action so approved must be delivered to each non-consenting director.

3. Procedures.

Written consents must state the date of each director's signature. The required number of written consents must be received by the Association within 60 days after the date of the earliest dated consent. Written consents must be filed with the minutes of Board meetings. Additional procedures may be required by the Code or the Texas Property Code.

I. Powers and Duties.

Generally, the Board has all the powers and duties necessary for the administration of the Association and for the operation and maintenance of the Property. The Board may do all acts and things except those which, by applicable law or the Governing Documents, are reserved to the Members and may not be delegated to the Board. Without prejudice to the general and specific powers and duties set forth in applicable law or the Governing Documents, or powers and duties as may hereafter be imposed on the Board by resolution of the Association, the powers and duties of the Board include, but are not limited to, the following:

1. Appointment of Committees.

The Board, by resolution, may from time to time designate standing or ad hoc committees to advise or assist the Board with its responsibilities. The resolution may establish the purposes and powers of the committee created, provide for the appointment of a chair and committee members, and may provide for reports, termination, and other administrative matters deemed appropriate by the Board. Members of committees will be appointed from among the Owners and residents. The Board may not appoint a committee to act in its place in managing the affairs of the Association.

2. Manager.

The Board may employ a manager or managing agent for the Association, at a compensation established by the Board, to perform duties and services authorized by the Board.

3. Emergency Powers.

An emergency exists for purposes of this Section if a local, state, or national government or governmental entity declares a disaster or state of emergency in the area in which the Property is located or declares a state of war. In anticipation of, during, or in the aftermath of an emergency, the officers and directors may take or authorize any action they deem necessary or advisable to protect lives and property. A decision or action made in good faith under emergency conditions may not be used to impose liability on an officer, director, employee, or agent of the Association.

J. Fidelity Bonds.

Any person handling or responsible for Association funds, including officers, agents, and employees of the Association, may, at the discretion and request of the Board, furnish adequate fidelity bonds. The premiums on the bonds may be a common expense of the Association.

ARTICLE III. OFFICERS

A. Designation.

The principal officers of the Association are the president, the vice-president, the secretary, and the treasurer. The Board may appoint one or more vice-presidents and other officers and assistant officers as it deems necessary. The president and secretary must be directors. Other officers may, but need not, be Members or directors. Any two offices may be held by the same person, except the offices of president and secretary. If an officer is absent or unable to act, the Board may appoint a director or a committee to perform the duties of that officer and to act in place of that officer, on an interim basis.

B. Election of Officers.

The officers are elected no less than annually by the directors at the organizational meeting of the Board and hold office at the pleasure of the Board. Except for resignation or removal, officers hold office until their respective successors have been designated by the Board.

C. Removal and Resignation of Officers.

A majority of directors may remove any officer, with or without cause, at any regular meeting of the Board or at any special meeting of the Board called for that purpose. A successor may be elected at any regular or special meeting of the Board called for that purpose. An officer may resign at any time by giving written notice to the Board. Unless the notice of resignation states otherwise, it is effective when received by the Board and does not require acceptance by the Board. The resignation or removal of an officer who is also a director does not constitute resignation or removal from the Board.

D. Description of Principal Officers.

1. President.

As the chief executive officer of the Association, the president: (1) presides at all meetings of the Association and of the Board; (2) has all the general powers and duties which are usually vested in the office of president of an organization; (3) has general supervision, direction, and control of the business of the Association, subject to the control of the Board; and (4) sees that all orders and resolutions of the Board are carried into effect.

2. Vice-President.

The vice-president acts in place of the president in the event of the president's absence, inability, or refusal to act. The vice-president also exercises and discharges any duty required of the vice-president by the Board.

3. Secretary.

The secretary: (1) keeps the minutes of all meetings of the Board and of the Association; (2) has charge of such books, papers, and records as the Board may direct; (3) maintains a record of the names and addresses of the members for the mailing of notices; and (4) in general, performs all duties incident to the office of secretary.

4. Treasurer.

The treasurer: (1) is responsible for Association funds; (2) keeps full and accurate financial records and books of account showing all receipts and disbursements; (3) prepares all required financial data and tax returns; (4) deposits all monies or other

valuable effects in the name of the Association in depositories as may from time to time be designated by the Board; (5) prepares the annual and supplemental budgets of the Association; (6) reviews the accounts of the managing agent on a monthly basis in the event a managing agent is responsible for collecting and disbursing Association funds; and (7) performs all the duties incident to the office of treasurer.

E. Authorized Agents.

Except when the Governing Documents require execution of certain instruments by certain individuals, the Board may authorize any person to execute instruments on behalf of the Association. In the absence of Board designation, the president and the secretary are the only persons authorized to execute instruments on behalf of the Association.

ARTICLE IV. STANDARDS

A. Separate Liability.

The Association is a legal entity separate from its Members for the purposes of determining and enforcing rights, duties, and liabilities in contract and tort. Members, directors, and officers of the Association are not personally and individually liable for the Association's breach of a contract or for the Association's tort or omission merely because they are Members, directors, or officers of the Association. A Member has the right to assert a claim against the Association, and the Association has the right to assert a claim against a Member.

B. General Standards.

The general standards of duty for an officer or director of the Association are the State's standards for officers and directors of a nonprofit corporation, as stated in the Code as it may be amended. On the date of this document, Sections 22.221 and 22.235 of the Code provide the following standards:

1. Discharge Duties in Good Faith.

A director will discharge the director's duties in good faith, with ordinary care, and in a manner the director reasonably believes to be in the best interest of the Association.

2. Liability.

An officer or director is not liable to the Association, its Members, or another person for an action taken or not taken as a director if the director acted in compliance with the above-stated standard for discharging duties. A person seeking to establish liability of an officer or director must prove that the officer or director did not act (1) in good faith, (2) with ordinary care, and (3) in a manner the officer or director reasonably believed to be in the best interests of the Association.

C. Reliance.

An officer or director may rely on information prepared or presented by (1) an officer or employee of the Association, (2) an attorney licensed by the State of Texas, (3) a certified public accountant, (4) an investment banker, or (5) a person whom the officer or director reasonably believes to possess professional expertise in the matter, and (6) in the case of a director, a committee of the Association of which the director is not a member. Such reliance must be exercised in good faith and with ordinary care. An officer or director may not rely on such information if he has actual knowledge that makes the reliance unwarranted.

D. Compensation.

Except as permitted below, a director, officer, Member, or resident is not entitled to receive financial or monetary profit from the operation of the Association, and no funds or assets of the Association may be paid as salary or compensation to, or be distributed to, or inure to the benefit of a director, officer, Member, or resident. Nevertheless,

a. Reasonable compensation may be paid to a director, officer, Member, or resident for services rendered to the Association in other capacities.

b. A director, officer, Member, or resident may, from time to time, be reimbursed for his actual and reasonable expenses incurred on behalf of the Association in connection with the administration of the affairs of the Association, provided the expense has been approved by the Board.

c. The Board may budget and use Association funds to purchase awards, certificates, a celebratory meal, or other customary tokens or demonstrations of appreciation for volunteer activities.

d. This ARTICLE IV.D does not apply to distributions to Lot Owners permitted or required by the Declaration, applicable law, or a court order.

E. Loans.

The Association may not loan money to or guaranty a loan for an officer or director of the Association.

F. Conflict of Interests.

If a contract or transaction is fair to the Association, it is not disallowed merely because an officer, director, or Member of the Association has a financial interest in the transaction, provided (1) the "interested" officer, director, or Member fully and accurately discloses the nature of his interest to the Board in a manner that is timely for the Board's consideration of the contract or transaction, and (2) the "interested" officer or director does not participate in the vote to approve the contract or transaction, although the "interested" director may be counted toward a quorum at the meeting. Nothing in this Section may be construed to prevent the Board from adopting policies and procedures that are more stringent than the requirements of this Section, or of applicable law, such as Sections 1.003, 1.004, and 22.230 of the Code.

ARTICLE V. MEETINGS OF THE ASSOCIATION

A. Annual Meeting.

An annual meeting of the Association will be held during the first calendar quarter of each year. At annual meetings the Members will elect directors in accordance with these Bylaws and may also transact such other business of the Association as may properly come before them.

B. Special Meetings.

It is the duty of the president to call a special meeting of the Association if directed to do so by a majority of the Board or by one or more petitions signed by Members of the Association holding at least twenty percent (20%) of the votes of the Association. If the petition process is used, petitions may be in any form that is customary for the time. The Board may not require a specific form of petition, nor require that the petition be offered to every Member of the Association.

Signatures on petitions need not be notarized or witnessed. An electronic or faxed petition is acceptable if the "signer's" identity is reasonably discernible.

C. Place of Meetings.

Meetings of the Association may be held at the Property or at a suitable place convenient to the Members, as determined by the Board.

D. Notice of Meetings.

Subject to the provisions below, at the direction of the Board, written notice of meetings of the Association will be given to an Owner of each Lot in accordance with the provisions of Section 209.0051(e), Texas Property Code, as may be amended, (a) at least ten (10) days but not more than sixty (60) days prior to the meeting, by mailing the notice to each Member, or (b) at least seventy-two (72) hours before the start of the meeting, (i) by posting the notice in a conspicuous location and manner on the Association's common property or, with permission, on privately owned property within the Subdivision, or on the Association's website, or (ii) by emailing the notice to each Member who has registered an email address with the Association . Notices of meetings will state the date, time, and place the meeting is to be held. Notices will identify the type of meeting as annual or special and will state the particular purpose of a special meeting. Notices may also set forth any other items of information deemed appropriate by the Board.

1. Notice Exception.

Individual notice of the regular annual meeting of the Association is not required if (1) the time and place of the meeting is largely unchanged from year to year and (2) information about the time and place is routinely available to all Members, such as by year-long posting on the Association's official website or repetitive announcements in the Association's newsletter. This exception does not apply to special meetings of the Association, or to changes in the time and place of the regular annual meeting.

2. Special Meeting Notice.

Within thirty (30) days after the Board resolution or receipt of petition for a special meeting, the Board must give all Members notice of the special meeting. If the Board fails or refuses to call the special meeting in a timely manner, an ad hoc committee of Owners may do so provided the notice of meeting names the ad hoc committee and its individual members, and further provided that the notice is delivered to an Owner of every Lot in accordance with these Bylaws. The notice of any special meeting must state the time, place, and purpose of the meeting. No business, except the purpose stated in the notice of the meeting, may be transacted at a special meeting.

E. Record Date.

Before each meeting of the Association, the Board will establish a list of all Members for purposes of receiving a meeting notice and voting. These membership lists are described in the Association Records Article below. The "cut off" date on which these lists are based is referred to in the Code as the "Record Date." The Record Date for an Association meeting for which notice is given is ten (10) calendar days before the date the notice is distributed or published to the Members. The Record Date for an Association meeting for which no notice is given is forty-five (45) calendar days before the meeting.

F. Eligibility.

Every Member is entitled to receive notice of Association meetings, to attend Association meetings, and to be counted towards a quorum, even if the Member is ineligible to stand for election to the Board.

An Owner of each Lot in the Property as of the Record Date is eligible to receive notices of meetings of the Association. Because the ownership of Lots may change during a year, the ownership as of the Record Date is used to produce the membership list for use in connection with the meeting.

G. Quorum.

At any meeting of the Association, the presence in person or by proxy of Owners of at least twenty percent (20%) of the Lots in the Property constitutes a quorum. Members present at a meeting at which a quorum is present may continue to transact business until adjournment, notwithstanding the withdrawal, during the course of the meeting, of Members constituting a quorum.

H. Lack of Quorum.

If a quorum is not present at any meeting of the Association for which proper notice was given, (a) Members representing at least a majority of the votes present at the meeting, although not constituting a quorum, may vote to recess the meeting for not more than 24 hours in order to attain a quorum, provided the place of the meeting remains as stated in the notice, or (b) the meeting may be adjourned and a new meeting for the same purposes may be called and held, subject to proper notice, within 15 to 60 days of the adjourned meeting, at which re-called meeting the quorum requirement shall be one/half of the quorum required for the preceding adjourned meeting.

I. Votes.

The vote of more than half of all votes of all Owners or Members eligible to vote at the meeting binds all Members for all purposes, except when a higher percentage is required by these Bylaws, the Declaration, or by applicable law. Cumulative voting is prohibited.

1. Co-Owned Lots.

If a Lot is owned by more than one Member, the vote appurtenant to that Lot is cast as follows. If only 1 of the multiple Owners of a Lot is present at a meeting of the Association, that person may cast the vote allocated to the Lot. If more than 1 of the multiple Owners is present, the vote appurtenant to the Lot may be cast only in accordance with the Owners' unanimous agreement.

2. Entity-Owned Lots.

If a Lot is owned by an entity, such as a corporation or partnership, the vote appurtenant to that Lot may be cast by any officer, manager, or partner of the entity in the absence of the entity's written appointment of a specific person to exercise its vote. The person presiding over a meeting or vote may require reasonable evidence that a person voting on behalf of an entity is qualified to vote.

3. Association-Owned Lots.

A vote allocated to a Lot owned by the Association may be counted towards a quorum only and may not be voted.

4. Lots Owned by Declarant or Builders.

The Declaration may establish different voting rights for Lots owned by the Declarant.

J. Participation.

Members may participate in person, by proxy or by absentee or electronic ballot at meetings of the Association. A Member who participates is deemed "present" and may be counted towards a quorum, however, a Member who is present by absentee or electronic ballot will be deemed present and counted towards a quorum only for items appearing on the ballot, and may not be counted (a) on any vote if the Member attends the meeting to vote in person, or (b) on the final vote of a proposal if the motion is amended at the meeting to be different from the exact language on the absentee or electronic ballot .

K. Alternative Voting.

A Member may participate in the affairs of the Association through:

1. Power of Attorney or Other Authorization.

To be valid, the Member or the Member's agent or attorney-in-fact must provide a copy of (a) a legally binding Power of Attorney, signed and acknowledged by the Member, before a Notary Public, or (b) other legally binding authorization, signed by the Member(s), to the secretary, to the person presiding over the Association meeting or to a person or company designated by the Board Association. The Power of Attorney or other authorization must allow Member's agent or attorney-in-fact to perform any and all acts that the Member would normally do if the Member was present.

2. Proxies.

A Member may participate in the affairs of the Association through a power of attorney or through a proxy. To be valid, each proxy must (1) be signed and dated by a Member or his attorney-in-fact; (2) identify the Lot to which the vote is appurtenant; (3) designate the person or position (such as "presiding officer") in favor of whom the proxy is granted, such person having agreed to exercise the proxy; (4) identify the meeting for which the proxy is given; (5) not purport to be revocable without notice; and (6) be delivered to the secretary, to the person presiding over the Association meeting for which the proxy is designated, or to a person or company designated by the Board. Unless the proxy specifies a shorter or longer time, it terminates 11 months after the date of its execution. Perpetual or self-renewing proxies are permitted, provided they are revocable. To revoke a proxy, the granting Member must give actual notice of revocation to the person presiding over the Association meeting for which the proxy is designated. Unless revoked, any proxy designated for a meeting which is adjourned, recessed, or rescheduled is valid when the meeting reconvenes. A proxy delivered by email or by fax may be counted if any of the following occurs: (1) the proxy's authenticity can be confirmed to the reasonable satisfaction of the Board, (2) the proxy has been acknowledged or sworn to by the Member, before and certified by an officer authorized to take acknowledgments and oaths, or (3) the Association also receives the original proxy within 5 days after the vote.

3. Absentee or Electronic Ballot.

To be valid, (1) each absentee or electronic ballot must be given by email, facsimile or posting on the Association (or Association vendor) website; (2) the identity of the Member submitting the ballot can be confirmed; and (3) the Member may receive a

receipt of the electronic transmission and the ballot. An absentee ballot must include (a) each proposed action and an opportunity to vote for or against each proposed action; (b) instructions for delivery of the completed absentee ballot, and (c) the following language:

> "By casting your vote via absentee ballot you will forgo the opportunity to consider and vote on any action from the floor on these proposals, if a meeting is held. This means that if there are amendments to these proposals your votes will not be counted on the final vote on these measures. If you desire to retain this ability, please attend any meeting in person. You may submit an absentee ballot and later choose to attend any meeting in person, in which case any in-person vote will prevail."

L. Conduct of Meetings.

The president, or any person designated by the Board, presides over meetings of the Association. The secretary keeps, or causes to be kept, the minutes of the meeting which should record all resolutions adopted and all transactions occurring at the meeting, as well as a record of any votes taken at the meeting. The person presiding over the meeting may appoint a parliamentarian. The then current edition of Robert's Rules of Order governs the conduct of meetings of the Association when not in conflict with the Governing Documents. Votes should be tallied by tellers appointed by the person presiding over the meeting.

M. Order of Business.

Unless the notice of meeting states otherwise, or the assembly adopts a different agenda at the meeting, the order of business at meetings of the Association is as follows:

a. Determine votes present by roll call or check-in procedure;

b. Announcement of quorum;

c. Proof of notice of meeting;

d. Approval of minutes of preceding meeting;

e. Reports;

f. Election of directors (when required);

g. Unfinished or old business; and

h. New business.

N. Adjournment of Meeting.

At any meeting of the Association, a majority of the Members present at that meeting, either in person or by proxy, may adjourn the meeting to another time and place.

O. Action Without Meeting.

Subject to Board approval, any action which may be taken by a vote of the members at a meeting of the Association may also be taken without a meeting by written consents. The Board may permit Members to vote by ballots delivered by any method allowed by applicable law, which may include hand delivery, mail, fax, email, electronic balloting or any combination of these. Written consents by Members representing at least a majority of all votes held by all Members in the Association, or such higher percentage as may be required by the Governing Documents, constitutes approval by written consent. This Section may not be used to avoid the requirement of an annual meeting.

P. Meeting By Remote Communications.

Members of the Association may participate in and hold meetings of the Association by means of electronic town halls, conference telephone or similar communications equipment by means of which all persons participating in the meeting can communicate concurrently, or a combination of the above. Participation in the meeting constitutes presence in person at the meeting, except where a person participates in the meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened. By acquiring an interest in a Lot, each Owner automatically consents to the use of communication technology to effect meetings of the Association.

ARTICLE VI. RULES

A. Rules.

The Board has the right to establish and amend, from time to time, reasonable rules and regulations for: (1) the administration of the Association and the Governing Documents;(2) the maintenance, management, operation, use, conservation, and beautification of the Property; and (3) the health, comfort, and general welfare of the occupants; provided, however, that such rules may not be in conflict with applicable law or the Governing Documents. The Board will, at all times, maintain the then current and complete rules in a written form which can be copied and distributed to the members.

B. Adoption and Amendment.

Any rule may be adopted, amended, or terminated by the Board, provided that the rule and the requisite Board approval are properly recorded as a resolution in the minutes of the meeting of the Board.

C. Notice and Comment.

At least 10 days before the effective date, the Board will give written notice to an Owner of each Lot of any amendment, termination, or adoption of a rule, or will publish same in a newsletter, on the Association's website, or in any form or medium that is circulated or available to the Members. The Board may, but is not be required, to give similar notice to occupants of the improvements located on a Lot who are not Members. Any Member or occupant so notified has the right to comment orally or in writing to the Board on the proposed action.

D. Distribution.

On request from any Member or occupant, the Board will provide a current and complete copy of rules. Additionally, the Board will, from time to time, distribute copies of the current and complete rules to Owners and, if the Board so chooses, to non-member occupants.

ARTICLE VII. ENFORCEMENT

A. Actions Requiring Notice and Hearing.

Before taking any of the below-described actions, the Association must give written notice and an opportunity for a hearing according to the requirements of this Article and the notice and hearing requirements of applicable law, such as Chapter 209 Texas Property Code. The following actions by or with the approval of the Board, the Association, or the ARC, require notice and hearing as provided by this Article:

a. Imposition of a fine for violation of any provision of the Governing Documents, other than fees, interest or collection fees charged for delinquent accounts;

b. Charging an Owner or a Lot for property damage; and

c. Filing suit against an Owner other than a suit related to the collection of assessments or foreclosure of the Association's assessment lien.

B. Notice.

The required written notice must contain (1) the date the violation notice is prepared or mailed; (2) a statement that not later than the 30th day after the date the Owner receives the notice, the Owner may request a hearing to discuss and verify facts and resolve the matter in issue, pursuant to this Article and applicable law, such as Section 209.007 Texas Property Code; (3) a statement of how or where the request for hearing should be made or delivered; (4) a statement that if the hearing is before a committee or anybody other than the Board, the Owner has the right to appeal the decision to the Board by written notice to the Board; (5) a statement that the Owner may be liable for reimbursement of attorneys fees and costs if the violation continues or the damage is not paid by a stated date; and (6) the following contents applicable to violations or damage claims, as the case may be:

1. Notice of Violation.

In the case of a violation of a provision of the Governing Documents, the written notice must also contain the following: (1) a description of the violation; (2) a reference to the rule or provision of the Governing Documents that is being violated, if applicable; (3) a description of the action required to cure the violation; (4) the amount of the fine or charge to be levied; (5) unless the Owner was given notice and a reasonable opportunity to cure a similar violation within the preceding 6 months, a statement that the Owner may avoid the fine or suspension by curing the violation in a reasonable period of time, which may be specified in the notice.

2. Notice of Damage.

In the case of property damage for which the Association seeks reimbursement or imposition of a charge on the Owner or the Lot, the written notice must also contain (1) a description of the property damage and (2) the amount of the Association's claim against the Owner or the Lot.

3. Notice to Resident.

In addition to giving the violation notice to the Owner, the Board may also give a copy of the notice to the non-member occupant, if the Board deems it appropriate.

4. Receipt of Notice.

Unless Applicable Law provides otherwise, any notice given to an Owner pursuant to this Article will be deemed received by the Owner (1) on personal delivery to the Owner or to a person at the Owner's address, or (2) on confirmation of the delivery through a U.S. Postal Service tracking receipt, addressed to the Owner at the most recent address shown on the Association's records, or (3) on the third business day after the notice is deposited with the U.S. Postal Service, addressed to the Owner at the most recent address shown on the Association's records, whether or not the Owner actually receives the notice.

C. Hearing.

1. Request for Hearing.

To request a hearing, an Owner must submit a written request within 30days after receiving the Association's written notice. Within 10 days after receiving the Owner's request for a hearing, and at least 10 days before the hearing date, the Association will give the Owner notice of the date, time, and place of the hearing. If the Association or the Owner requests a postponement of the hearing, the hearing will be postponed for up to 10 days. Additional postponements may be granted by agreement of the parties.

2. Pending Hearing.

Pending the hearing, the Board may continue to exercise the Association's other rights and remedies for the violation, as if the declared violation were valid. The Owner's request for a hearing suspends only the action described in the Association's written notice.

3. Attendance.

The hearing may be held with or without the presence of the Owner or the Owner's representative.

4. Hearing.

The hearing may be held in a closed or executive session of the Board. At the hearing, the Board will consider the facts and circumstances surrounding the violation. The Owner may attend the hearing in person, or may be represented by another person or written communication.

5. Minutes of Hearing.

The minutes of the hearing must contain a statement of the results of the hearing and the amount of fine or charge, if any, imposed, or abatement or suspension action, if any, authorized. A copy of the notice and request for hearing should be placed in the minutes of the hearing. If the Owner appears at the hearing, the notice requirement will be deemed satisfied.

D. Actions Exempt From Notice and Hearing Requirements.

As a general rule, every action other than the above-described actions requiring notice and hearing are impliedly exempt from the requirements of this Article. As permitted by applicable law, such as Section 209.007 of Texas Property Code, the following actions are expressly exempt:

a. A lawsuit in which the Association seeks a temporary restraining order or temporary injunctive relief;

b. A lawsuit filed by the Association that includes foreclosure as a cause of action; and

c. The collection of delinquent assessments.

E. Imposition of Fine.

Within 30 days after levying the fine or authorizing the abatement, the Board must give the Owner notice of the levied fine or abatement action. If the fine or action is announced at the

hearing at which the Owner is actually present, the notice requirement will be satisfied. Otherwise, the notice must be in writing.

1. Amount.

The Board may set fine amounts on a case by case basis, provided the fine is reasonable in light of the nature, frequency, and effects of the violation. The Board may establish a schedule of fines for certain types of violations. The amount and cumulative total of a fine must be reasonable in comparison to the violation. If the Board allows fines to accumulate, it may establish a maximum amount for a particular fine, at which point the total fine will be capped.

2. Type of Fine.

If the violation is ongoing or continuous, the fine may be levied on a periodic basis (such as daily, weekly, or monthly). If the violation is not ongoing, but is instead sporadic or periodic, the fine may be levied on a per occurrence basis.

3. Other Fine-Related.

The Association is not entitled to collect a fine from an Owner to whom it has not given notice and an opportunity to be heard. The Association may not charge interest on unpaid fines. The Association may not foreclose its assessment lien on a debt consisting solely of fines.

F. Reimbursement of Expenses and Legal Fees.

In addition to any other rights set forth in the Governing Documents for violation of a provision of the Governing Documents, the Board may levy and collect individual assessments for reimbursement of reasonable fees and expenses, including without limitation legal fees, incurred by the Association to enforce the Governing Documents, including the collection of delinquent assessments, subject to the following conditions:

1. Notice.

The Association must give the Owner written notice that the Owner will be liable for reimbursement of any such fees and expenses incurred by the Association if the delinquency or violation continues after a date certain that is stated in the notice. This notice requirement does not apply to legal fees incurred by the Association in connection with the Association's counterclaim in a lawsuit to which an Owner is a plaintiff.

2. Hearing.

If legal fees are incurred by the Association for an action requiring notice and hearing, the Owner is not liable for reimbursement of legal fees incurred (1) before the date by which the Owner must request a hearing, if the Owner does not request a hearing, or (2) before conclusion of the hearing, if the Owner does request a hearing.

3. Records.

By written request, an Owner may obtain from the Association copies of any invoices for charges, including legal fees, for which the Association seeks reimbursement.

4. Foreclosure.

The foreclosure of any Lot for the nonpayment of assessments will be conducted, judicially, in accordance with the Texas Property Code, as amended.

G. Additional Enforcement Rights.

Notwithstanding the notice and hearing requirement, the Board may take immediate and appropriate action, without giving the notices required in this Article, against violations of the Governing Documents which, in the Board's opinion, are (1) self-evident, such as vehicles parked illegally or in violation of posted signs; (2) threatening to life or property; or (3) repeat violations of the same provision by the same Owner to whom prior notices and demands have been given for the same violation. Further, the provisions of this Article do not apply to specific remedies provided in the Governing Documents for certain violations, such as nonpayment of assessments.

ARTICLE VIII. OBLIGATIONS OF THE OWNERS

A. Proof of Ownership

Except for those Owners who initially purchase a Lot from Declarant, any person, on becoming an Owner of a Lot, must furnish to the Board evidence of ownership in the Lot, which copy will remain in the files of the Association. A copy of the recorded deed is the customary evidence. The Association may refuse to recognize a person as a Member unless this requirement is first met. This requirement may be satisfied by receipt of a Board-approved form that is completed and acknowledged by a title company or attorney at time of conveyance of the Lot or any interest therein.

B. Owners' Information.

Within 30 days after acquiring an ownership interest in a Lot, the Owner must provide the Association with the Owner's mailing address, telephone number, if any; the name and telephone number of any occupant other than the Owner; and the name, address, and telephone number of any person managing the Lot as agent of the Lot Owner. An Owner must notify the Association within 30 days after he has notice of a change in any information required by this Section, and must provide the information on request by the Association from time to time.

C. Mailing Address.

The Owner or the several co-owners of a Lot must register and maintain one mailing address to be used by the Association for mailing of notices, demands, and all other communications. If an Owner fails to maintain a current mailing address with the Association, the address of the Owner's Lot is deemed to be his mailing address.

D. Registration of Mortgages.

Within 30 days after granting a lien against his Lot, the Owner must provide the Association with the name and address of the holder of the lien and the loan number. The Owner must notify the Association within 30 days after he has notice of a change in the information required by this Section. Also, the Owner will provide the information on request by the Association from time to time.

E. Assessments.

All Owners are obligated to pay assessments imposed by the Association to meet the common expenses as defined in the Declaration.

F. Compliance with Documents.

Each Owner will comply with the provisions and terms of the Governing Documents, and any amendments thereto. Further, each Owner will always endeavor to observe and promote the cooperative purposes for which the Property was established.

ARTICLE IX. ASSOCIATION RECORDS

A. Inspection of Books and Records.

Books and records of the Association will be made available for inspection and copying pursuant to applicable law, such as Section 22.351 of the Code and Section 209.005 Texas Property Code.

1. Proper Purpose

The Board may require a Member to submit a written demand for inspection, stating the purpose for which the Member will inspect the books and records. The Board has the following rights:

a. to determine whether the Member's purpose for inspection is proper;

b. to deny the request if the Board determines that the Member's purpose is not proper; and

c. if granting the request, to identify which books and records are relevant to the Member's stated purpose for inspection.

2. Copies.

A Member, at Member's expense, may obtain photocopies of books and records for which the Board grants the right of inspection. The Board has the right to retain possession of the original books and records, to make copies requested by the Member, and to charge the member a reasonable fee for copying.

3. Member's Agent.

A Member's inspection of the books and records may be assisted or performed by the Member's agent, accountant, or attorney.

4. Records of Attorneys and Accountants.

The files and records of an attorney or accountant who performs services for the Association are not records of the Association, are not subject to inspection by Members, and are not subject to production in a legal proceeding.

B. Resale Certificates.

Any officer may prepare, or cause to be prepared, assessment estoppel certificates or resale certificates pursuant to applicable law, such as Chapter 207 of the Texas Property Code, titled Disclosure of Information by Property Owners Association. The Association may charge a reasonable fee for preparing such certificates, and may refuse to furnish such certificates until the fee is paid. Any unpaid fees may be assessed against the Lot for which the certificate is furnished. The Association may delegate the responsibility for a resale certificate to its managing agent, if any.

C. Management Certificate.

As required by applicable law, and under Section 209.004 of the Texas Property Code, the Association will maintain a current management certificate in the county's public records. When the Association has notice of a change in any information in the recorded certificate, the Association will prepare a restated or amended certificate and deliver it to the county clerk for filing. Absent gross negligence, the Association is not liable for a delay or failure to record a certificate. The Association may delegate the responsibility for a management certificate to its managing agent, if any.

D. Membership List.

The Board must maintain a comprehensive list of Association members for compliance with the Code as well as the Governing Documents. The Association must make the membership list available to any Owner on written request, and may charge a reasonable fee for cost of copying and delivering the owners list.

1. Types of Information.

At a minimum, the Association must maintain for each Lot the name and mailing address of at least one Owner, and a description of the Lot owned (if different from the mailing address). The Association may also maintain, as an Association record, additional contact information for Owners, such as phone numbers, fax numbers, email addresses, places of employment, emergency contact information, mortgage information, and any other items of information provided by Owners or obtained by the Association.

2. Source of Ownership Information.

In compiling the ownership or membership list, the Association may rely on any combination of (1) public records, such as tax rolls, (2) documentation provided by title insurance companies, (3) self-reporting by Owners and occupants of any improvements located on a Lot, and (4) any other reasonably reliable and customary source of ownership information. The requirement of maintaining ownership records may not be construed to require the Association to affirmatively investigate or research title to a Lot.

3. Information Available to Members.

Membership information to be maintained by the Association is similar to what is typically available to the public on the website of the appraisal district, and may not be considered confidential, private, or protected information as between the Association and its Members. Neither the Association nor a Member of the Association may sell or otherwise market the Association's membership information without the express prior consent of the Owners. Each Owner, by acquiring an ownership interest in a Lot, acknowledges that the Owner's contact information is a record of the Association that is available to all Members of the Association and will be treated in accordance with the Association's privacy policy.

4. Inspection List.

In accordance with applicable law, the Association will prepare a list of Owners of all Lots in the Property for inspection by the Members prior to the meeting. The purpose of the list is to enable Members to communicate with each other about the meeting. The inspection list must be available for inspection by the Members from the second business day after the date notice of the meeting is given until adjournment of the meeting for which it was prepared. The list may be inspected or copied by an Owner or the Owner's attorney or agent. The inspection list must have the following characteristics:

a. The list must be in alphabetical order of Owners' surnames, or in numerical order of street addresses;

b. The list must contain the name of at least one Owner of each Lot, or an indication that the current ownership cannot be determined and the identity of the last known Owner;

c. The list must contain an address for each Member;

d. The list must identify how many Lots are owned by each Owner, if that cannot otherwise be determined from the list;

e. If all Lots do not have uniform votes, such as Lots owned by Declarant during the Development Period, the list must identify the number or weight of votes attached to each Lot; and

f. The list must identify which Owners or Lots are ineligible to vote at the meeting due to a disqualifying condition, if any.

ARTICLE X. NOTICES

A. Co-Owners.

If a Lot is owned by more than one person, notice to one co-owner is deemed notice to all co-owners. Similarly, notice to one occupant of a Lot is deemed notice to all occupants of the Lot.

B. Delivery of Notices.

Any written notice required or permitted by these Bylaws may be given personally, by mail, by fax, by email, or by any other method permitted by applicable law, such as the Texas Business Organizations Code. If mailed, the notice is deemed delivered when deposited in the U.S. mail addressed to the Member at the address shown on the Association's records. If transmitted by fax or email, the notice is deemed delivered on successful transmission of the facsimile or electronic correspondence. The notice must be sent to the party's last known address as it appears on the records of the Association at the time of transmission. If an Owner fails to give the Association an effective address, the notice may be sent (1) to the address of the Owner's Lot and/or (2) to the Owner's address shown on the then-current property tax rolls for the Lot. If the Association properly transmits the notice, the Owner is deemed to have been given notice whether or not he actually receives it.

C. Waiver of Notice.

Whenever a notice is required to be given to an Owner, Member, or director, a written waiver of the notice, signed by the person entitled to the notice, whether before or after the time stated in the notice, is equivalent to giving the notice. Attendance by a Member or director at any meeting of the Association or Board, respectively, constitutes a waiver of notice by the Member or director of the time, place, and purpose of the meeting. If all Members or directors are present at any meeting of the Association or Board, respectively, no notice is required, and any business may be transacted at the meeting.

D. Email Registration.

Should an Owner wish to receive any and all email notifications of annual and special meetings of members of the Association, it is the owner's sole responsibility to register his/her email address with the Association and to continue to keep the registered email address updated and current with the Association. In order to register an email address, the owner must provide their name, address, phone number and email address through the method provided on the Association's website, if any, and/or to the official contact information provided by the Association for the manager.

An Owner may not receive email notification or communication of annual or special meetings of members of the Association should the owner fail to register his/her email address with the Association and/or properly and timely maintain an accurate email address with the Association. Correspondence to the Association and/or Association manager from an email address or by any

method other than the method described above will not be considered sufficient to register such email address with the Association.

ARTICLE XI. INDEMNIFICATION

A. General.

The purpose of this Article is to mandate some of the permissive provisions of Chapter 8 of the Code, and to indemnify Association Leaders whether or not the Association is incorporated at the time indemnification is needed. The definitions of Chapter 8 of the Code are hereby incorporated by reference, without regard to the corporate status of the Association. As used in this Article, "Association Leader" means a person who is a current or former officer or director of the Association, or a current or former committee chair or committee member of the Association.

B. Mandatory Indemnification.

The Association will indemnify an Association Leader who was, is, or is threatened to be made a named defendant or respondent in a proceeding because the person is or was an Association Leader, if the following determinations are made.

1. Determinations.

It must be determined that the person acted in good faith, and that:

a. the person reasonably believed (1) in the case of conduct in the person's official capacity, that the person's conduct was in the Association's best interest, or (2) in any other case, that the person's conduct was not opposed to the Association's best interests;

b. in the case of a criminal proceeding, the person did not have a reasonable cause to believe the person's conduct was unlawful;

c. with respect to expenses, the amount of expenses other than a judgment is reasonable; and

d. indemnification should be paid.

2. Effect of Proceeding Termination.

A person does not fail to meet the determination standard solely because of the termination of a proceeding by judgment, order, settlement, conviction, or a plea of nolo contendere or its equivalent.

3. How Determinations Are Made.

If all of the directors are disinterested and independent, as defined in the Code, the determinations required under this Section will be made by a special legal counsel selected by the Board. Otherwise, the determinations will be made by a vote representing more than half of all votes of all Members of the Association, other than Lots owned by persons who are not disinterested and independent as defined in the Code, or by a special legal counsel selected by those Owners.

C. Exceptions to Mandatory Indemnification.

A person who is found liable to the Association or is found liable because the person improperly received a personal benefit is not entitled to indemnification under this Article if, in a legal proceeding, the person has been found liable for (1) willful or intentional misconduct in the

performance of the person's duty to the Association, (2) breach of the person's duty of loyalty owed to the Association, or (3) an act or omission not committed in good faith that constitutes a breach of a duty owed by the person to the Association. In all other instances, indemnification of a person who is found liable to the Association is limited to reasonable expenses actually incurred by the person in connection with the proceeding, excluding a judgment, a penalty, a fine, or any other type of sanction. A person indemnified by the Association is considered to have been found liable in relation to a claim, issue, or matter only if the liability is established by an order, including a judgment or decree of a court, and all appeals of the order are exhausted or foreclosed by Applicable Law.

D. Expenses.

The indemnification provided by this Article covers reasonable expenses and costs, such as legal fees, actually and necessarily incurred by the indemnified person in connection with a qualified claim.

1. Advancement of Expenses.

The Association may pay or reimburse reasonable expenses incurred by an indemnified person who was, is, or is threatened to be made a respondent in a proceeding in advance of the final disposition of the proceeding without making the determinations required under the Section above titled "Mandatory Indemnification," after the Association receives a written affirmation by the person of the person's good faith belief that the person has met the standard of conduct necessary for indemnification under this Article, and a written undertaking by or on behalf of the person to repay the amount paid or reimbursed if the final determination is that the person has not met that standard or that indemnification is prohibited by this Article. The required written undertaking must be an unlimited general obligation of the person but need not be secured and may be accepted by the Association without regard to the person's ability to make repayment.

2. Witness Expenses.

The Association may pay or reimburse reasonable expenses incurred by an Association Leader, Member, employee, agent, or other person in connection with that person's appearance as a witness or other participation in a proceeding at a time when the person is not a respondent in the proceeding.

E. Indemnification of Other Persons.

Subject to the same limitations, determinations, and exceptions for Association Leaders, the Association may indemnify and advance expenses to a person who is not otherwise covered by this Article's indemnification as provided by (1) a provision in a Governing Document of the Association, (2) a contract to which the Association is a party, (3) common law, (4) a Board resolution, or (5) a resolution approved by the Association's Members. A person indemnified under this Section may seek indemnification or advancement of expenses from the Association to the same extent that an Association Leader may seek indemnification or advancement of expenses under this Article.

ARTICLE XII. DECLARANT PROVISIONS

A. Conflict.

The provisions of this Article control over any provision to the contrary elsewhere in these Bylaws.

B. Board of Directors.

During the Declarant Control Period, the initial directors will be appointed by Declarant and need not be Owners or occupants of any improvements on a Lot. Directors appointed by Declarant may not be removed by the Owners and may be removed by Declarant only. Declarant has the right to fill vacancies in any directorship vacated by a Declarant appointee. Provided, however, that on or before the 120th day after the date 75% of the lots that may be created and made subject to the Declaration are conveyed to owners other than Declarant (or an entity owned or controlled by a principal of Declarant), at least one-third of the Board members must be elected by Members other than the Declarant. If the Declaration does not include the number of Lots that may be created and made subject to the Declaration, at least one-third of the Board members must be elected by Members other than the Declarant not later than the 10th anniversary of the date the Declaration was recorded.

C. Transition Meeting.

Within 60 days after the end of the Declarant Control Period, or sooner at Declarant's option, Declarant will call a meeting of the Members of the Association for the purpose of electing directors, by ballot of Members. Notice of the transition meeting will be given as if it were notice of an annual meeting.

ARTICLE XIII. AMENDMENTS TO BYLAWS

A. Authority.

Although the general authority for amending the Bylaws resides with the Members of the Association, certain amendments may be made by the Board or by Declarant, without a vote of the Members.

1. Amendments by Board.

For the following limited purposes, the Board may amend these Bylaws with or without approval by the Members, provided the proposed amendment has the prior unanimous approval of the directors: (1) to correct mistakes in the Bylaws, (2) to conform the Bylaws to changes in controlling law applicable to any topic addressed in these Bylaws, (3) to change the name of the Association, and (4) to restate previously amended Bylaws for the sole purpose of incorporating the amendments into the body of the Bylaws.

2. Amendments by Declarant.

During the Development Period, Declarant may amend these Bylaws with or without approval by the Board or the Members, for any purpose.

3. Amendments by Members.

All other amendments of these Bylaws must be approved by the Members according to the terms of this Article.

B. Amendments by Members.

1. Proposal.

The Association will provide or make available to an Owner of each Lot with a description, if not exact wording, of any proposed amendment. The proposed amendment, description of the proposed amendment, or instructions for obtaining a copy of the proposed amendment at no cost will be included in the notice of any annual or special meeting of the Association at which the proposed amendment is to be considered.

2. Consents.

Subject to the following limitation, an amendment of these Bylaws must be approved by a vote of more than half of all votes of all Members. This Section, however, may not be amended without the approval of a Majority of Members.

C. Effective.

To be effective, an amendment must be in the form of a written instrument (1) referencing the name of the Property, the name of the Association, and the recording data of these Bylaws and any amendments hereto; (2) signed and acknowledged by at least one officer of the Association, certifying the requisite authority and/or approvals; and (3) recorded in the Official Public Records of Bell County, Texas. An amendment may be effective immediately if adopted at an Association meeting by a vote of more than half of all votes of all Members. Otherwise, an amendment is not effective until 10 days after an owner of each Lot is notified of the amendment and provided with a copy of the amendment or instructions for obtaining a copy.

D. Mortgagee Protection.

If a provision in a Governing Document or applicable law requires notices to and consent of mortgagees for certain actions and amendments, the Association must give the required notices to and obtain the required approvals from applicable mortgagees.

E. Declarant Protection.

During the Development Period, no amendment of these Bylaws may affect Declarant's rights herein without Declarant's written and acknowledged consent. Specifically, this Section, the article titled "Declarant Provisions," and the sections titled "Declarant Control" and "Drafter's Intent" may not be amended during the Development Period without prior written approval of Declarant. Declarant's written consent must be part of the amendment instrument.

ARTICLE XIV. GENERAL PROVISIONS

A. Drafter's Intent.

Because Declarant intends these Bylaws to serve the Association for many years beyond the initial development, construction, and marketing of the Property, Declarant purposefully did not draft these Bylaws from its own perspective. Instead, as a courtesy to future users of these Bylaws, Declarant compiled most of the Declarant-related provisions in 'Declarant's Rights and Reservations' of the Declaration. Although Declarant is initially an Owner and a Member of the Association, Declarant is intentionally exempt from a number of obligations that apply to other Owners, and has a number of rights that other Owners do not have. These Bylaws are to be construed liberally to give effect to the drafter's intent of favorable and preferential treatment of Declarant.

B. Conflicting Provisions.

If any provision of these Bylaws conflicts with any provision of the applicable laws of the State of Texas, the conflicting Bylaws provision is null and void, but all other provisions of these Bylaws remains in full force and effect. If a provision of the Association's certificate of formation or Articles of Association conflicts with these Bylaws, the certificate of formation or Articles controls. In the case of any conflict between the Declaration and these Bylaws, the Declaration controls.

C. Severability.

Whenever possible, each provision of these Bylaws will be interpreted in a manner as to be effective and valid. Invalidation of any provision of these Bylaws, by judgment or court order, does not affect any other provision which remains in full force and effect.

D. Construction.

The effect of a general statement is not limited by the enumerations of specific matters similar to the general. The captions of articles and sections are inserted only for convenience and are in no way to be construed as defining or modifying the text to which they refer. The singular is construed to mean the plural, when applicable, and the use of masculine or neuter pronouns includes the feminine.

E. Fiscal Year.

The fiscal year of the Association will be set by resolution of the Board, and is subject to change from time to time as the Board determines. In the absence of a resolution by the Board, the calendar year is the fiscal year.

F. Waiver.

No restriction, condition, obligation, or covenant contained in these Bylaws may be deemed to have been abrogated or waived by reason of failure to enforce the same, irrespective of the number of violations or breaches thereof which may occur.

G. Preparer.

These Bylaws were prepared in the law offices of Baird, Crews, Schiller & Whitaker, P.C., Attn: Juli A. Bryan, 15 North Main Street, Temple, Texas 76501.

As the Declarant of Herring Legacy Phase One and the initial member of HERRING LEGACY ESTATES PROPERTY OWNERS' ASSOCIATION, INC., I certify that the foregoing Bylaws of HERRING LEGACY ESTATES PROPERTY OWNERS' ASSOCIATION, INC. were adopted for the benefit of the Association by the initial Board of Directors of HERRING LEGACY ESTATES PROPERTY OWNERS' ASSOCIATION, INC. at the organization meeting of the Board called by a majority of the Directors for the purpose of adopting these Bylaws.

SIGNED on July 6, 2021.

HERRING LEGACY ESTATES, LLC,
A Texas Limited Liability Company, Declarant

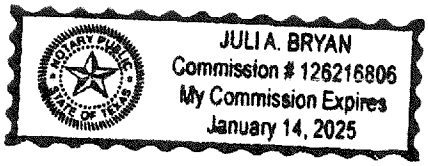
By: _____
James Herring, Manager

ACKNOWLEDGMENT

State of Texas
County of Bell

This instrument was acknowledged before me on July 6, 2021, by James Herring in his capacity as Manager of HERRING LEGACY ESTATES, LLC, a Texas limited liability company, on behalf of said limited liability company.

Juli A Bryan
Notary Public, State of Texas



PREPARED IN THE LAW OFFICE OF:
Baird, Crews, Schiller & Whitaker, P.C.
Attn: Juli A. Bryan/sma
15 North Main Street
Temple, Texas 76501
www.bcswlaw.com

ATTACHMENT 3
GUIDELINES FOR ALTERNATIVE PAYMENT PLANS

After Recording, Return To
Baird, Crews, Schiller & Whitaker, P.C.
Attn: Juli A. Bryan
15 N. Main Street
Temple, Texas 76501

GUIDELINES FOR ALTERNATIVE PAYMENT PLANS
FOR
HERRING LEGACY ESTATES PROPERTY OWNERS' ASSOCIATION, INC.,
A Texas Nonprofit Property Owners' Association
[pursuant to Texas Property Code, Section 209.0062]

Effective Date:	October 6, 2021
Property Owners' Association:	HERRING LEGACY ESTATES PROPERTY OWNERS' ASSOCIATION, INC., a Texas nonprofit property owners' association
Property Owners' Association Address:	1507 W. Stan Schlueter Loop, Suite 103 Killeen, Texas 76549
Subdivision:	HERRING LEGACY PHASE ONE

Payment Plan Guidelines:

A. A member of the Association who is delinquent in the payment of any regular or special assessments, or any other amounts owed to the Association (collectively, "Delinquent Payments"), shall be entitled to enter into a payment plan with the Association providing for an alternative payment schedule by which the member may make partial payments to the Association for Delinquent Payments (each, a "Payment Plan"). Each such Payment Plan shall be in accordance with terms of these Payment Plan Guidelines and the requirements of Section 209.0062 of the Texas Property Code (the "Code"). Notwithstanding the foregoing, or any provision herein to the contrary, the Board of Directors of the Association, in its discretion, may elect to not allow a Payment Plan for any member of the Association who has failed to honor the terms of a previous payment plan with the Association during the two (2) years following the member's default under the previous Payment Plan.

B. There shall be three (3) Payment Plans available as follows:

1. Members owning Delinquent Payments to the Association totaling $600 or less shall be entitled to pay all Delinquent Payments and any "Payment Plan Administrative Charges" (as defined below) owed in equal monthly installments over a period of six (6) months.

2. Members owing Delinquent Payments to the Association totaling $601-$1200 shall be entitled to pay all Delinquent Payments and any "Payment Plan Administrative Charges" (as defined below) owned in equal monthly installments over a period of twelve (12) months.

3. Members owing Delinquent Payments to the Association totaling $1201 or more shall be entitled to pay all Delinquent Payments and any "Payment Plan Administrative Charges" (as defined below) owed in equal monthly installments over a period of eighteen (18) months.

C. Under any Payment Plan, in addition to the Delinquent Payments due and payable thereunder, the Association shall also be entitled to recover all interest due and payable on the member's Delinquent Payments (which interest shall continue to accrue on all Delinquent Payments in accordance with applicable provisions of the Association's governing documents), as well as the Association's reasonable costs associated with administering the Payment Plan (collectively, the "**Payment Plan Administrative Charges**").

D. Each Payment Plan shall be evidenced in writing by an agreement executed by both the member and an authorized representative of the Association. Such writing shall specify the total amount of Delinquent Payments owed, the total amount of Payment Plan Administrative Charges, and the period of repayment under the Payment Plan.

E. Each payment due under any Payment Plan shall be due on or before the (1st) day of each month during the pendency of the Payment Plan.

F. Any payment made pursuant to a Payment Plan which is returned for insufficient funds, and any payment which is received after the due day thereof, shall constitute a material breach of the Payment Plan, in which even the Payment Plan shall terminate, and all unpaid amounts subject to the Payment Plan shall immediately become due and payable in full.

Application of Payments Schedule:

A. In accordance with the terms of Section 209.0063 of the Code, except for payments made to the Association by members who are in default under any Payment Plan with the Association, a payment received by the Association from a member shall be applied to the member's debt in the following order of priority: (1) any delinquent assessment; (2) any current assessment; (3) any attorney's fees or third party collection costs incurred by the Association associated solely with assessments or any other charge that could provide the basis for foreclosure; (4) any attorney's fees incurred by the Association that are not subject to subparagraph (3); (5) any fines assessed by the Association; and (6) any other amounts owed to the Association.

B. Any payments received by the Association from a member of the Association who is in default under any Payment Plan with the Association shall be applied to the member's debt in the following alternative order of priority: (1) any attorney's fees or third party collection costs incurred by the Association in connection with collection of the member's debt; (2) any other fees and expenses reimbursable to the Association in connection with collection of the member's debt; (3) late charges and interest due by the member; (4) any delinquent assessment; (5) any current assessment; (6) any other amount owed to the Association (excluding fines); and (7) any fines assessed by the Association.

Capitalized terms used but not defined in this document have the meaning set forth in the Declaration of Covenants, Conditions and Restrictions of HERRING LEGACY ESTATES PROPERTY OWNERS' ASSOCIATION, INC., a Texas nonprofit property owners' association, and of Herring Legacy Phase One, a subdivision in the City of Killeen, Bell County, Texas or in the Bylaws of HERRING LEGACY ESTATES PROPERTY OWNERS' ASSOCIATION, INC., a Texas nonprofit property owners' association.

HERRING LEGACY ESTATES PROPERTY OWNERS' ASSOCIATION, INC.,
A Texas Nonprofit Property Owners' Association

By: _____
Austine Turner, Secretary

ACKNOWLEDGMENT

State of Texas
County of Bell

This instrument was acknowledged before me on July 6, 2021, by Austine Turner in his capacity as Secretary of HERRING LEGACY ESTATES PROPERTY OWNERS' ASSOCIATION, INC., a Texas nonprofit property owners' association on behalf of said property owners' association.



_____
Notary Public, State of Texas

PREPARED IN THE LAW OFFICE OF:
Baird, Crews, Schiller & Whitaker, P.C.
Attn: Juli A. Bryan/sma
15 North Main Street
Temple, Texas 76501
www.bcswlaw.com

ATTACHMENT 4
RECORDS PRODUCTION AND COPYING POLICY

After Recording, Return To
Baird, Crews, Schiller & Whitaker, P.C.
Attn: Juli A. Bryan
15 N. Main Street
Temple, Texas 76501

RECORDS PRODUCTION AND COPYING POLICY
FOR
HERRING LEGACY ESTATES PROPERTY OWNERS' ASSOCIATION, INC.,
A Texas Nonprofit Property Owners' Association
[pursuant to Texas Property Code, Section 209.005]

Effective Date:	October 6, 2021
Property Owners' Association:	HERRING LEGACY ESTATES PROPERTY OWNERS' ASSOCIATION, INC., a Texas nonprofit property owners' association
Property Owners' Association Address:	1507 W. Stan Schlueter Loop, Suite 103 Killeen, Texas 76549
Subdivision:	HERRING LEGACY PHASE ONE
Charges:	Charges for examining and copying the Association information are set out in the attached Exhibit "A".

Except for information deemed confidential by law or court order, the Property Owners' Association will make its books and records open to and reasonably available for examination by an Owner of property in the Subdivision or a person designated in a writing signed by the Owner as the Owner's agent, attorney, or certified public accountant, in accordance with Texas Property Code section 209.005. Owners are also entitled to obtain copies of information in the Property Owners' Association's books and records on payment of the Charges for the copies. To the extent the Charges in this policy exceed the charges in section 70.3 of title 1 of the Texas Administrative Code, the amounts in section 70.3 of title 1 of the Texas Administrative Code govern.

Information not subject to inspection by Owners includes but is not limited to:

1. any document that constitutes the work product of the Property Owners' Association's attorney or that is privileged as an attorney-client communication;
2. files and records of the Property Owners' Association's attorney relating to the Property Owners' Association, excluding invoices requested by an Owner under Texas Property Code section 209.008(d); and
3. except to the extent the information is provided in the meeting minutes or as authorized by Texas Property Code section 209.005(l), (a) information that identifies the dedicatory instrument violation history of an individual Owner; (b) an Owner's personal financial

information, including records of payment or nonpayment of amounts due the Property Owners' Association; (c) an Owner's contact information, other than the Owner's address; and (d) information related to an employee of the Property Owners' Association, including personnel files.

If a document in the Property Owners' Association's attorney's files and records relating to the Property Owners' Association would be subject to a request by an Owner to inspect or copy Property Owners' Association documents, the document will be produced by using the copy from the attorney's files and records if the Property Owners' Association has not maintained a separate copy of the document.

Procedures for Inspecting Information or Obtaining Copies:

A. An Owner or the Owner's agent must submit a written request for access or information by certified mail, with sufficient detail describing the Property Owners' Association's books and records requested, to the mailing address of the Property Owners' Association or authorized representative as reflected on the most current Management Certificate filed with the county clerk of Bell County, Texas.

B. The request must include enough description and detail about the information requested to enable the Property Owners' Association to accurately identify and locate the information requested. Owners must cooperate with the Property Owners' Association's reasonable efforts to clarify the type or amount of information requested.

C. The request must contain an election either to inspect the books and records before obtaining copies or to have the Property Owners' Association forward copies of the requested books and records and:

1. if an inspection is requested, the Property Owners' Association, on or before the tenth (10th) business day after the date the Property Owners' Association receives the request, will send written notice of dates during normal business hours that the Owner may inspect the requested books and records to the extent those books and records are in the possession, custody, or control of the Property Owners' Association; or

2. if copies of identified books and records are requested, the Property Owners' Association will, to the extent those books and records are in the possession, custody, or control of the Property Owners' Association, produce the requested books and records for the requesting party on or before the tenth (10th) business day after the date the Property Owners' Association receives the request.

D. If the Property Owners' Association is unable to produce the books or records requested that are in its possession or custody on or before the tenth (10th) business day after the date the Property Owners' Association receives the request, the Property Owners' Association must provide to the requestor written notice that:

1. informs the Owner that the Property Owners' Association is unable to produce the information on or before the tenth (10th) business day after the date the Property Owners' Association received the request; and

2. states a date by which the information will be sent or made available for inspection to the requesting party that is not later than the fifteenth (15th) business day after the date notice under this subsection is given.

E. If an inspection is requested or required, the inspection will take place at a mutually agreeable time during normal business hours, and the Owner will identify the books and records for the Property Owners' Association to copy and forward to the Owner.

F. The Property Owners' Association may produce copies of the requested information in paper copy, electronic, or other format reasonably available to the Property Owners' Association.

G. Before starting work on an Owner's request, the Property Owners' Association must provide the Owner with a written, itemized statement of estimated Charges for examining and copying records related to the Owner's request, using amounts prescribed in this policy when the estimated Charges exceed $40. Owners may modify the request in response to the itemized statement.

H. Within ten (10) business days of the date the Property Owners' Association sent the estimate of Charges, the Owner must respond in writing to the written estimate, or the request is considered automatically withdrawn. The response must state whether the Owner (a) accepts the estimate per the request, (b) modifies the request, or (c) withdraws the request.

I. Owners are responsible for Charges related to the compilation, production, and reproduction of the requested information in the amounts stated in this policy. The Property Owners' Association may require advance payment of the estimated Charges of compilation, production, and reproduction of the requested information.

J. If the estimated Charges are less or more than the actual Charges, the Property Owners' Association must submit a final invoice to the Owner on or before the thirtieth (13th) business day after the date the information is delivered. If the final invoice includes additional amounts due from the Owner, the additional amounts, if not reimbursed to the Property Owners' Association before the thirtieth (13th) business day after the date the invoice is sent to the Owner, may be added to the Owner's account as an assessment. If the estimated Charges exceeded the final invoice amount, the Owner is entitled to a refund, and the refund will be issued to the Owner not later than the thirtieth (13th) business day after the date the invoice is sent to the Owner.

K. Capitalized terms used but not defined in this document have the meaning set forth in the Declaration of Covenants, Conditions and Restrictions of or HERRING LEGACY ESTATES PROPERTY OWNERS' ASSOCIATION, INC., a Texas nonprofit property owners' association, and of Herring Legacy Phase One, a subdivision in Bell County, Texas, or in the Bylaws of HERRING LEGACY ESTATES PROPERTY OWNERS' ASSOCIATION, INC., a Texas nonprofit property owners' association.

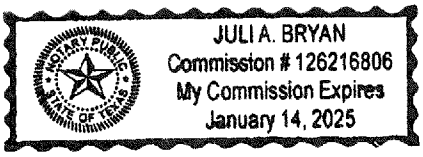
HERRING LEGACY ESTATES PROPERTY OWNERS' ASSOCIATION, INC.,
A Texas Nonprofit Property Owners' Association

By: _____
Austine Turner, Secretary

ACKNOWLEDGMENT

State of Texas
County of Bell

This instrument was acknowledged before me on July 16, 2021, by Austine Turner in his capacity as Secretary of HERRING LEGACY ESTATES PROPERTY OWNERS' ASSOCIATION, INC., a Texas nonprofit property owners' association, on behalf of said property owners' association.



Notary Public, State of Texas

PREPARED IN THE LAW OFFICE OF:
Baird, Crews, Schiller & Whitaker, P.C.
Attn: Juli A. Bryan/sma
15 North Main Street
Temple, Texas 76501
www.bcswlaw.com

Exhibit A
Charges for Examining and Copying
Property Owners' Association Information

Labor Charge for Computer Programming

If a particular request requires the services of a computer programmer to execute an existing program or to create a new program so that requested information may be accessed and copied, the Property Owners' Association will charge $28.50 an hour for the programmer's time spent on the request.

Labor Charge for Locating, Compiling, Manipulating, and Reproducing Data and Information

A. The charge for labor costs incurred in processing an Owner's request for Property Owners' Association information is $15.00 an hour. The labor charge will be calculated based on the actual time to locate, compile, manipulate, and reproduce the requested data and information.

B. A labor charge will not be billed in connection with complying with requests that are for 50 or fewer pages of paper records, unless the documents to be copied are located in (a) 2 or more separate buildings that are not physically connected with each other or (b) a remote storage facility.

C. A labor charge will not be billed for any time spent by an attorney, legal assistant, or any other person who reviews the requested information to determine whether it is confidential or privileged under Texas law.

D. When confidential or privileged information is mixed with public information in the same page, a labor charge may be recovered for time spent to redact, black out, or otherwise obscure the confidential or privileged information in order to comply with the Owner's request. The Property Owners' Association will not charge for redacting confidential or privileged information for requests of 50 or fewer pages unless the request also qualifies for a labor charge under section 552.261(a)(1) or 552.261(a)(2) of the Texas Government Code.

Overhead Charge

A. Whenever any labor charge is applicable to a request, the Property Owners' 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 Property Owners' Association chooses to recover such costs, the overhead charge will be computed at 20% of the charge made to cover any labor costs associated with a particular request.

For example, if 1 hour of labor is used for a particular request, the formula would be as follows:

1. Labor charge for locating, compiling, and reproducing: $15.00 x .20 = $3.00.
2. Labor charge for computer programming: $28.50 x .20 = $5.70.

If a request requires a charge for 1 hour of labor for locating, compiling, and reproducing information ($15.00 per hour) and one hour of programming ($28.50 per hour), the combined overhead would be $15.00 + $28.50 = $43.50 x .20 = $8.70.

B. An overhead charge will not be made for requests for copies of 50 or fewer pages of standard paper records.

Microfiche and Microfilm Charge

If the Property Owners' Association already has the requested information on microfiche or microfilm, the charge for a copy must not exceed the cost of reproducing the information on microfiche or microfilm or ten cents per page for standard size paper copies of the information on microfiche or microfilm, plus any applicable labor and overhead charge for more than 50 copies.

Remote Document Retrieval Charge

To the extent that the retrieval of documents stored on the Property Owners' Association's property results in a charge to comply with a request, the Property Owners' Association will charge the actual cost of the retrieval.

Copy Charges

A. The charge for standard paper copies reproduced by means of an office machine copier or a computer printer is ten cents per page or part of a page. Each side of a piece of paper on which information is recorded is counted as a single copy. A piece of paper that has information recorded on both sides is counted as 2 copies. Standard paper copy is a copy of Property Owners' Association information that is a printed impression on one side of a piece of paper that measures up to 8-1/2 inches by 14 inches.

B. A "nonstandard" copy includes everything but a copy of a piece of paper measuring up to 8-1/2 inches by 14 inches. Microfiche, microfilm, diskettes, magnetic tapes, and CD-ROM are examples of nonstandard copies. 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., larger than 8 inches by 14 inches, greenbar, bluebar, not including maps and photographs using specialty paper): $0.50; and
13. specialty paper (e.g., Mylar, blueprint, blueline, map, photographic): actual cost.

ATTACHMENT 5

DOCUMENT RETENTION POLICY

PREPARED IN THE LAW OFFICE OF:
Baird, Crews, Schiller & Whitaker, P.C.
Attn: Juli A. Bryan/sma
15 North Main Street
Temple, Texas 76501
www.bcswlaw.com

After Recording, Return To
Baird, Crews, Schiller & Whitaker, P.C.
Attn: Juli A. Bryan
15 N. Main Street
Temple, Texas 76501

DOCUMENT RETENTION POLICY
FOR
HERRING LEGACY ESTATES PROPERTY OWNERS' ASSOCIATION, INC.,
A Texas Nonprofit Property Owners' Association
[pursuant to Texas Property Code, Section 209.005]

Effective Date: Oct. 6, 2021

Property Owners' Association: HERRING LEGACY ESTATES PROPERTY OWNERS' ASSOCIATION, INC.
a Texas nonprofit property owners' association

Property Owners' Association Address: 1507 W. Stan Schlueter Loop, Suite 103
Killeen, Texas 76549

Subdivision: HERRING LEGACY PHASE ONE

It is the policy of the Property Owners' Association to retain the Property Owners' Association records for the time periods set out below:

TYPE OF RECORD	RETENTION PERIOD	CODE/ACT REFERENCE
ACCOUNTING		
• Account records of current owners	5 years	[Property Code Section 209.005(m)(3)]
• All other financial books and records	7 years	[Property Code Section 209.005(m)(2)]
CORPORATE RECORDS		
• Certificates of Formation and all amendments	Permanent	[Property Code Section 209.005(m)(1)]
• Bylaws and all amendments	Permanent	[Property Code Section 209.005(m)(1)]
• Restrictive Covenants and amendments	Permanent	[Property Code Section 209.005(m)(1)]
• Minutes of meetings of the Owners and the Board of Directors	7 years	[Property Code Section 209.005(m)(5)]
LEGAL		
• Contracts with a term of 1 year or more	4 years after expiration of the contract term	[Property Code Section 209.005(m)(4)]
PERSONNEL		
• Employee earnings/payroll records	3 years	[FLSA, Equal Pay Act]
• Time cards / sheets	3 years	[FLSA]
• Form I-9	3 years after date of hire or 1 year after date of termination, whichever is later	[Immigration Reform & Control Act]
• Tax Returns and Audit records	7 years	[Property Code Section 209.005(m)(6) and IRS Code]
• Payroll Tax Returns	4 years	[IRS Code]

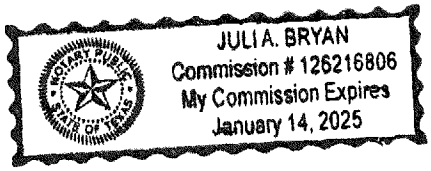
HERRING LEGACY ESTATES PROPERTY OWNERS' ASSOCIATION, INC.,
A Texas Nonprofit Property Owners' Association

By: _____
Austine Turner, Secretary

ACKNOWLEDGMENT

State of Texas
County of Bell

This instrument was acknowledged before me on July 6, 2021, by Austine Turner in his capacity as Secretary of HERRING LEGACY ESTATES PROPERTY OWNERS' ASSOCIATION, INC., a Texas nonprofit property owners' association on behalf of said property owners' association.



_____
Notary Public, State of Texas

PREPARED IN THE LAW OFFICE OF:
Baird, Crews, Schiller & Whitaker, P.C.
Attn: Juli A. Bryan/sma
15 North Main Street
Temple, Texas 76501
www.bcswlaw.com

Bell County
Shelley Coston
County Clerk
Belton, Texas 76513

Instrument Number: 2021073395
As
DEDICATION

Recorded On: November 08, 2021
Parties: HERRING LEGACY ESTATES PROPERTY OWNERS' ASSOCIATION INC
Billable Pages: 60
To HERRING LEGACY PHASE ONE
Number of Pages: 61
Comment:

(Parties listed above are for Clerks' reference only)

**** Examined and Charged as Follows ****

CLERKS RMF:	$5.00
COURT HOUSE SECURITY:	$1.00
RECORDING:	$241.00
Total Fees:	$247.00

************ DO NOT REMOVE. 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.

File Information

Instrument Number: 2021073395
Receipt Number: 238970
Recorded Date/Time: 11/08/2021 8:34:13 AM
User / Station: colonec - BCCCD0638

Record and Return To:

Baird Crews Schiller and Whitaker PC
15 N MAIN ST
TEMPLE, TX 76501-7629

THE STATE OF TEXAS * BELL COUNTY *

I hereby certify that this instrument was filed on the date and time stamped hereon and was duly recorded in the Real Property Records in Bell County, Texas

Shelley Coston
Bell County Clerk

Shelley Coston