

THIRD AMENDED AND RESTATED BY-LAWS

FOR

RLV HOMEOWNERS ASSOCIATION, INC.

WHEREAS, the original By-Laws were promulgated by the original Board of Directors of RLV Homeowners Association, Inc. (“Board”) in June 1991 and; amended by the First Amended and Restated By-Laws on May 11, 1999; and amended by the Second Amended and Restated By-Laws on May 10, 2010;

WHEREAS, this Third Amended and Restated By-Laws of the RLV Homeowners Association, Inc., has been primarily made to incorporate into these By-Laws as well as the Declaration of Covenants, Conditions, and Restrictions for RLV Homeowners Association, Inc., including amendments and supplements (collectively referred to as the “Declaration”), certain substantive changes in the Texas Property Code effecting the operation of property owners associations mandated by the 2011, 82nd Texas Legislature and by the 2013, 83rd Texas Legislature, further, this Third Amendment to the RLV By-Laws reorganizes certain articles from the Declaration to the By-Laws for greater clarity and consistency. In addition, other small changes have been made to these By-Laws, to remove inapplicable, inconsistent, and/or redundant provisions and make corrections to erroneous text.

NOW, THEREFORE, these Third Amended and Restated By-Laws for RLV Homeowners Association, Inc. (hereinafter referred to as the “By-Laws”), supersede the original By-Laws, the First Amended and Restated By-Laws, and the Second Amended and Restated By-Laws, and are adopted in accordance with the By-Laws and Texas law, effective as of the 14th day of July 2015.

ARTICLE I

DEFINITIONS

The following words when used in these By-Laws, unless a different meaning or intent clearly appears from the context, shall have the following meanings:

“ARC” shall mean the Architectural Review Committee established in accordance with these By-Laws and charged with the duties described in the Declaration.

“Articles” shall mean and refer to the Articles of Incorporation of the Association.

“Association” shall mean and refer to RLV Homeowners Association, Inc., a Texas non-profit corporation.

“Board” shall mean the Board of Directors elected from time to time by Members of the Association.

“Common Facilities” shall mean and refer to (i) the perimeter brick wall, concrete block retaining walls, and wooden fence along the exterior boundary line of the Properties; (ii) the landscaped areas at the entryway to the Properties on Royal Lane and within the median strip separating the divided street designated “Breakers Point” within the Properties, (iii) the entrance area sprinkler system, lighting system, and surveillance system, and (iv) the land situated within the Landscape Maintenance Easement as defined in Article I of the Declaration.

“Declaration” shall mean and refer to that certain Declaration of Covenants, Conditions and Restrictions for RLV Homeowners Association, Inc. applicable to the Properties as the same may be amended or supplemented from time to time as therein provided.

“Director” and “Officer” Director refers to any duly elected member of the Board. Officer refers to a Director serving a particular function on the Board, e.g., President, Vice President, Secretary, or Treasurer.

“Lot” shall mean or refer to any plot or tract of land shown upon the recorded subdivision map of the Properties (as hereinafter defined) which is shown as a lot thereon and which is improved with a residential dwelling.

“Member” shall mean and refer to each Owner of a Lot.

“Officer” See “Director”.

“Owner” shall mean and refer to the record owner, whether one or more persons or entities, of the fee-simple title to any Lot. Notwithstanding any applicable theory of the mortgage or other security device, “owner” shall not mean or refer to any mortgagee or trustee under a deed of trust or security instrument unless and until such mortgagee or trustee has acquired title pursuant to foreclosure or any proceeding in lieu of foreclosure.

“Properties” shall mean and refer to the land and premises in the City of Dallas, Dallas County, Texas, containing approximately 19.42 acres of land and known as “Royal Lane Village,” a residential subdivision comprised of 94 single family residential lots, public streets and related amenities, as more particularly described on Exhibit “A” of the Declaration.

“Resident” shall mean and refer to each person (not otherwise an Owner or Member) authorized by an Owner to reside within such Owner’s Dwelling Unit.

“Topical Operational Records” shall refer to that set of files containing information relevant to the operation of the Association, organized by topic, to be kept and maintained by the President.

ARTICLE II

ASSOCIATION OFFICES AND LOCATIONS

- 2.1 The registered office of the Association shall be located in the City of Dallas, County of Dallas, State of Texas.
- 2.2 The Association may also have offices at such other places, within and without the State of Texas, as the Board may from time to time determine or as the business of the Association may require.

ARTICLE III

MEMBERSHIP

- 3.1 Membership. Every Owner of a Lot listed on a duly filed deed in the property records of Dallas County, Texas shall automatically be a Member of the Association. The membership of an Owner in the Association shall terminate automatically whenever such Owner ceases to be an Owner, except that such termination shall not release or relieve such Owner from any liability or obligation arising under the Declaration during such Owner's period of ownership.
- 3.2 Class of Membership. The Association shall have only one class of voting membership. For purposes of any Association business for which votes shall be cast, there shall be only one vote cast for each Lot. When more than one person and/or entity holds an ownership interest in a Lot, they shall designate among themselves one person to cast the vote for the Lot. Should more than one vote be cast for any Lot, all such votes cast for that Lot shall be null and void and disregarded.
- 3.3 Suspension of Membership. A Member's right to vote may not be suspended unless allowed by applicable law.

ARTICLE IV

BOARD OF DIRECTORS: ELECTION: TERM OF OFFICE: REMOVAL: COMPENSATION

- 4.1 Number. The affairs of this Association shall be managed by a Board of five (5) Directors. The number of Directors, which shall never be fewer than three (3), may be changed by vote of a majority of Members. At least 50% of the Members must vote on any proposal to change the number of Directors, and a simple majority in attendance is needed of those voting in order for the changes to be effective.

- 4.2 Election. At the annual meeting, the Members shall elect Directors. At each annual meeting, in even numbered years, there shall be two (2) Directors elected, and in odd numbered years, there shall be three (3) Directors elected, all to serve for a term of two (2) years.
- 4.3 Removal. At any annual or special meeting of the Association duly called, any one or more of the Directors elected by the Members may be removed with or without cause by the affirmative vote of a majority of Members entitled to vote who are present at a duly convened 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 shall be given an opportunity to be heard at the meeting.
- 4.4 Automatic Disqualification: If the Board is presented with written, documented evidence from a database or other record maintained by a governmental law enforcement authority that a Board member has been convicted of a felony or crime involving moral turpitude, the Board member is immediately ineligible to serve on the Board, automatically considered removed from the Board, and prohibited from future service on the Board.
- 4.5 Compensation. No Director shall receive compensation for any service he may render to the Association. However, any Director may be reimbursed for his/her actual expenses incurred in the performance of his/her duties.

ARTICLE V

MEETINGS OF THE BOARD OF DIRECTORS

- 5.1 Regular Meetings. Regular meetings of the Board shall be held monthly at such place and hour as may be fixed from time to time by resolution of the Board. Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.
- 5.2 Special Meetings. Special meetings of the Board shall be held when called by the President of the Association or by any two Directors.
- 5.3 Quorum. A majority of the number of Directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the Directors present at a duly held meeting at which a quorum is present shall be regarded as an act of the Board.

- 5.4 Meetings. Regular and special Board meetings must be open to owners, subject to the right of the Board to adjourn a Board meeting and reconvene in closed executive session to consider actions involving personnel, pending or threatened litigation, contract negotiations, enforcement actions, confidential communications with the Association's attorney, matters involving the invasion of privacy of individual owners, or matters that are to remain confidential by request of the affected parties and agreement of the Board. Following an executive session, any decision made in the executive session must be summarized orally and placed in the minutes, in general terms, without breaching the privacy of individual owners, violating any privilege, or disclosing information that was to remain confidential at the request of the affected parties. The oral summary must include a general explanation of expenditures approved in executive session.
- 5.5 Meeting Minutes. The Board shall keep a record of each regular or special Board meeting in the form of written minutes of the meeting. The Board shall make meeting records, including approved minutes, available to a Member for inspection and copying upon the Member's written request to the Board.
- 5.6 Notice of Meetings. Members shall be given notice of the date, hour, place, and general subject of a regular or special Board meeting, including a general description of any matter to be brought up for deliberation in executive session. The notice shall be:
- a. mailed to each Owner not later than the 10th day or earlier than the 60th day before the date of the meeting; or
 - b. provided at least 72 hours before the start of the meeting by:
 - i. posting the notice in a conspicuous manner reasonably designed to provide notice to the Association members:
 - A. in a place located on the Association's common property or, with the Owner's consent, on other conspicuously located privately owned property within the subdivision; or
 - B. on any Internet website maintained by the Association or other Internet media; or
 - ii. sending the notice by e-mail to each Owner who has registered an e-mail address with the Association. It is an Owner's duty to keep an updated e-mail address registered with the Association.

5.7 Method of Meetings. The Board may meet by any method of communication, including electronic and telephonic, without prior notice to Owners, if each Director may hear and be heard by every other Director, or the Board may take action by unanimous written consent to consider routine and administrative matters or a reasonably unforeseen emergency or urgent necessity that requires immediate Board action. Any action taken without notice to owners must be summarized orally, including an explanation of any known actual or estimated expenditures approved at the meeting, and documented in the minutes of the next regular or special Board meeting. The Board may not, without prior notice to Owners under Section 5.6, consider or vote on:

- a. fines;
- b. damage assessments;
- c. initiation of foreclosure actions;
- d. initiation of enforcement actions, excluding temporary restraining orders or violations involving a threat to health or safety;
- e. increases in assessments;
- f. levying of special assessments or special individual assessments;
- g. appeals from a denial of architectural control approval; or
- h. a suspension of a right of a particular owner before the owner has an opportunity to attend a Board meeting to present the owner's position, including any defense, on the issue.

ARTICLE VI

NOMINATION, ELECTION, AND APPOINTMENT TO THE BOARD OF DIRECTORS

- 6.1 Nomination. Nomination for election to the Board will be made by the Nominating Committee, but may also be made by any Member from the floor of the Annual Meeting. Nominations shall also be solicited from each Member by delivering to each, a nominating form, 30 days prior to the Annual Meeting. These forms will be delivered with the official notification of the Annual Meeting, as well as proxy forms. The Nominating Committee Chairperson shall be a member of the Board. The Chairperson may appoint one or more members to this committee to assist in developing a slate of candidates.
- 6.2 Election or Appointment. When a Board member's term has expired, Members of the Association must elect his or her replacement. A Board member may be appointed by the Board to fill a vacancy on the Board. A Board member appointed to fill a vacant position shall serve the unexpired term of the predecessor Board member. Election to the Board shall be by written, signed ballot, unless the race is uncontested. At such election, the Members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of these By-Laws. The persons receiving the largest number of votes shall be elected. Cumulative voting, that is, allowing a Member to accumulate his/her votes for each candidate and cast them for just one of the candidates, is not permitted. The appointment of a Board member in violation of this section is void.

- 6.3 Notice of Election. Not later than the 10th day or earlier than the 60th day before the date of an election or vote, the Board shall give written notice of the election or vote to each owner.
- 6.4 Recount of Votes. Any Owner may, not later than the 15th day after the date of the meeting at which the election was held, require a recount of the votes. A demand for a recount must be submitted in writing either:
- a. by certified mail, return receipt requested, or by delivery by the United States Postal Service with signature confirmation service to the Association's mailing address as reflected on the latest management certificate filed under Section 209.004 of the Texas Property Code or, if applicable, in person to the Association's managing agent as reflected on the latest management certificate filed under Section 209.004 of the Texas Property Code or to the address to which absentee and proxy ballots are mailed.
 - b. The Association shall, at the expense of the Owner requesting the recount, retain for the purpose of performing the recount, the services of a person qualified to tabulate votes. The Association shall enter into a contract for the services of a person who:
 - i. is not a member of the Association or related to a member of the Board within the third degree by consanguinity or affinity, as determined under Chapter 573, Government Code; and
 - ii. is a current or former county judge, county elections administrator, justice of the peace, county voter registrar, or a person agreed on by the Board and the Member requesting the recount.
 - c. Any recount must be performed on or before the 30th day after the date of receipt of a request and payment for a recount. If the recount changes the results of the election, the Association shall reimburse the requesting Owner for the cost of the recount. The Association shall provide the results of the recount to each Owner who requested the recount. Any action taken by the Board in the period between the initial election vote tally and the completion of the recount is not affected by any recount.
- 6.5 Ballots. At all meetings of Members, each Member may vote in person, by proxy, absentee ballot, or electronic ballot in accordance with applicable law. Any vote cast in an election or vote by a Member of the Association must be in writing and signed by the Member unless the race is uncontested. Electronic votes cast pursuant to the Texas Property Code constitute written and signed ballots.

6.6 Voting and Quorum.

- a. The voting rights of an Owner may be cast or given:
 - i. in person or by proxy at a meeting of the Association;
 - ii. by absentee ballot in accordance with this Section 6.6;
 - iii. by electronic ballot in accordance with this Section 6.6; or
 - iv. by any method of representative or delegated voting provided by the Association's dedicatory instruments.
- b. An absentee or electronic ballot:
 - i. may be counted as an Owner present and voting for the purpose of establishing a quorum only for items appearing on the ballot;
 - ii. may not be counted, even if properly delivered, if the Owner attends any meeting to vote in person, so that any vote cast at a meeting by an Owner supersedes any vote submitted by absentee or electronic ballot previously submitted for that proposal; and
 - iii. may not be counted on the final vote of a proposal if the motion was amended at the meeting to be different from the exact language on the absentee or electronic ballot.
- c. A solicitation for votes by absentee ballot must include:
 - i. an absentee ballot that contains each proposed action and provides an opportunity to vote for or against each proposed action;
 - ii. instructions for delivery of the completed absentee ballot, including the delivery location; and
 - iii. 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."
- d. For the purposes of this section, "electronic ballot" means a ballot:
 - i. given by:
 - A. e-mail;
 - B. facsimile; or
 - C. posting on an Internet website;
 - ii. for which the identity of the property owner submitting the ballot can be confirmed; and
 - iii. for which the property owner may receive a receipt of the electronic transmission and receipt of the owner's ballot.
- e. If an electronic ballot is posted on an Internet website, a notice of the posting shall be sent to each owner that contains instructions on obtaining access to the posting on the website.

6.7 Tabulation of and Access to Ballots.

- a. A person who is a candidate in an Association election or who is otherwise the subject of the Association vote, or a person related to that person within the third degree by consanguinity or affinity, as determined under Chapter 573, Government Code, may not tabulate or otherwise be given access to the ballots cast in that election or vote except as provided by this Section 6.7.
- b. A person other than a person described by Subsection 6.7.a may tabulate votes in an Association election or vote but may not disclose to any other person how an individual voted.
- c. Notwithstanding any other provision of this Article or any other law, a person other than a person who tabulates votes under Subsection 6.7.b, including a person described by Subsection 6.7.a, may be given access to the ballots cast in the election or vote only as part of a recount process authorized by law.

ARTICLE VII

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

7.1 Powers. The Board shall have exclusive power to:

- a. adopt and publish rules and regulations governing the use of the Properties, Lots, facilities of the Association, and the personal conduct of the Members and their guests thereon, and to establish penalties for the infraction thereof;
- b. exercise for the Association all powers, duties, and authority vested in or delegated to this Association and not reserved to the Membership by other provisions of these By-Laws, the Articles, or the Declaration;
- c. declare the office of a Member of the Board to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board;
- d. employ a manager, an independent contractor or such other employees as they deem necessary, and to prescribe their duties;
- e. borrow funds to pay costs of operation, secured by assignment or pledge of rights against delinquent Owners, if the Board sees fit;
- f. enter into contracts, maintain one or more bank accounts (granting authority as the Board desires to one or more persons to sign checks), and, generally, to have all the powers necessary or incidental to the operation and management of the Association;
- g. protect or defend the Common Facilities from loss or damage by suit or otherwise, and to provide adequate reserve for maintenance and repairs;

- h. make reasonable rules and regulations for the maintenance and protection of the Common Facilities and to amend them from time to time, provided that any rule or regulation may be amended or repealed by an instrument in writing signed by a majority of the Members;
- i. make available to each Owner upon written request within sixty days after the end of each year an annual report and, upon the written request of one-tenth of the members, to have such report audited or reviewed by an independent certified public accountant, which audited or reviewed report shall be made available to each Member within thirty days after completion;
- j. adjust the amount, collect, and use any insurance proceeds to repair damage or replace lost property, and if proceeds are insufficient to repair damage or replace lost property, to assess the Members in proportionate amounts to cover the deficiency;
- k. enforce the provisions of the Declaration and any rules made thereunder and to enjoin and seek damages from any Owner for violation of such provision or rules;
- l. contract for all goods, services, and insurance, payment for which is to be made from the maintenance fund, and the exclusive power and duty to perform the functions of the Board, except as otherwise provided herein.

7.2 Duties. It shall be the duty of the Board to:

- a. cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the Members at the annual meeting of the Members or at any special meeting when such statement is requested in writing by one-fourth (1/4) of the Members;
- b. supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;
- c. fix the amount of the annual assessment against each Lot in advance of each annual assessment period and fix the amount of all special assessments and special individual assessments, as provided in Article II, Section 2.7 of the Declaration;
- d. give notice of said assessments to each Member subject thereto at least thirty (30) days in advance of the time said amount is due;
- e. provide for an annual meeting to be held yearly and election of Directors to take place;
- f. issue, or cause an appropriate Officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;

- g. procure and maintain adequate liability and hazard insurance on property owned by the Association;
- h. cause all Officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;
- i. provide for, and pay from the maintenance fund, the following:
 - i. Care, preservation and maintenance of the Common Facilities, including the purchase and upkeep of any personal property used in connection with the maintenance of the Common Facilities as provided in the Declaration.
 - ii. The services of a person or firm to manage the Association or any separate portion thereof, to the extent deemed advisable by the Board, and the services of such other personnel as the Board shall determine to be necessary or proper for the operation of the Association, whether such personnel are employed directly by the Board or by the manager.
 - iii. Legal and accounting services.
 - iv. A policy of insurance insuring the Association and its Directors, Officers and committee members against any liability to the public or to the Owners (and/or invitees or tenants), incident to operation of the Association, in an amount not less than \$1,000,000 per occurrence and \$2,000,000 in aggregate. The policy described here may be supplemental to individual coverage.
 - v. A policy of insurance insuring against the Association's loss for damage to walls and fences in an amount not less than \$180,000. The policy described here may be supplemental to individual coverage.
 - vi. Workmen's compensation insurance to the extent necessary to comply with any applicable laws.
 - vii. Such fidelity bonds as the Board may determine to be advisable.
 - viii. Any other materials, supplies, insurance, furniture, labor, services, maintenance, repairs, taxes or Assessments (including taxes or Assessments assessed against an individual Owner) which the Board is required to obtain or pay for pursuant to the terms of the Declaration or by law or which in its opinion shall be necessary or proper for the operation or protection of the Association or for the enforcement of the Declaration.
- j. direct annually, whether or not the Public Accountant is to perform an audit or a review of the Association's books.
- k. refile the Management Certificate mandated by Section 209.004 of the Texas Property Code in the Official Public Records of Dallas County, Texas, within 30 days of any change in the then-current Management Certificate.

ARTICLE VIII

COMMITTEES

- 8.1 The ARC and other Committees. The Board shall appoint the ARC, as provided in the Declaration, and a Nominating Committee, as provided in these By-Laws. In addition, the Board may, but is under no obligation to, appoint other committees as deemed appropriate in carrying out its purposes, such as:
- a. A Social Committee which shall advise the Board on all matters pertaining to the social activities of the Association and shall perform such other functions as the Board, in its discretion, determines;
 - b. A Maintenance Committee which shall advise the Board on all matters pertaining to the maintenance, repair or improvement of the Properties, and shall perform such other functions as the Board, in its discretion, determines;
 - c. A Publicity Committee which shall inform the Members of all activities and functions of the Association, and shall, after consulting with the Board, make such public releases and announcements as are in the best interest of the Association; and
 - d. An Audit Committee which shall supervise the annual audit or review of the Association's books and approve the annual budget and statement of income and expenditures to be presented to the Membership at its regular annual meeting, as provided in Section 10.8.d. The Treasurer shall be an ex officio Member of the Committee.
- 8.2 Complaints from Members. It shall be the duty of each committee to receive complaints from Members on any matter involving Association functions, duties and activities within its field of responsibility. It shall refer these complaints, along with the committee's recommendations on appropriate actions for resolution, to the Board for final resolution.

ARTICLE IX

MEETINGS OF MEMBERS

- 9.1 Place of Meetings. Meetings of the Members for any purpose shall be held within the City of Dallas, Texas, as shall be stated in the notice of the meeting.
- 9.2 Annual Meetings. Annual meetings of Members, shall be held on the second Tuesday of May if not a legal holiday, and if a legal holiday, then on the next secular day following at 7:00 P.M., at which they shall elect by a majority vote a Board, and transact such other business as may properly be brought before the meeting.

- 9.3 Special Meetings. Special meetings of the Members may be called by the President, by a majority vote of the Board, or upon delivery to the President a petition specifically stating the purpose of the meeting and signed by Members representing at least one fourth ($\frac{1}{4}$ th) of the Lots. No business except as stated in the notice shall be transacted at a special meeting of the Members. Notwithstanding the above, any special meetings shall be held within forty-five (45) days after receipt by the President of such request or petition.
- 9.4 Notice. Written or printed notice stating the place, day and hour of the meeting and, in case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered by the Association not less than ten (10) nor more than forty-five (45) days before the date of the meeting, either personally, by electronic mail, facsimile or by mail, to each Member according to the records of the Association. If sent via electronic mail or facsimile, such notice shall be deemed delivered when the notice is sent by electronic mail or facsimile to the electronic mail address or facsimile number provided by the Member to the Association. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the Member at his or her address according to the records of the Association, with postage thereon prepaid. Business transacted at any special meeting shall be confined to the purposes stated in the notice or waiver thereof.
- 9.5 Voting and Quorum.
- a. The presence at any meeting of Members entitled to cast one-tenth ($\frac{1}{10}$) of the votes, represented in person or by proxy, shall constitute a quorum at meetings of Members unless otherwise provided in the Declaration or the Articles. If, however, a quorum shall not be present or represented at any meeting of the Members, the Members present in person or represented by proxy shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present or represented. At such adjourned meeting at which a quorum shall be present or represented, any business may be transacted which might have been transacted at the meeting as originally notified.
 - b. Voting Rights, see Section 6.6.a.
 - c. Absentee or Electronic Ballot, see Section 6.6.b.
 - d. Solicitation for votes by absentee ballot, see Section 6.6.c.
 - e. For the purposes of this section, "electronic ballot" means, see Section 6.6.d.
 - f. Electronic ballot posted on an Internet website, see Section 6.6.e.
- 9.6 Ballots. See Section 6.5.

- 9.7 Majority Vote. The vote of a simple majority of Lots present in person by its respective Members or by legal proxy at a meeting duly called at which a quorum is present shall be the act of the Members meeting, unless the vote of a greater number is required by law, these By-Laws, the Declaration, or the Articles.
- 9.8 Voting Rights. The Association shall not be a voting member of the Association by virtue of its ownership of any Common Facilities. Each Member may vote the number of votes set forth in the Declaration. A Member's right to vote may not be suspended unless allowed by applicable law. Cumulative voting is prohibited.
- 9.9 Proxies. A Member may vote in person or by proxy executed in writing by the Member or by his/her duly authorized attorney-in-fact. No proxy shall be valid after eleven (11) months from the date of its execution unless otherwise provided in the proxy. Each proxy shall be revocable unless expressly provided therein to be irrevocable, and in no event shall it remain irrevocable for a period of more than eleven (11) months from the date of its execution.
- 9.10 Tabulation of and Access to Ballots. See Section 6.7.
- 9.11 Recount of Votes. See Section 6.4.
- 9.12 List of Members. The Board shall maintain a complete list of the Members entitled to vote at such meeting or any adjournment thereof, arranged in alphabetical order, with the address of each, and a copy of said list shall be given to any Member upon request. Such list shall also be produced and kept open at the time and place of the meeting of the Members and shall be subject to the inspection of any Member during the whole time of the meeting.
- 9.13 Record Date. The Board may fix, in advance, a date, not exceeding fifty (50) days preceding the date of any meeting of Members, as a record date for the determination of the Members entitled to notice of, and to vote at, any such meeting, and any adjournment thereof, and in such case such Members and only such Members as shall be Members of record on the date so fixed shall be entitled to such notice of, and to vote at, such meeting and any adjournment thereof, notwithstanding any change of membership on the books of the Association after any such record date fixed as aforesaid.
- 9.14 Action By Membership Without Meeting. Any action required by the By-Laws and/or Declaration to be taken at a meeting of the Members, or any action which may be taken at a meeting of the Members, may be taken without a meeting, providing there is a written or printed notice of the contemplated action delivered to the Membership not less than ten (10) days nor more than forty-five (45) days before such action is to be taken. Consent in writing, setting forth the action so taken, shall be signed by all of the Members whose vote is required for the approval of the subject matter thereof, and such consent shall have the same force and effect as a vote of Members.

ARTICLE X

BOARD OFFICERS: ELECTION, APPOINTMENT, TERM, REMOVAL AND DUTIES

- 10.1 Enumeration of Officers. The Officers of this Association shall be a President, a Vice-President, a Secretary, a Treasurer, and a Chairperson of the Architecture Review Committee, who all shall be Members of the Board, and such other Officers as the Board may from time to time by resolution create.
- 10.2 Election of Officers. The election of Officers shall take place at the first meeting of the Board following each Annual Meeting of the Members.
- 10.3 Term. The Officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year unless he or she shall sooner resign, or shall be removed, or otherwise disqualified to serve, or be re-elected by the Board.
- 10.4 Special Appointments. The Board may elect such other Officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.
- 10.5 Resignation and Removal. Any Officer may be removed from office with or without cause by a majority vote of the Board. Any Officer may resign at any time by giving written notice to the Board, the President, or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.
- 10.6 Vacancies. A vacancy in any office may be filled in the manner prescribed for regular election, that is, election by the Board.
- 10.7 Multiple Offices. The office of President and Secretary may *not* be held by the same person. The offices of Secretary and Treasurer may *not* be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 10.4.
- 10.8 Duties. The duties of the officers are as follows:
- a. The President shall preside at all meetings of the Board, shall see that orders and resolutions of the Board are carried out, shall sign all leases, mortgages, deeds and other written instruments and shall co-sign all promissory notes. The President shall be the custodian of the Association's Topical Operational Records and will maintain, augment, store, and ensure passage of these records to the succeeding President. If at any time, the excessive quantity of these records, or other official records maintained by the Association dictates, the Board may arrange for appropriate off-site storage, as needed.

- b. The Vice-President shall act in the place and stead of the President in the event of absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required by the Board.
- c. The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members; serve notice of meetings of the Board and of the Members, keep appropriate current records showing the Members of the Association together with their addresses, and shall perform such other duties as required by the Board. The Secretary shall maintain and store current and prior secretarial records.
- d. The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board, shall sign all checks and promissory notes of the Association, keep proper books of account; cause an annual audit or review of the Association books to be made by a public accountant at the completion of each fiscal year. The Treasurer shall prepare (i) an annual budget and (ii) a statement of income and expenditures, to be presented to the membership at its regular annual meeting, a copy of each of which shall be made available to each Member upon request. The Treasurer shall maintain and store current and prior appropriate financial records.
- e. The Chairperson of the Architecture Review Committee shall perform the duties set forth in Article IV of the Declaration and shall maintain and store current and prior records in order to appropriately document the actions of the ARC.

ARTICLE XI

ASSESSMENTS

- 11.1 The rights of membership in the Association are subject to the payment of annual, special, and special individual assessments levied by the Association. The obligation to pay assessments is imposed upon the Owner of each Lot. An assessment lien will be imposed against any Lot for which said assessments are not paid, in accordance with the provisions of Article II of the Declaration. The Declaration is incorporated herein by reference and made a part hereof for all purposes.

ARTICLE XII

INSPECTION OF BOOKS AND RECORDS

- 12.1 The books and records of the Association, including financial records, shall be open to and reasonably available for examination by an Owner, or a person designated in a writing signed by the owner as the owner's agent, attorney, or certified public accountant. An owner is entitled to obtain from the Association copies of information contained in the books and records, as follows:
- a. An Owner or the Owner's authorized representative must submit a written request for access or information by certified mail, with sufficient detail describing the Association's books and records requested, to the mailing address of the Association or authorized representative as reflected on the most current management certificate filed under Section 209.004 of the Texas Property code. The request must contain an election either to inspect the books and records before obtaining copies or to have the Association forward copies of the requested books and records;
 - i. if an inspection is requested, the Association, on or before the 10th business day after the date the Association receives the request, shall 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 Association; or
 - ii. if copies of identified books and records are requested, the Association shall, to the extent those books and records are in the possession, custody, or control of the Association, produce the requested books and records for the requesting party on or before the 10th business day after the date the Association receives the request, except as otherwise provided by this section.
 - b. If the Association is unable to produce the books or records requested on or before the 10th business day after the date the Association receives the request, the Association must provide to the requestor written notice that:
 - i. informs the requestor that the Association is unable to produce the information on or before the 10th business day after the date the Association received the request; and
 - ii. 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 15th business day after the date notice under this subsection is given.
 - c. If an inspection is requested or required, the inspection shall take place at a mutually agreed on time during normal business hours, and the requesting party shall identify the books and records for the Association to copy and forward to the requesting party.

- d. The Association may produce books and records requested under this section in hard copy, electronic, or other format reasonably available to the Association.
- e. The prescribed charges may include all reasonable costs of materials, labor, and overhead but may not exceed costs that would be applicable for an item under Title 1, Texas Accounting Code, Rule 70.3. An Owner is responsible for costs related to the compilation, production, and reproduction of the requested information in the amounts prescribed under this Section. The Association may require advance payment of the estimated costs of compilation, production, and reproduction of the requested information. If the estimated costs are lesser or greater than the actual costs, the Association shall submit a final invoice to the owner on or before the 30th 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 Association before the 30th 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 costs exceeded the final invoice amount, the Owner is entitled to a refund, and the refund shall be issued to the owner not later than the 30th business day after the date the invoice is sent to the owner.
- f. The Association must estimate costs under this Section using amounts prescribed by the policy adopted.
- g. Except as explicitly mandated by the Texas Property Code, the Association is not required to release or allow inspection of any books or records that identify the dedicatory instrument violation history of an Owner, an Owner's personal financial information, including records of payment or nonpayment of amounts due the Association, an Owner's contact information, other than the Owner's address, or information related to an employee of the Association, including personnel files. Information may be released in an aggregate or summary manner that would not identify an individual Owner.

ARTICLE XIII

AMENDMENTS AND CONFLICT

- 13.1 These By-Laws may be amended at a regular or special meeting of the Members by a vote of a simple majority of the Members present in person, by proxy, or by absentee ballot, provided that at least 51% of the Members are present in person, proxy, or by absentee ballot. Under Section 9.14, action can be taken without a meeting. See Section 6.6, Voting and Quorum, for rules concerning absentee ballots.
- 13.2 In the case of any conflict between the Articles and these By-Laws, the Articles shall control; and in the case of any conflict between the Declaration and these By-Laws, the Declaration shall control. In case of any conflict between Texas State Law and the Articles, Texas State Law shall control. In case of any conflict between Texas State Law and these By-Laws, Texas State Law shall control. In case of any conflict between Texas State Law and the Declaration, Texas State Law shall control.
- 13.3 These By-Laws may be amended without approval as stipulated in Section 13.1 to provide for compliance with future changes in Texas State Law. Any such amendments under this Section shall only contain changes to comply with new Texas law. No other amendments of any kind may be made or included in the By-Laws unless the requirements of Section 13.1 are met.

ARTICLE XIV

FISCAL YEAR

- 14.1 The fiscal year of the Association shall be the calendar year, beginning on the first day of January and ending on the 31st day of December of every year.

ARTICLE XV

INDEMNIFICATION OF OFFICERS AND DIRECTORS

- 15.1 The Association shall indemnify an Officer or Director or Committee Member, past or present, against whom any legal claim is made which arises out of any act or omission of said Officer, Director or Committee Member for all costs, expenses, and attorney fees if he/she, in the course and scope of his/her duties as an Officer, Director or Committee Member, acted in good faith, with ordinary care, and in a manner he/she reasonably believed to be in the best interest of the Association.
- 15.2 The Association shall carry in full force and effect at all times, insurance (i.e. Officers and Directors insurance, errors and omissions coverage, etc.) covering said persons and claims with limits that the Board, in its sole discretion, deems reasonable and prudent.
- 15.3 Interested Directors and Officers.
- a. If paragraph (b) below is satisfied, no contract or transaction between the Association and any of its Directors or officers (or any other corporation, partnership, association or other organization in which any of them directly or indirectly have a financial interest) shall be void or voidable solely because of this relationship.
 - b. The contract or transaction referred to in paragraph (a) above will not be void or voidable if:
 - i. the Director, relative, or company bids on the proposed contract and the Association has received at least two other bids for the contract from persons not associated with the Director, relative, or company, if reasonably available in the community;
 - ii. the Director:
 - A. is not given access to the other bids;
 - B. does not participate in any Board discussion regarding the contract; and
 - C. does not vote on the award of the contract;
 - iii. the material facts regarding the relationship or interest with respect to the proposed contract are disclosed to or known by the Board and the Board, in good faith and with ordinary care, authorizes the contract by an affirmative vote of the majority of the Directors who do not have an interest governed by this Section 15.3; and
 - iv. the Board certifies that the other requirements of this Section 15.3.b have been satisfied by a resolution approved by an affirmative vote of the majority of the Directors who do not have an interest governed by this Section 15.3.

ARTICLE XVI

RIGHTS OF THE CITY OF DALLAS

- 16.1 In the event that the Association, its successors or assigns, shall fail or refuse to adequately maintain the appearance and condition of the Common Facilities and/or the Properties which the Association is obligated to maintain hereunder, the City of Dallas, Texas shall have the right and may assume the duty of performing all such maintenance obligations of the Association at any time, upon giving written notice to the Owners or at any time after the expiration of ten (10) days after receipt by the Association, its successors or assigns, of written notice specifying in detail the nature and extent of the failure to maintain without such failure being remedied, whichever notice shall be deemed appropriate by the City of Dallas. Upon assuming such maintenance obligations, the City of Dallas may levy an Assessment upon each Lot on a pro rata basis for the cost of such maintenance, notwithstanding any other provisions contained in this Declaration, which Assessment shall constitute a lien upon the Lot against which each Assessment is made. During the period the City of Dallas has a right and assumes the obligation to maintain and care for the Common Facilities and/or Properties, the Association shall have no obligation or authority with respect to such maintenance. The right and authority of the City of Dallas to maintain the Common Facilities and/or Properties shall cease and terminate when the Association, its successors or assigns, shall present to the City of Dallas reasonable evidence of its willingness and ability to resume maintenance of the Common Facilities and/or Properties. In the event the City of Dallas assumes the duty of performing the maintenance obligations of the Association as provided herein, then the City of Dallas, its agent, representatives and employees, shall have right of access to and over the Common Facilities and/or Properties for the purpose of maintaining, improving and preserving the same, and in no event, and under no circumstances, shall the City of Dallas be liable to the Association or any Owner or Member, or their respective heirs, executors, administrators, devisees, personal representatives, successors and assigns for negligent acts or construction relating in any manner to maintaining, improving and preserving the Common Facilities and/or the Properties, or to any Owner, Member, the Association or any other person for failure to perform such maintenance.

IN WITNESS OF THE FOREGOING, the undersigned Officers of RLV Homeowners Association, Inc., certify that the above Third Amended and Restated By-Laws were approved in accordance with the requirements of the By-Laws by the affirmative vote of the Members.

By: _____
Jesse A. Rogers, President Date

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

BEFORE ME, the undersigned Notary Public, on this day personally appeared Jesse A. Rogers, known to me to be the person and officer whose name is subscribed to the Instrument, and acknowledged to me that he executed the same for the purpose and consideration therein expressed, and in the capacity therein stated on this ____ day of _____, 2015, to certify which witness my hand and official seal of office.

Notary Public – State of Texas

Attest: _____
Jim Laricks, Secretary Date

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

BEFORE ME, the undersigned Notary Public, on this day personally appeared Jim Laricks known to me to be the person and officer whose name is subscribed to the Instrument, and acknowledged to me that he executed the same for the purpose and consideration therein expressed, and in the capacity therein stated on this ____ day of _____, 2015, to certify which witness my hand and official seal of office.

Notary Public – State of Texas

Return to:
RLV Homeowners Association, Inc.
P.O. Box 741854
Dallas, Texas 75374-1854