Filed For Record Jan 04:2021 at 03:55P

## BYLAWS OF

GAINESVILLE HORSEMANS RANCH OWNERS ASSOCIATION, INC. Harrison y Clerk, Cooke CO. TX

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## **Basic Information:**

**Property Owners** Association:

Gainesville Horsemans Ranch Owners Association, established by the certificate of formation filed with the secretary of state of Texas on January 25, 2017, under file number 802634123.

Principal Office:

171 County Road 1262, Whitesboro, Texas 76273. The Property Owners Association may have other offices.

Declaration:

The Declaration of Restrictive Covenants of the Horsemans Ranch Subdivision, recorded in the real property records of Cooke County, Texas.

Definitions:

Capitalized terms used but not defined herein have the meaning set forth in the Declaration.

Voting Members:

One vote per deeded property is conveyed with that property. Regardless of the number of persons who reside on that property or are listed on the deed, only one individual is allowed to vote per lot. Members may vote through written

proxy filed with the secretary.

Purpose:

To enforce the Declaration, including maintaining and managing the real estate in the residential subdivision known as Horsemans Ranch.

A. Horses: The Horsemans Ranch Subdivision was designed for the primary interests of Owners with horses and/or Owners choosing to live in an environment that lends itself to an equestrian lifestyle. Though it welcomes Owners with or without horses, the following must be understood by all residents:

- A.1. Right of Way: Horses have the right of way. All vehicles traveling on roads within the Subdivision must yield to horses crossing the road and must slow to 10 mph or below when passing horses being ridden or hand walked on the trail easements along roadsides.
- A.2. Odors & Pests: Horses emit odors and attract flies that most horse enthusiasts are accustomed to. Horse odors and pests cannot warrant a complaint by other property owners unless they are a result of apparent neglect of the horse(s) from unsanitary conditions.

- A.3. <u>Dues & Assessments</u>: HOA dues and possible assessments may be used for the maintenance of the horse arena and riding trails. All Owners are subject to these assessments whether the individual Owner uses those amenities or not. Section 10.2 in Covenants spells out in detail how fees and assessments may be used.
- A.4. <u>Fireworks</u>: Horses are flight animals that react to loud noises. Fireworks that leave the ground, or make any noise are strictly prohibited.
- A.5. <u>Loose Horses</u>: Occasionally horses escape their enclosures or get loose from riders on the trail. It is imperative to be alert at all times for loose horses that may be running scared and can cause accident, injury or damage to property. Before attempting to catch and contain a loose horse, if it is possible, it is good practice to notify the owner of the horse, a neighbor, a member of the Board or the Cooke County Sheriff's Department to get help.

#### B. Members:

- B.1. Membership: Each Owner of a Lot will automatically be a Member of the Association for so long as that Person is an Owner of a Lot. Membership in the Association is mandatory for each Owner, is an interest appurtenant to title to each Lot, and may not be separated from ownership of a Lot. If more than one Person (such as a husband and wife) owns an interest in a Lot and is listed on the title, all of those Persons will be entitled to participate in the Association and exercise the rights of a Member, except that only one (1) vote may be cast on behalf of all Persons owning an interest in a Lot.
  - B.1.a. <u>Classes of Members</u>: During the Development Period, which according to the Deed Restrictions (page 2, Article 1: Concepts and Definitions) ended October 31, 2016, the Owners Association had two (2) classes of Members: Class A Members and Class B Members. Upon the conclusion of the Development Period, the Class B membership ended and Declarant automatically became a Class A Member.
- B.2. <u>Place of Meeting</u>: Members meetings will be held at the Property Owners Association's Principal Office or at another any other suitable place convenient to the Members as may be designated by the Board, either within Cooke County, Texas, or as convenient thereto as is possible and practical.
- B.3. <u>Annual Meetings</u>: Annual Member meetings will be held generally in the month of January each year, at a specific date and time set by the Board.
- B.4. <u>Special Meetings</u>: The president of the Board may call special meetings. The president of the Board must call a special meeting if directed by at least two members of the Board or by a petition signed by 51 percent of the Class A Voting Members.

- B.5. Notice of Meetings, Election, and Vote: Written notice stating the place, day, and hour of each Members meeting, other than a reconvened meeting, must be given to each Member. It can be mailed, but the mailing must occur at least ten (10) days before the meeting, but not more than sixty (60) days before the meeting. Alternatively the notice will be e-mailed to owners who have registered an email address with the HOA, and it will be posted on the HOA's website. These electronic forms of notice must be given at least 72 hours before the meeting. The notice will also be posted on the bulletin board at least 72 hours before the meeting at the Property Owners Association's Principal Office (Horsemans Ranch Community Center, 171 County Road 1262, Whitesboro, Texas 76273.).
  - B.5.1. <u>Notice of Voting</u>: For voting not at a meeting, for example mail or electronic ballots, notice must be given not later than the twentieth (20th) day before the latest day on which a ballot may be submitted to be counted. Notice to a Member must state the purpose of an association-wide election or vote.
  - B.5.2 <u>Special Members Meeting</u>: The special Members meeting notices must also state the meeting's purpose, and no business may be conducted except as stated in the notice.
- B.6. <u>Waver of Notice</u>: A Member may, in writing, waive notice of a meeting. Attendance at a meeting is a waiver of notice of the meeting, unless the Member objects to lack of notice when the meeting is called to order.
- B.7. **Quorum**: Owners who represent 50% or more of the Lots owned must be present. If a Members meeting cannot be held because a quorum is not present, a majority of the Voting Members who are present may adjourn the meeting. At the reconvened meeting, 50 percent of the Voting Members is a quorum. If a quorum is not present, a majority of the Voting Members who are present may adjourn the meeting. At the second reconvened meeting, a majority of the Board is a quorum. Written notice of the place, date, and hour of each reconvened meeting must be given to each Member not more than 30 nor less than 10 days before the reconvened meeting.
- B.8. <u>Majority Vote</u>: Voting by Members may be at a meeting or outside of a meeting. Voting must be as required by law. Votes representing more than 50 percent of the Voting Members present at a meeting at which a quorum is present are a majority vote.
- B.9. <u>Proxies</u>: Voting Members may vote by written proxy. All proxies will be in writing and with the secretary. Proxies will be revocable, and the proxy of any owner will automatically terminate on conveyance by such owner of his or her lot. Each proxy shall not be valid for more than six (6) months. Proxies shall be for all voting issues unless limited to a specific issue included in writing to the secretary.

B.10. <u>Conduct of Meeting</u>: The president will preside over Members meetings referring to Robert's Rules of Order as necessary. The secretary will keep minutes of the meetings and will record in a minutes book the votes of the members.

#### C. Board:

- C.1. <u>Governing Body; Composition</u>: The affairs of the Property Owners Association are governed by the Board. Each director has one vote. The initial Board is composed of the directors stated in the certificate of formation. Each director must be a Member or, in the case of an entity Member (non-owner), a person designated in writing to the secretary. No two or more members of an immediate or extended family shall serve on the Board at the same time.
- C.2. Number of Directors: The Board consists of five (5) Directors.
- C.3. <u>Term of Office</u>: Each director selected or elected shall serve a term of two (2) years, except as provided in the remainder of this Section B.3. The terms of directors shall be staggered, so that, while there are five (5) directors, no more than three (3) directors are elected during any year. Directors may serve consecutive terms. This means initially some directors will have 2-year terms, and some directors will have 1-year terms.
- C.4. Nomination of Directors: Prior to each annual Members meeting, the Board will prescribe: (a) the opening date and the closing date of a reasonable filing period in which each person who has an interest in serving as a Director may file as a candidate. In event that an Owner wishes to nominate another Owner, they must have that Owners approval in writing prior to the nomination; (b) that each person who has properly filed and is eligible to be a Director will be included on the ballot; and (c) any other rules and regulations in which may then be appropriate to conduct the nomination and election of Directors in a fair, efficient and cost-effective manner.
- C.5. Election Method: The election process for Directors will occur by secret ballot. Successors for each director whose term is expiring will be elected. Cumulative voting is prohibited. The candidate or candidates receiving the most votes will be elected. The directors elected by the Voting Members will hold office until their respective successors have been elected. In the event of a tie for Board membership a re-vote may be required. Unless the Board determines that the election of Directors should be completed prior to the annual Members meeting, the election will be conducted at the annual meeting. The Board may determine that the election of Directors be completed prior to the annual Members meeting in accordance with any reasonable procedure approved (from time to time) by the Board, so that the tabulated results can be announced at the annual Members meeting. The Board will determine from time to time the method by which votes may be cast, which may include mail, e-mail or any combinations of those methods or any other method permitted under Section 22.160 of the Texas Business Organizations Code or other applicable law.

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## Con Bramoval of Directors and Vacancies:

# C.6.a. <u>Removal by Members</u>:

- i. A petition signed by Members representing at least 75% of the voting members to be presented to the President requesting a special election to remove a Director. All qualified ballots must be returned to the office of the Corporation as specified in the ballot, but in no case sooner than 30 days from the mailing date, in order to be counted.
- ii. A Director may be removed by a two-thirds majority vote in which at least a quorum of Members cast qualified votes.
- iii. The existing Board of Directors shall convene within 10 days after the election to determine whether the Director has been removed.
- iv. The decision of a majority of the current members of the Board of Directors after they have canvassed the ballots shall be final.
- v. The remaining Directors shall replace a Director that has been removed as with any vacancy but in no case can the replacement be the Director so removed.
- C.6.b. <u>Removal by Board</u>: At any regular or special Board meeting, a Director may be removed by the vote of at least a majority of the remaining Directors on the Board only for one of the following reasons:
  - i. the Director has failed to attend three (3) consecutive Board meetings;
  - ii. the Board can demonstrate the Director is repeated negligent in the performance of their duties, and whose behavior impedes the board's ability to function;
  - iii. the Director is delinquent in the payment of any Assessment for more than 30 days.
  - iv. the Director has been convicted with a crime that, under Texas State Law, precludes him or her from sitting on the board, or under Texas State Law would hinder the director from conducting his or her duties effectively.
- C.6.c. <u>Vacancies</u>: A director's position becomes vacant if the director dies, becomes incapacitated, resigns, is removed, or is no longer a Member.
- C.6.d. **Resignation**: Any officer may resign from the Board at any time by giving written notice to the remaining Board, the president, or the secretary. Resignation takes effect on the date of the receipt of the notice or at any later time specified in the notice. All documents, materials and works in process must be provided to the remaining Board upon resignation.
- C.6.e. <u>Successors</u>: If a director is removed or a vacancy exists, a successor will be elected by the remaining directors for the remainder of the term.
- C.7. **Open Board Meetings**: All Board meetings (excluding a meeting held by electronic or telephonic means or workshop meetings and executive sessions to

discuss personnel, litigation and other similar confidential matters) will to the extent possible be open to all Members, but Members other than Directors may not participate in any discussion or deliberation. The only exception will be a 15-minute open forum to be held after the committee reports, and before Old Business. During this open session, a maximum of 3 members may speak for 5 minutes each, regardless of the number of members who wish to speak. Each of these members will be allocated 5-minutes during which to make comments to the Board. These comments will be generally recorded in the minutes. If the Member wishes to address a matter which will require a vote, that Member must have notified the Board via email at least 5-days prior to the meeting at which the Member wishes to speak in order to allow the Board time to amend the agenda accordingly and to prepare for the topic to be presented. Members who do not notify the Board of their intended remarks may not expect an immediate answer from the Board. Members who attend and disrupt Board meetings will be asked to remove themselves from the meeting.

- C.8. Notice of Board Meetings: Except for a meeting held by electronic or telephonic means, a Board meeting must he held in a county in which all or part of the property in the subdivision is located or in a county adjacent to that county. A board meeting may be held by electronic or telephonic means, provided all Owners and Board Members have access to the communication at the meeting as required by law. Notice of Board Meetings will be e-mailed to the email address registered with the HOA, and it will be posted on the HOA's website. These electronic forms of notice must be given at least 72 hours before the meeting. The notice will also be posted on the bulletin board at least 72 hours before the meeting at the Property Owners Association's Principal Office (Horsemans Ranch Community Center, 171 County Road 1262, Whitesboro, Texas 76273.).
- C.9. Executive Session and Workshops: The Board may, with approval of a majority of a quorum of the Board, adjourn a meeting and reconvene in executive session to discuss and vote upon personnel matters, litigation in which the Association is or may become involved in other business of similar confidential nature. The nature of any and all business to be considered in executive session will first be announced in open session. The Board may also hold and/or attend "workshop" meetings or sessions to discuss long-range concepts, receive educational assistance and training and the like, bylaw discussion, budget preparation, assessment discussion, dues discussion, and rules discussion provided no official action of any sort is taken.
- C.10. <u>Waver of Notice</u>: The actions of the Board at any meeting are valid if (a) a quorum is present and (b) either proper notice of the meeting was given to each director or a written waiver of notice is given by any director who did not receive proper notice of the meeting. Proper notice of a meeting will be deemed given to any director who attends the meeting without protesting before or at its commencement about the lack of proper notice.

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- C.T.E. Quorum and the votes of a majority of the directors present at a meeting at which a quorum is present constitutes the decision of the Board. If the Board cannot act because a quorum is not present, a majority of the directors who are present may adjourn the meeting to a date not less than 10 nor more than 20 days from the date the original meeting was called. At the reconvened meeting, if a quorum is present, any business that may have been transacted at the meeting originally called may be transacted without further notice.
- C.12. <u>Conduct of Meetings</u>: The president will preside at Board meetings. The secretary will keep minutes of the meetings and will record in a minute book the votes of the directors. The Board meeting will be conducted as required by law and referring to Robert's Rules of Order as necessary.
- C.13. Written Consent: In lieu of a meeting, Directors may take an action with only the written consent of all the Directors if the action is signed by all Directors and the action does not involve the following issues: (1) fines, (2) damage assessments, (3) initiation of foreclosure actions, (4) initiation of enforcement actions, excluding temporary restraining orders or violations involving a threat to health or safety, (5) increases in assessments, (6) levying of special assessments, (7) appeals from a denial of architectural control approval, (8) a suspension of a right of a particular Owner before the Owner has an opportunity to attend a board meeting to present the Owner's position, including any defense, on the issue, (9) lending or borrowing money, (10) the adoption or amendment of a dedicatory instrument, (11) the approval of an annual budget or the approval of an amendment of an annual budget that increases the budget by more than 10 percent, (12) the sale or purchase of real property, (13) the filling of a vacancy on the Board, (14) the construction of capital improvements other than the repair, replacement, or enhancement of existing capital improvements, or (15) the election of an officer. The initial officers of the Property Owners Association shall be chosen by the Board by unanimous letter of written consent for the purpose of conducting the affairs of the Property Owners Association; however, the election of the initial officers shall be ratified at a meeting of the Board of Directors.
- C.14. **Proxie**s: Directors may vote by written proxy if they are to be absent from a meeting for which they have given notice and reason for their absence in writing (email) to the secretary of the BOD and copied to the entire BOD at least three business days prior to the meeting (except in the case of emergency as shall be determined by the BOD). Such a proxy shall be valid for that meeting only and cannot be used for purposes of a quorum.
- C.15. <u>Compensation</u>: Directors will not receive compensation from the Association for acting as a Director. A director may be reimbursed for expenses approved by the Board.

C.16. Powers: The Board, for the benefit of the Owners Association shall exercise powers as listed in the Covenant (consistent with Texas State Law) and has all powers necessary to administer the Property Owners Association's affairs. In addition to the duties imposed by these Bylaws, the Board will have the power to and be responsible for the following: (a) preparation and adoption of an annual budget in which there will be established the Annual Dues rate charge; (b) making assessments to defray the common expenses, establishing the means and methods of collecting those assessments, and establishing the period of any installment payments of the Annual Dues; (c) providing for the operation, care, upkeep, and maintenance of all the Common Areas; (d) designation, hiring, and dismissing the personnel necessary for the maintenance, operation, repair, and replacement of the Association, its property, and the Common Areas and, where appropriate, providing for the compensation of that personnel and for the purchase of equipment, supplies, and material to be used by that personnel in the performance of their duties; collecting the assessments, depositing the proceeds thereof in a depository which it approves, and using the proceeds to administer the Associations; (e) making and amending rules and regulations; (f) making or amending amendments the Bylaws; (g) opening bank accounts and/or banking-type accounts on behalf of the Association and designating the signatories required; (h) making or contracting for the making of repairs, additions, and improvements to or alterations of the Common Areas in accordance with the other provisions of the Declaration and the Bylaws after damage or destruction by fire or other casualty; (i) enforcing by legal means the provisions of the Declaration, these Bylaws, and the rules and regulations adopted by it and bringing any proceedings which may be instituted on behalf of or against the Members concerning the Association; (j) obtaining and carrying insurance against casualties and liabilities, as provided in the Declaration, and paying premium cost thereof; (k) paying the cost of all services rendered to the Association or its Members; and (I) keeping books with reasonably detailed accounts of the receipts and expenditures affecting the Association and its administration, specifying the maintenance and repair expenses and any other expenses incurred [the books and vouchers accrediting the entries thereupon will be available for examination by the Members and bona-fide mortgagees, their respective duly authorized agents, accountants, or attorneys, during general business hours on working days at the time and in a manner that will be set and announced by the Board for the general knowledge of the Members]; (m) filing all requisite forms, documents and information with taxing authorities; (n) designation and hiring of professional services such as attorneys and accountants; and (o) permitting utility suppliers to use portions of the Common Area reasonably necessary to the ongoing development or operation of the Property and individual Lots.

C.17. Managing Agent: The Board may employ for the Association a professional management agent(s) or executive manager (each and all of whom will be sometimes referred to in these Bylaws as the "Managing Agent") at a compensation established by the Board to perform the duties and services as the Board authorizes. The Managing Agent will provide the Board and the officers with reasonable reports concerning the affairs of the Association. The Managing Agent will provide the Board

with quarterly reports regarding the financial data discussed below. The board may delegate to the Managing Agent some of the powers granted to the Board for the routine operation of the Association. While the Managing Agent may formulate data and make recommendations to the Board, the final powers envisioned by subparagraphs (a), (b), (e), (f), (g), (h), (i), (j), (n) and (o) in Section C.16. will be exclusively exercised by the Board.

- C.18. Accounts and Reports: Accounting and controls must conform to good accounting practices. Accounts will not be commingled with accounts of other persons. The following financial reports will be prepared at least annually:
  - C.18.a. An income statement reflecting all income and expense activity for the preceding period
  - C.18.b. A statement reflecting all cash receipts and disbursements for the preceding period
  - ${
    m C.18.c.}$  A variance report reflecting the status of all accounts in an "actual" versus "approved" budget format
  - C.18.d. A balance sheet as of the last day of the preceding period
  - C.18.e. A delinquency report listing all Owners who are delinquent by more than 60 days in paying any Assessment and describing the status of any action to collect those delinquent Assessments
- C.19. <u>Legal Documents and Contracts</u>: All legal documents and contracts must be signed by all the officers of the board. Any document not so signed will not be binding upon the Board or Gainesville Ranch Homeowner's Association.
- C.20. **Borrowing**: The Board may borrow money to maintain, repair, or restore the Common Area without the approval of the Members.

#### C.21. Enforcement Procedures:

C.21.a. Notice: Before the Board may (i) suspend an Owner's right to use a Common Area, (ii) file a suit against an Owner other than a suit to collect any Assessment, (iii) foreclose the Property Owners Association's lien, (iv) charge an Owner for property damage, or (v) levy a fine for a violation of the Dedicatory Instruments, the Property Owners Association or its agent must give written notice to the Owner as required or permitted by law. The notice must describe the violation or property damage that is the basis for the suspension action, charge, or fine and state any amount due the Property Owners Association from the Owner. The notice must also (i) inform the Owner that if the violation is curable and does not pose a threat to public health or safety, which means it could not materially affect the health or safety of an ordinary resident, the Owner

is entitled to a reasonable period to cure the violation and avoid the fine or suspension unless the Owner was given notice and a reasonable opportunity to cure a similar violation within the preceding six months; (ii) indicate that the Owner may request a hearing in accordance with Texas Property Code section 209.007 on or before the thirtieth day after the date the notice was mailed to the Owner, (iii) state that the Owner may have special rights if the Owner is serving on active military duty, and (iv) state the date by which the Owner must cure a curable violation that does not pose a threat to public health and safety. Any notice required or permitted by the Dedicatory Instruments must be in writing. Notices regarding enforcement actions must be given as required or as permitted by law and require a return receipt.

C.21.b. <u>Hearing</u>: If the Owner is entitled to an opportunity to cure the violation, the Owner has the right to submit a written request for a hearing to discuss and verify facts and resolve the matter in issue before a committee appointed by the Board or before the Board if the Board does not appoint a committee. If a hearing is to be held before a committee, the notice must state that the Owner has the right to appeal the committee's decision to the Board by written notice to the Board.

The Property Owners Association must hold a hearing under this section not later than the thirtieth day after the date the Board receives the Owner's request for a hearing and must notify the Owner of the date, time, and place of the hearing not later than the tenth day before the date of the hearing. The Board or the Owner may request a postponement, and, if requested, a postponement will be granted for a period of not more than ten days. Additional postponements may be granted by agreement of the parties. The Owner or the Property Owners Association may make an audio recording of the meeting.

The hearing will be held in executive session affording the alleged violator a reasonable opportunity to be heard. Before any sanction hereunder becomes effective, proof of proper notice will be placed in the minutes of the meeting. Such proof will be deemed adequate if a copy of the notice, together with a statement of the date and manner of delivery, is entered by the officer, director, or agent who delivered the notice. The notice requirement will be satisfied if the alleged violator appears at the meeting. The minutes of the meeting will contain a written statement of the results of the hearing and the sanction, if any, imposed. The Board may, but will not be obligated to, suspend any proposed sanction if the violation is cured within a 30-day period, or a later date as set by the Board of Directors. Such suspension will not constitute a waiver of the right to sanction violations of the same or other provisions and rules by any person.

C.21.c. <u>Appeal</u>: Following hearing before a committee, if any, the violator will have the right to appeal the decision to the Board. To invoke this right, a written notice of appeal must be received by the managing agent, if any, president, or secretary within 10 days after the hearing date.

C.21.d. <u>Changes in Law</u>: The Board may change the enforcement procedures set out in this section to comply with changes in law.

#### D. Officers:

- D.1. <u>Officers</u>: The officers of the Property Owners Association are a president, vice president, secretary, and treasurer, to be elected from the Board. The Board may appoint other officers having the authority and duties prescribed by the Board. Any two or more offices may be held by the same person, except the offices of president and treasurer.
- D.2. <u>Election, Term of Office, and Vacancies</u>: Officers will be elected annually by the Board at the first meeting of the Board following each annual meeting of the Voting Members. A vacancy in any office may be filled by the Board for the unexpired portion of the term.
- D.3. <u>Removal</u>: The Board may remove any officer whenever, in the Board's judgment, the interests of the Property Owners Association will be served as defined in section C.6.b.
- D.4. <u>Powers and Duties</u>: Officers have such powers and duties as are generally associated with their respective offices and as may be specifically conferred by the Board. The president is the chief executive officer of the Property Owners Association. The treasurer's primary responsibilities include the preparation of the budget and financial reports as directed by the BOD, and BOD may agree to delegate all or part of the preparation and notification duties to the Board of Directors as a whole, or upon approval of the BOD to a finance committee, management agent, or both.
- D.5. **Resignation**: Any officer may resign from their position of office at any time by giving written notice to the Board, the president, or the secretary. Resignation takes effect on the date of the receipt of the notice or at any later time specified in the notice. All documents, materials and works in process must be provided to the remaining Board upon resignation.
- E. <u>Committees</u>: The Board may establish committees by resolution and authorize the committees to perform the duties described in the resolution as directed by the Board. At its discretion, the Board may determine which committee chairs must be members of the Board.

#### F. Indemnification and Insurance:

F.1. Extent of Indemnification: The Association will indemnify any person who is Director, officer, employee, or agent of the Association, to the fullest extent that a nonprofit corporation in Texas is required under the Texas Business Organizations Code.

F.2. **Insurance**: The Association may purchase and maintain insurance or make other arrangements, at its expense, to protect itself and any Director, officer, employee, agent or person as specified in Section F.1., against any expense, liability or loss, as defined under the Texas Business Organizations Code.

## G. Miscellaneous:

- G.1. <u>Fiscal Year</u>: The Board may establish the Property Owners Association's fiscal year by resolution. In the absence of a Board resolution determining otherwise, the Property Owners Association's fiscal year is a calendar year.
- G.2. <u>Rules for Meeting</u>: The Board may adopt rules for the conduct of meetings of Members, Board, and committees.
- G.3. <u>Conflict</u>: If there are conflicts or inconsistencies between the provisions of Texas law, the Certification of Formation, the Declaration, and these Bylaws, then the provisions of the Texas law, the Declaration, the Certificate of Formation, and the Bylaws (in that order) will prevail.

## H. Inspection of Books and Records:

- H.1. <u>Inspection by Member</u>: After a written request to the Property Owners Association, a Member may examine and copy, in person or by agent, any Property Owners Association books and records relevant to that purpose. The Board may establish rules concerning the (i) written request; (ii) hours, days of the week, and place; and (iii) payment of costs related to a Member's inspection and copying of books and records.
- H.2. <u>Inspection by Director</u>: A director has the right, at any reasonable time, and at the Property Owners Association's expense, to (i) examine and copy the Property Owners Association's books and records at the Property Owners Association's Principal Office and (ii) inspect the Property Owners Association's properties.
- H.3. <u>Notices</u>: Any notice required or permitted by the Dedicatory Instruments must be in writing. Notices regarding enforcement actions must be given as required or as permitted by law and require a return receipt. All other notices may be given by regular mail. Notice by mail is deemed delivered (whether actually received or not) when properly deposited with the United States Postal Service, addressed to (a) a Member at the Member's last known address according to the Property Owners Association's records. It is the responsibility of the owner to make certain that his or her latest mailing address is up to date; and (b) the Property Owners Association, the Board, or a managing agent at the Property Owners Association's Principal Office or another address designated in a notice to the Members. Unless otherwise required by law or the Dedicatory Instruments, actual notice, however delivered, is sufficient

H.4.. Amendment: These Bylaws may be amended at any time by an 80%(4/5) the vote of the then serving Board of the Property Owners Association. This provision will not be construed as limiting the Board's power to amend the enforcement procedures to comply with changes in law.

#### APPROVED BY THE BOARD OF DIRECTORS:

Grady Dougless, President

Gainesville Horsemans Ranch Owners Association, Inc.

Poggy Jackson, Vice President, Acting Treasurer, Gainesville Horsemans Ranch Owners Association, Inc.

Tracey Austin-Ivy, Ad Hoc Director, Gainesville Horsemans Ranch Owners Association, Inc.

Veronica Williams, Secretary,

Gaine ville Horsemans Ranch Owners

Association, Inc.

