

**BY-LAWS (AMENDED)  
OF  
SUN CITY GEORGETOWN COMMUNITY  
ASSOCIATION, INC.**

Approved February 1, 2008

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**Article I**  
**NAME, PRINCIPAL OFFICE, AND DEFINITIONS**

1.1. Name. The name of the Association shall be Sun City Georgetown Community Association, Inc. ("Association").

1.2. Principal Office. The principal office of the Association shall be located in Williamson County, State of Texas. The Association may have such other offices as the Board may determine or as the affairs of the Association may require.

1.3. Definitions. The words used in these By-Laws shall be given their normal, commonly understood definitions. Capitalized terms shall have the same meaning as set forth in that Declaration of Covenants, Conditions, and Restrictions for Sun City Georgetown filed in the Official Records of Real Property of Williamson County, Texas ("Declaration"), unless the context indicates otherwise.

## **Article II** **ASSOCIATION:**

### A. Composition

2.1. Membership. The Association shall have two classes of membership, Class "A" and Class "B," as set forth in the Declaration. The provisions of the Declaration pertaining to membership, including the arbitration and other dispute resolution provisions contained in Article XVII are incorporated herein by this reference.

### B. Meetings

2.2. Place of Meetings. Meetings of the Association shall be held within the Properties or at such other suitable place within Williamson County, State of Texas as may be designated by the Board.

2.3. Annual Meetings. The first meeting of the Association, whether a regular or special meeting, shall be held within one year after incorporation of the Association. Subsequent regular annual meetings shall be set by the Board so as to occur at least 30 days but not more than 120 days before the close of the Association's calendar year on a date and at a time set by the Board.

2.4. Special Meetings. The President may call special meetings. In addition, it shall be the duty of the President to call a special meeting if so directed by resolution of the Board or upon a petition signed by Members holding at least 5% of the voting power of the Association.

2.5. Notice of Meetings. Written notice stating the place, day, and hour of any meeting of the Association shall be delivered, either personally, by mail, or by computer, fiber optics, or other similar communication devices to each Member entitled to vote at such meeting, not less than 10 nor more than 50 days before the date of such meeting, by or at the direction of the President or the Secretary or the officers or persons calling the meeting.

In the case of a special meeting or when otherwise required by statute or these By-Laws, the purpose or purposes for which the meeting is called shall be stated in the notice. No other

business shall be transacted at a special meeting except as stated in the notice.

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

2.6. Waiver of Notice. Waiver of notice of a meeting of the Members shall be deemed the equivalent of proper notice. Any Member may, in writing, waive notice of any meeting of the Association, either before or after such meeting. Attendance at a meeting by a Member shall be deemed waived by such Member of notice of the time, date, and place thereof, unless such Member specifically objects to lack of proper notice at the time the meeting is called to order. Attendance at a special meeting also shall be deemed waived of notice of all business transacted unless an objection on the basis of lack of proper notice is raised before the business is put to a vote.

2.7. Adjournment of Meetings. If any meeting of the Association cannot be held because a quorum is not present, a majority of the Members who are present at such meeting may adjourn the meeting to a date not less than 5 nor more than 30 days from the time the original meeting was called. At the reconvened meeting, any business may be transacted which might have been transacted at the meeting originally called provided that Members representing at least 25% of the total voting power of the Association are present. If a time and place for reconvening the meeting is not fixed by those in attendance at the original meeting or if for any reason a new date is fixed for reconvening the meeting after adjournment, notice of the time and place for reconvening the meeting shall be given to Members in the manner prescribed for regular meetings.

2.8. Voting. Members shall have such voting rights as set forth in the Declaration, which are incorporated herein by this reference. Members may vote at a meeting by voice vote, ballot, by mail, or pursuant to other policies as determined by the Board; provided, however, meetings shall be held when required by the Declaration or By-Laws. All Membership votes shall be subject to the quorum requirements of Section 2.11.

2.9. Proxies. Members may use proxies only for votes held in conjunction with a special or annual meeting. Proxies may not be used to cast votes in any director election that is not required to be held in conjunction with an annual meeting. As such, proxies may be used for director elections following the first election under Section 3.5(c), but not before.

Each proxy shall be in writing, dated, signed and filed with the Secretary prior to the meeting for which it is to be effective. Proxies must be delivered to the Secretary or his designee in accordance with the election policy of Sun City, as same may be amended from time to time by the Board. Subject to any restrictions contained in these Bylaws, the election policy, or on the face of the proxy, a proxy shall cover all votes that the granting Member is entitled to cast. In the event of any conflict between two or more proxies purporting to cover the same voting rights, the conflict shall be resolved in accordance with the election policy. Every proxy shall be revocable and shall automatically cease upon conveyance of the Member's Lot.

2.10. Majority. As used in these By-Laws, the term "majority" shall mean those votes, Owners, or other group, as the context may indicate, totaling more than 50% of the total eligible number.

2.11. Quorum. Except as otherwise provided in these By-Laws or in the Declaration, the presence of Members holding 25% of the voting power in the Association shall constitute a quorum at all meetings of the Association. Members present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal of enough to leave less than a quorum, provided that at least 15% of the Members originally in attendance remain, and provided that any action taken is approved by at least a majority of the votes required to constitute a quorum.

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

2.13. Telephonic Participation. One or more Members may participate in and vote during any regular or special meeting of the Members by telephone conference call, fiber optics or similar communication equipment by means of which all Persons participating in the meeting can hear each other at the same time, and those Members so participating shall be present at such meeting. Any such meeting at which a quorum participates shall constitute a meeting of the Association.

2.14. Action Without a Meeting. Any action required or permitted by law to be taken at a meeting of the Members may be taken without a meeting, without prior notice and without a vote if written consent specifically authorizing the proposed action is signed by Members representing at least the minimum number of votes necessary to authorize such action at a meeting if all Members entitled to vote thereon were present. All such consents shall be signed within 60 days after receipt of the earliest dated consent, dated and delivered to the Association at its principal place of business in the State of Texas. Such consents shall be filed with the minutes of the Association.

### Article III

## **BOARD OF DIRECTORS:**

### A. Composition

3.1. Governing Body; Composition. A Board of Directors shall govern the affairs of the Association. Each director shall have one equal vote. Except with respect to directors appointed by the Class "B" Member, the directors shall be Members or residents of Dwelling Units; provided, however, no more than one representative from a Lot may serve on the Board at the same time. All directors shall complete, prior to being elected to the Board, such training and committee or other service requirements as established by the Board.

In the case of a Member which is not a natural person, any officer, director, partner or trust officer of such Member shall be presumed to be eligible to serve as a director unless otherwise specified by written notice to the Association signed by such Member. No Member may have more than one such representative on the Board at a time, except in the case of directors appointed by the Class "B" Member.

3.2. Number of Directors. The number of directors in the Association shall be not less than three nor more than seven, as provided in Section 3.5. The initial Board shall consist of three directors as identified in the Articles.

3.3. Directors During Class "B" Control Period. Subject to the provisions of Section 3.5, the directors shall be appointed by the Class "B" Member acting in its sole discretion and shall serve at the pleasure of the Class "B" Member until the first to occur of the following:

(a) when 95% of the total number of Lots proposed by the Master Plans have certificates of occupancy issued thereon and have been conveyed to Home Owners;

(b) December 31, 2045; provided that, in the event the Declarant annexes additional property pursuant to Section 9.1 of the Declaration at any time after December 31, 2040, this date shall be extended for additional three year periods for every 500 acres of property annexed, or any fraction thereof; or

(c) when, in its discretion, the Class "B" Member so determines.

### 3.4. Open Elections

Any member in good standing with the Community Association may run for a vacant resident seat on the Board. Interested Members must complete and submit an official candidate application provided by the Community Association and must participate in a candidate forum scheduled and conducted by the Election Committee.

3.5. Election and Term of Office. Notwithstanding any other provision of these By-Laws:

(a) Within 30 days after the time that Home Owners own 25% of the Lots proposed by the Master Plan, as it may be amended, or whenever the Class "B" Member earlier determine, the Association shall hold an election at which the Class "A" Members shall elect one of the three directors who shall be an at-large director and shall serve a term of two years or until the happening of the event described in subsection (b) below, whichever is earlier. If such director's term expires prior to the happening of the event described in subsection (b) below, a successor shall be elected for a like term. The remaining two directors shall be appointees of the Class "B" Member.

(b) Within 30 days after the time that Home Owners own 50% of the Lots proposed by the Master Plan as it may be amended, or whenever the Class "B" Member earlier determine, the Board shall be increased to five directors. The Association shall hold an election at which the Class "A" Members shall be entitled to elect two of the five directors, who shall serve as at-large directors and shall serve a term of two years or until the happening of the event described in subsection (c) below, whichever is earlier. If such directors' terms expire prior to the happening of the event described in subsection (c) below, successors shall be elected for a like term. The remaining three directors shall be appointees of the Class "B" Member.

(c) Within 120 days after the termination of the Class "B" Control Period, the Board shall be increased to seven directors. The Association shall hold an election at which all directors shall be elected as follows: the directors shall be elected by both Class "A" Members and the Class "B" Member exercising one vote for each Lot it owns, with one director elected by the vote of all Members and an equal number of directors elected by the vote of Members within each Voting Group. Any remaining directorships shall be filled at large by the vote of all Members. For the first election held pursuant to this subsection (c), the majority of the directors shall be elected for a term of two years and the remaining directors shall be elected for a term of one year, with each term to expire at the next annual meeting after the two-year or one-year period, as applicable. Those elected candidates receiving the most votes shall serve the two-year terms. Successor directors shall be elected at annual meetings to serve for two-year terms. The directors elected by the Members shall hold office until their respective successors have been elected.

(d) For all director elections, whether under subsection (a), (b) or (c) above, each Member shall be entitled to cast one vote with respect to each director vacancy to be filled. The right of a Member to cast votes is subject to the other conditions and requirements in these Bylaws and the Declaration. There shall be no cumulative voting. The candidate(s) receiving the highest number of votes shall be elected to the vacant director seat(s). In the case of a tie vote among two or more candidates that precludes a final determination as to which candidates have been elected or the term length a particular director-elect shall serve, the tie shall be broken by one or more flips of a coin conducted and overseen by an election official. All candidates involved in the tie breaker shall be given an opportunity to be personally present or represented by a designated individual at the tie breaker. Elected directors may serve no more than two consecutive terms and must stay off for at least one full year after serving two terms.

3.6. Removal of Directors and Vacancies. Any director elected solely by the Members may be removed, with or without cause, by the vote of Members holding a majority of the votes entitled to be cast for the election of such director, but shall not be subject to removal solely by the Class "B" Member. Any director whose removal is sought shall be given notice prior to any meeting called and noticed for that purpose. Upon removal of a director, a successor shall be elected by the Members entitled to elect the director so removed to fill the vacancy for the remainder of the term of such director.

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

In the event of the death, disability, or resignation of a director elected by the Members, the Board may declare a vacancy and appoint a successor to fill the vacancy until the next annual meeting, at which time the Members entitled to fill such directorship may elect a successor for the remainder of the term. Any director appointed by the Board shall be selected from among Members within the Voting Group represented by the director who vacated the position. In the event of the death, disability or resignation of a director appointed or elected by the Declarant or the Class "B" Member, the Declarant or the Class "B" Member, as appropriate, may appoint a successor director to fill the vacancy.

#### B. Meetings.

3.7. Organizational Meetings. The Board shall hold its first meeting within 10 days after each annual election of directors.

3.8. Regular Meetings. Regular meetings of the Board may be held at such time and place as the Board shall determine, but at least one such meeting shall be held each quarter. Notice of the time and place of the meeting shall be posted in a prominent place within the Properties and communicated to directors not less than four days prior to the meeting; provided, however, notice of a meeting need not be given to any director who has signed a waiver of notice or a written consent to holding of the meeting.

3.9. Special Meetings. Special meetings of the Board shall be held when called by written notice signed by the President or by any two directors. The notice shall specify the time and place of the meeting and the nature of any special business to be considered. The notice shall be given to each director by: (a) personal delivery; (b) first class mail, postage prepaid; (c) telephone communication, either directly to the director or to a person at the director's office or home who would reasonably be expected to communicate such notice promptly to the director; or (d) facsimile, computer, fiber optics or any such other communication device. All such notices shall be given at the director's telephone, fax, or e-mail number or sent to the director's address as shown on the records of the Association. Notices of special meetings of the Board shall be posted in a prominent place within the Properties. Notices sent by first class mail shall be deposited into a United States mailbox at least seven business days before the time set for the meeting. Notices given by personal

delivery, telephone, facsimile or other device shall be delivered, telephoned, or transmitted at least 72 hours before the time set for the meeting.

3.10. Waiver of Notice. The transactions of any meeting of the Board, however called and noticed or wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice if (a) a quorum is present, and (b) either before or after the meeting each of the directors not present signs a written waiver of notice, a consent to holding the meeting, or an approval of the minutes. The waiver of notice or consent need not specify the purpose of the meeting. Notice of a meeting also shall be deemed given to any director who attends the meeting without protesting before or at its commencement about the lack of adequate notice.

3.11. Quorum of Board of Directors. At all meetings of the Board, a majority of the directors shall constitute a quorum for the transaction of business, and the votes of a majority of the directors present at a meeting at which a quorum is present shall constitute the decision of the Board, unless otherwise specifically provided in these By-Laws or the Declaration. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of directors, if any action taken is approved by at least a majority of the required quorum for that meeting. If any meeting of the Board cannot be held because a quorum is not present, a majority of the directors present at such meeting may adjourn the meeting to a time not less than five nor more than 30 days from the date of the original meeting. At the reconvened meeting, if a quorum is present, any business, which might have been transacted at the meeting originally called, may be transacted without further notice.

3.12. Compensation. No director shall receive any compensation from the Association for acting as such; provided however, any director may be reimbursed for expenses incurred on behalf of the Association upon approval of a majority of the other directors. Nothing herein shall prohibit the Association from compensating a director, or any entity with which a director is affiliated, for services or supplies furnished to the Association in a capacity other than as a director pursuant to a contract or agreement with the Association, provided that such director's interest was made known to the Board prior to entering into such contract and such contract was approved by a majority of the Board, excluding the interested director.

3.13. Conduct of Meetings. The President shall preside over all meetings of the Board, and the Secretary shall keep a minute book of meetings of the Board, recording all resolutions adopted by the Board and all transactions and proceedings occurring at such meetings.

3.14. Open Meetings. Subject to the provisions of Sections 3.15 and 3.16, all meetings of the Board shall be open to all Members, but a Member other than a director may not participate in any discussion or deliberation unless permission to speak is requested on his or her behalf by a director. In such case, the President may limit the time any Member may speak. Notwithstanding the above, the President may adjourn any meeting of the Board and reconvene in executive session, excluding Members, to discuss matters of a sensitive nature, such as pending or threatened litigation and personnel matters.

3.15. Action Without a Formal Meeting. Any action to be taken at a meeting of the

directors or any action that may be taken at a meeting of the directors may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the directors, and such consent shall have the same force and effect as a unanimous vote. Written consent or consents shall be filed with the minutes of the proceedings of the Board.

3.16. Telephonic Participation. One or more directors may participate in and vote during any regular or special meeting of the Board by telephone conference call, fiber optics, or similar communication equipment by means of which all Persons participating in the meeting can hear each other at the same time, and those directors so participating shall be present at such meeting. Any such meeting at which a quorum participates shall constitute a meeting of the Board.

C. Powers and Duties.

3.17. Powers. The Board shall have all of the powers and duties necessary and appropriate for the administration of the Association's affairs and for performing all responsibilities and exercising all rights of the Association as set forth in the Declaration, these By-Laws, the Articles, and as provided by law. The Board may do or cause to be done all acts and things as are not by the Declaration, Articles, these By-Laws, or Texas law directed to be done and exercised exclusively by the membership generally.

3.18. Duties. The duties of the Board shall include, without limitation:

(a) Preparation and adoption of annual budgets and establishing each Owner's share of the Common Expenses and Neighborhood Expenses, if any;

(b) levying and collecting assessments from the Owners to fund the Common Expenses and Neighborhood Expenses, if any;

(c) providing for the operation, care, upkeep, and maintenance of the Area of Common Responsibility;

(d) designating, hiring, and dismissing the personnel necessary to carry out the rights and responsibilities of the Association and, where appropriate, providing for the compensation of such personnel and for the purchase of equipment, supplies, and materials to be used by such personnel in the performance of their duties;

(e) depositing all funds received on behalf of the Association in a bank depository which the Board shall approve and using such funds to operate the Association; provided, any reserve fund may be deposited, in the directors' best business judgment, in depositories other than banks;

(f) making and amending rules and regulations, including Use Restrictions, and establishing penalties for infractions thereof;

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

(h) making or contracting for the making of repairs, additions, and improvements to or alterations of the Common Area in accordance with the Declaration and these By-Laws;

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

(j) obtaining and carrying property, liability and commercial crime insurance, as provided in the Declaration, paying the cost thereof, and filing and adjusting claims, as appropriate;

(k) paying all taxes and/or assessments, which are or could become a lien on the Common Area or a portion thereof;

(l) paying the cost of all services rendered to the Association or its Members and not chargeable directly to specific Owners;

(m) keeping books with detailed accounts of the receipts and expenditures of the Association;

(n) making available to any prospective purchaser of a Lot, any Owner, and the holders, insurers, and guarantors of any Mortgage on any Lot, current copies of the Declaration, the Articles, the By-Laws, rules and all other books, records, and financial statements of the Association;

(o) permitting utility suppliers to use portions of the Common Area reasonably necessary to the ongoing development or operation of the Properties;

(p) indemnifying a director, officer or committee member, or former director, officer or committee member of the Association to the extent such indemnity is permitted or required by Texas law, the Articles, and these By-Laws; and

(q) assisting in the resolution of disputes between Owners and others without litigation, as set forth in the Declaration.

3.19. Right of Class "B" Member to Disapprove Actions. So long as the Class "B" membership exists, the Class "B" Member shall have a right to disapprove any action, policy or program of the Association, the Board, any Neighborhood Association, and any committee which, in the judgment of the Class "B" Member, would tend to impair rights of the Declarant or its designees under the Declaration or these By-Laws, or interfere with development, construction or marketing of any portion of the Properties, or diminish the level of services being provided by the Association. This right to disapprove is in addition to, and not in lieu of, any right to approve or disapprove specific actions of the Association, the Board or any committee as may be granted to the Class "B" Member or the Declarant in the Declaration or these By-Laws.

(a) The Class "B" Member shall be given written notice of all meetings of the Association, the Board or any committee thereof and of all proposed actions of the Association, the Board or any committee thereof to be approved at such meetings or by written consent in lieu of a meeting. Such notice shall be given by certified mail, return receipt requested, or by personal delivery at the address if registered with the Secretary of the Association, as it may change from time to time, which notice complies with the requirements for Board meetings set forth in these By-Laws and which notice shall, except in the case of the regular meetings held pursuant to the By-Laws, set forth in reasonable particularity the agenda to be followed at said meeting.

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

(c) No action, policy or program subject to the right of disapproval set forth herein shall become effective or be implemented until and unless the requirements of subsections (a) and (b) above have been met and the time period set forth in subsection (d) below has expired.

(d) The Class "B" Member, acting through any officer or director, agent or authorized representative, may exercise its right to disapprove at any time within 10 days following the meeting at which such action was proposed or, in the case of any action taken by written consent in lieu of a meeting, at any time within 10 days following receipt of written notice of the proposed action. This right to disapprove may be used to block proposed actions, but shall not extend to the requiring of any action or counteraction on behalf of any committee, the Board, or the Association unless such action or counteraction countermands an action, policy or program that was not properly noticed and implemented in accordance with these By-Laws. The Class "B" Member shall not use its right to disapprove to reduce the level of services which the Association is obligated to provide or to prevent capital repairs or any expenditure required to comply with applicable laws and regulations.

3.20. Management. The Association may, but shall not be required to, employ a professional management agent or agents at a compensation established by the Board to perform such duties and services as the Board shall authorize; provided, however, that such management agent may not be terminated by the Board unless termination is approved by at least a majority of the total Association vote. The Declarant, or an affiliate of the Declarant, may be employed as managing agent or manager. The Board may delegate to one of its members the authority to act on behalf of the Board on all matters relating to the duties of the managing agent or manager, if any, which might arise between meetings of the Board.

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

(a) modified accrual accounting, as defined by generally accepted accounting principles, shall be employed; provided however, that any "shortage" shall be calculated on a cash basis of accounting as provided in Section 10.2 of the Declaration;

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

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

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

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

(f) the following financial and related information shall be regularly prepared by the Board and copies made available to all Members of the Association at the expense of the Association:

(i) The Board shall cause a reserve budget and a Common Expense budget (collectively referred to as the "Budget") for the Association (which includes the budget for each of the Neighborhoods, if any), to be prepared for each calendar year of the Association. The Board shall post written notice in a prominent place within the Properties that the Budget is available at the business office of the Association or at one other suitable location within the Properties. If any Member requests a copy of the Budget, the Association shall provide one copy to the Member without charge by first-class United States mail and deliver such copy within 7 days of such request.

(ii) The Board shall cause an annual report ("Financial Statement") to be prepared in accordance with generally accepted accounting principles within 120 days after close of the Association's calendar year. The Board shall post written notice in a prominent place within the Properties that the Financial Statement is available at the business office of the Association or at one other suitable location within the Properties. If any Member requests a copy of the Financial Statement, the Association shall provide one copy to the Member without charge by first-class United States mail and deliver such copy within 7 days of such request. The Financial Statement shall consist of:

(A) a balance sheet as of the end of the calendar year;

(B) an income and expense statement for the calendar year (this statement shall include a schedule of assessments received and receivables identified by the numbers of the Lots and the names of the Owners assessed); and

(C) a statement of changes in financial position for the calendar year.

Such Financial Statement shall be prepared on a audited, reviewed, or compiled basis, as the Board determines, by an independent public accountant.

(iii) The Board shall do the following at least quarterly:

(A) cause a current reconciliation of the Association's operating accounts to be made and review the same;

(B) cause a current reconciliation of the Association's reserve accounts to be made and review the same;

(C) review the current year's actual reserve revenues and expenses compared to the current year's Budget;

(D) review the most current account statements prepared by the financial institution where the Association has its operating and reserve accounts;

(E) review an income and expense statement for the Association's operating and reserve accounts; and

(F) review the delinquency report listing all Owners who are delinquent in paying any assessments at the time of the report and describing the status of any action to collect such assessments which remain delinquent.

3.22. Borrowing. The Association, acting through its Board, shall have the power to borrow money for any legal purpose; provided, the Board shall obtain the approval by vote or written consent of Members holding at least a majority of the total Association vote if the proposed borrowing is for the purpose of making discretionary capital improvements or purchasing additional capital assets and the total amount of such borrowing, together with all other debt incurred within the previous 12-month period, exceeds or would exceed 10% of the budgeted gross expenses of the Association for that calendar year. During the Class "B" Control Period, no Mortgage lien shall be placed on any portion of the Common Area without the affirmative vote or written consent of at least a majority of the Members other than the Declarant.

3.23. Rights of the Association. The Association shall have the right to contract with any Person for the performance of various duties and functions. This right shall include, without limitation, the right to enter into common management, operational, or other agreements with trusts, condominiums, cooperatives, Neighborhood Associations and other owners or residents associations, both within and outside the Properties.

3.24. Enforcement.

(a) Notice. Prior to the imposition of any sanction as provided in the Declaration involving:

- (1) suspending an owners right to use a common area;
- (2) filing suit against an owner (other than a suit to collect regular or special assessments or a suit for foreclosure of the Association's lien);

- (3) assessing an owner for property damage; or
- (4) the levy of a fine for a violation of the restrictions,

the Board or, if so directed by the Board, the Covenants Committee, if established, or the managing agent shall serve the alleged violator with written notice by certified mail, return receipt requested. This notice must include:

- (i) A description of the violation or property damage and a statement of the amount due the association from the owner;
- (ii) A statement giving a reasonable period of time that the owner has to cure the violation and avoid the fine or suspension. However, if the owner was given notice and a reasonable opportunity to cure a similar violation within the preceding six months, at the Association's option, the owner will not be entitled to a cure period and the notice need not contain reference to a cure period; and
- (iii) A statement that the owner may request a hearing before the Board or Covenants Committee, if established, on or before the 30<sup>th</sup> day after the day the owner receives the notice. Proof of proper notice shall be placed in the Board's record book. Proof shall be deemed adequate if a copy of the notice, together with a statement of the date and manner of delivery, is entered by the officer, director, or agent who delivered such notice.

If a timely request for a hearing is not received by the Board or the Covenants Committee, if any, the sanctions stated in the notice shall be imposed; provided the Board or the Covenants Committee may, but shall not be obligated to, suspend any proposed sanction if the violation is cured or if a cure is diligently commenced within the 30-day period. Such suspension shall not constitute a waiver of the right to sanction future violations of the same or other provisions and rules by any Person.”

(b) Hearing. If a hearing is requested within the allotted 30 day period, the hearing shall be held before the Covenants Committee, if any, or if none, before the Board in executive session. The alleged violator shall be afforded a reasonable opportunity to be heard. The minutes of the meeting shall contain a written statement of the results of the hearing and the sanction, if any, imposed.

(c) Appeal. If a hearing is held before a covenants committee, the violator shall have the right to appeal the decision to the Board. To perfect this right, a written notice of appeal must be received by the management agent, President, or Secretary of the Association within 30 days after the hearing date.

## **D. Officers**

3.25 Officers. The officers of the Association shall be a President, Vice President, Secretary, and Treasurer. The President, Vice President, Secretary and Treasurer shall be elected from among the members of the Board; other officers may, but need not be members of the Board. The Board may appoint such other officers, including one or more Assistant Secretaries and one or

more Assistant Treasurers, as it shall deem desirable, such officers to have the authority and perform the duties prescribed by the Board. Any two or more offices may be held by the same person, except the offices of President and Secretary.

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

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

3.28 Powers and Duties. The officers of the Association shall each have such powers and duties as generally pertain to their respective offices, as well as such powers and duties as may specifically be conferred or imposed by the Board. The President shall be the chief executive officer of the Association. The Vice President shall act in the President's absence and shall have all powers, duties and responsibilities provided for the President when so acting. The Secretary shall keep the minutes of all meetings of the Association and the Board and shall have charge of such books and papers as the Board may direct. In the Secretary's absence, any officer directed by the Board shall perform all duties incident to the office of secretary. The Treasurer shall have primary responsibility for the preparation of the Budget as provided for in the Declaration and these By-Laws and may delegate all or part of the preparation and notification duties to a finance committee, management agent, or both.

3.29 Resignation. 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 the receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

3.30 Agreements, Contracts, Deeds, Leases, Checks, Etc. All agreements, contracts, deeds, leases, checks, and other instruments of the Association (other than for the withdrawal of reserve funds) shall be executed by at least two officers or by such other person or persons as may be designated by resolution of the Board.

3.31 Compensation. Compensation of officers shall be subject to the same limitations as compensation of directors under Section 3.12 hereof.

#### Article IV

#### **BOARD GOVERNANCE COMMITTEES:**

##### A. Composition

4.1 Composition. The Association's Board may charter advisory committees to

advise the Board on affairs of the association. Each committee shall be comprised of Committee Members appointed by the Board. Committee Members shall be members of the Association; provided, however, no more than one representative from a Lot may serve on the same committee at the same time and that no residents may serve on more than one committee at any given time. All members shall complete, as soon as possible after being appointed to a committee, such training or other service requirements as established by the Board. Each committee shall also have one non-voting Board liaison and one non-voting staff liaison.

4.2 Number of Committee Members. The number of Committee Members on any one committee shall be not less than five (5) or more than nine (9) members. However, Governance Committees may form and direct sub-committees to assist in the work of the parent committee.

4.3 Nomination of Committee Members. Except with respect to committee members appointed by the Class "B" Member, nominations for committee shall be made by a Nominating Committee. Appointments to the Nominating Committee shall be annually by the Board. The Nominating Committee shall nominate its slate of candidates for committees no later than 30 days before the meeting at which the Board is scheduled to make appointments. The Nominating Committee shall make as many nominations as vacancies on committees.

4.4 Appointments and Term of Office. Notwithstanding any other provision of these By-Laws: Committee Members shall be appointed for a term of two years, with terms expiring on either June 30 or December 31. Successor Committee Members shall be appointed to serve for two-year terms. The Committee Members shall hold office until their respective successors have been elected. Committee Members may serve no more than two consecutive terms and must stay off for at least one full year after serving two terms.

4.5 Removal of Committee Members and Vacancies. The Board may remove any Committee Member, with or without cause. Committee Members, whose removal is sought, shall be given notice prior to any meeting called and noticed for that purpose. Upon removal of a Committee Member, a successor shall be appointed by the Board to fill the vacancy for the remainder of the term of such Committee Member.

Any Committee Member who has three consecutive unexcused absences from committee meetings, or who is more than 30 days delinquent in the payment of any assessment or other charge due the Association, may be removed by a majority vote of the remaining Committee Members present at a regular or special meeting of the Committee, at which a quorum is present. If removed, a successor may be appointed by the Board to fill the vacancy for the remainder of the term.

In the event of the death, disability, or resignation of a Committee Member, the Board may declare a vacancy and appoint a successor to fill the vacancy for the remainder of the term. Committee Chairpersons are to notify the Chairperson of the Nominations Committee should a vacancy occur.

## B. Meetings

4.6 Organizational Meetings. Committees shall hold their first meeting within 30 days after being chartered by the Board.

4.7 Scheduling of Meetings. Regular meetings of committees may be held at such time and place as the committee shall determine, but at least one such meeting shall be held each quarter. Notice of the time and place of the meeting with an agenda shall be posted in a prominent place within the Properties and communicated to Committee Members not less than 72 hours prior to the meeting.

4.8 Special Meetings. Special meetings of committees may be held when called by written notice prepared by the committee Chairperson or by any two-committee members. The notice shall specify the time and place of the meeting and the nature of any special business to be considered. The notice shall be given to each Committee Member either by: (a) personal delivery; (b) mail, (c) telephone communication, either directly to the Committee Member or to a person at the Committee Member's home who would reasonably be expected to communicate such notice promptly to the Committee Member; or (d) facsimile, computer, fiber optics or any such other communication device. Notices shall be delivered, telephoned, or transmitted at least 72 hours before the time set for the meeting.

4.9 Waiver of Notice. The transactions of any meeting of the committee however called and noticed or wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice if a quorum is present. Notice of a meeting also shall be deemed given to any Committee Member who attends the meeting without protesting before or at its commencement about the lack of adequate notice.

4.10 Quorum of Committee Members. At all meetings of committees, majority of the Committee Members shall constitute a quorum for the transaction of business, and the votes of a majority of the Committee Members present at a meeting at which a quorum is present shall constitute the decision of the committee, unless otherwise specifically provided in these By-Laws or the Declaration. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of Committee Members, if any action taken is approved by at least a majority of the required quorum for that meeting. If any meeting of the Committee cannot be held because a quorum is not present, a majority of the Committee Members present at such meeting may adjourn the meeting to a time not less than five nor more than 30 days from the date of the original meeting. At the reconvened meeting, if a quorum is present, any business, which might have been transacted at the meeting originally called, may be transacted without further notice.

4.11 Compensation. No Committee Member shall receive any compensation from the Association for acting as such; provided however, any Committee Member may be reimbursed for expenses incurred on behalf of the Association upon approval of a majority of the other Committee Members. Nothing herein shall prohibit the Association from compensating a Committee Member, or any entity with which a Committee Member is affiliated, for services or supplies furnished to the Association in a capacity other than as a Committee Member pursuant to a contract or agreement with the Association, provided that such Committee Member's interest was made known to the Board prior to entering into such contract and such contract was approved by a majority of the Committee, excluding the interested Committee Member.

4.12 Conduct of Meetings. The Committee Chairperson shall preside over all

meetings of the committee, and the Secretary shall keep a minute book of meetings of the committee, recording all resolutions adopted by the committee and all transactions and proceedings occurring at such meetings.

4.13 Open Meetings. Subject to the provisions of Sections 3.15 and 3.16, all meetings of committees shall be open to all members of the association, but a Association member (other than a Committee Member) may not participate in any discussion or deliberation unless permission to speak is requested on his or her behalf by a Committee Member. Committee liaisons (both staff and Board) are to be treated as Committee Members with respect to speaking at Committee meetings. In such case, the Chairperson may limit the time any Member may speak. Notwithstanding the above, the Chairperson may adjourn any meeting of the committee and reconvene in executive session, excluding non-Committee Members, to discuss matters of a sensitive nature, such as pending or threatened litigation and personnel matters.

4.14 Action Without a Formal Meeting. Any action to be taken at a meeting of the Committee Members or any action that may be taken at a meeting of the Committee Members may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the Committee Members, and such consent shall have the same force and effect as a unanimous vote. Written consent or consents shall be filed with the minutes of the proceedings of the committee.

4.15 Telephonic Participation. One or more Committee Members may participate in and vote during any regular or special meeting of the committee by telephone conference call or similar communication equipment by means of which all Persons participating in the meeting can hear each other at the same time, and those Committee Members so participating shall be present at such meeting. Any such meeting at which a quorum participates shall constitute a meeting of the committee.

4.16 Powers. Committees will have only those powers specifically delegated by the Board in the Committee's Charter. Committees may not do or cause to be done acts and things that are not provided for in the Declaration, Articles, By-Laws, or Texas law.

#### C. Officers

4.17 Officers. The officers of Committees' shall be a Chairperson, Vice Chair and Secretary. The Chairperson, Vice Chair and Secretary shall be elected from among the members of the committee. The Committee may appoint such other officers, including one or more Assistant Secretaries as it shall deem desirable, such officers to have the authority and perform the duties prescribed by the Committee.

4.18 Election and Term of Office. The officers of the Committee shall be elected annually by the Committee at the first meeting of the Committee following anniversary date of the

committee original charter.

4.19 Removal and Vacancies. The Committee may remove any officer whenever in its judgment the best interests of the Committee and the Association will be served thereby. The Committee for the remaining portion of the term may fill a vacancy in any office arising because of death, resignation, removal, or otherwise.

4.20 Powers and Duties of Officers. The officers of the Committee shall each have such powers and duties as generally pertain to their respective offices, as well as such powers and duties as may specifically be conferred or imposed by the Committee. The Chairperson shall be the chief executive officer of the Committee. The Vice Chair shall act in the Chairperson's absence and shall have all powers, duties and responsibilities provided for the Chairperson when so acting. The Secretary shall keep the minutes of all meetings of the Committee and shall have charge of such books and papers as the Committee may direct. In the Secretary's absence, any officer directed by the Committee shall perform all duties incident to the office of secretary.

4.21 Resignation. Any officer may resign at any time by giving written notice to the Committee Chairperson or the Secretary. Such resignation shall take effect on the date of the receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

4.22 Parliamentary Rules. Except as may be modified by the Board, Roberts Rules of Order (current edition) shall govern the conduct of Committee proceedings when not in conflict with Texas law, the Articles, the Declaration or these By-laws.

4.23 Right of Declarant to Disapprove Actions.

(a) So long as the Declarant controls the Board, the Declarant shall have a right to disapprove any action, policy or program of the Association, the Board, any Neighborhood Association, and any Committee which, in the judgment of the Declarant, would tend to impair rights of the Declarant or its designees under the Declaration or these By-Laws, or interfere with development, construction or marketing of any portion of the Properties, or diminish the level of services being provided by the Association. This right to disapprove is in addition to, and not in lieu of, any right to approve or disapprove specific actions of the Association, the Board or any Committee as may be granted to the Declarant in the Declaration or these By-Laws.

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

(c) No action, policy or program subject to the right of disapproval set forth herein shall become effective or be implemented until and unless the requirements of subsections (a) and (b) above have been met and the time period set forth in subsection (d) below has expired.

(d) The Declarant, acting through any officer or director, agent or authorized representative, may exercise its right to disapprove at any time within 10 days following the meeting at which such action was proposed or, in the case of any action taken by written consent in lieu of a meeting, at any time within 10 days following receipt of written notice of the proposed action. This right to disapprove may be used to block proposed actions, but shall not extend to the requiring of any action or counteraction on behalf of any Committee, the Board, or the Association unless such action or counteraction countermands an action, policy or program that was not properly noticed and implemented in accordance with these By-Laws. The Declarant shall not use its right to disapprove to reduce the level of services which the Association is obligated to provide or to prevent capital repairs or any expenditure required to comply with applicable federal, state or local laws and regulations.

4.24 Covenants Committee. In addition to any other committees, which the Board may establish pursuant to Section 4.1, the Board may appoint a covenants committee consisting of at least three and no more than seven members. Acting in accordance with the provisions of the Declaration, these By-Laws, and resolutions the Board may adopt, the covenants committee, if established, shall be the hearing tribunal of the Association and shall conduct all hearings held pursuant to Section 3.24 of these By-Laws. The Board may also appoint a subcommittee consisting of at least three and no more than seven members to function as the jury of facts for all hearings held pursuant to Section 3.24.

## Article V

### **NEIGHBORHOOD REPRESENTATIVE ORGANIZATION Policies and Procedures**

#### **GENERAL:**

As provided for by Article VII.4 (a) and (b) of the Declaration of Covenants, Conditions, and Restrictions, this Article V of the Community Association By-Laws is adopted to provide for the establishment of a Neighborhood Representative Organization (the NRO) and Neighborhood Representative Teams (NRO Rep. Teams).

The NRO shall be led by a Chair, a Vice Chair, and Secretary (the Officers) who will be elected in accordance with the requirements elaborated in Section D below.

Each NRO Rep Team shall consist of a Neighborhood Representative (Nrep) and an Alternative (Alt).

#### **5.A COMPOSITION:**

5.1. Membership: The membership of the NRO shall consist of the NRO Rep. Teams as defined above; selected from the Neighborhood they represent and be residents therein.

5.2 NRO Rep. Teams: Each year there shall be an election of NRO Rep. Teams on a schedule set by the Elections Governance Committee. Prior to the election, each candidate must designate which position within the NRO Rep. team he/she will seek. The NRO Rep. Team who receives the greatest number of votes shall be elected to serve a term of one year as that Neighborhood's representatives to the NRO. Nrep's and Alts may serve up to two consecutive one-year terms.

5.3 Removal: NRO members may be removed with or without cause for any of the following reasons:

Nreps and Alt:

- A. Upon the vote or written petition of Owners holding at least a majority of the votes attributable to the Lots in the appropriate neighborhood.
- B. Upon the vote by the CA Board if the Board determines the N-rep or Alt is not satisfactorily representing their Neighborhood or Sun City Texas.
- C. Upon the vote of the majority of the NRO.

NRO Officers:

- D. An Officer may be removed with or without cause by the CA Board or by the majority vote of the NRO if it is determined that the Officer is not satisfactorily representing the NRO or of Sun City Texas.

5.4 Vacancies: If, at any time, an Nrep cannot serve his/her term, the Alt will succeed him/her. If the Alt cannot serve his/her term, the Nrep will appoint a new Alt. If both the Nrep and Alt position cannot be filled by at least one of the elected NRO Rep. Team members the Executive Team may appoint replacements to serve the remainder of the term.

**5.B NRO MEETINGS**

5.5 Regular Meetings: Regular monthly meetings of the NRO shall be held on a day and time designated by the Chair.

5.6 Special Meetings: Special meetings of the NRO may be called as deemed necessary by the Chair for transacting the business designated by the call. Special meetings may be called with 72 hours notice to the NRO membership. Additionally, the Chair may desire to conduct workshops to work on a specific project(s) with selected NRO members. Such a workshop shall not be subject to the 72 hour notification requirement.

5.7 Quorum: At all meetings the NRO members present shall constitute a quorum for the

purpose of transacting business.

- 5.8 Voting: The method of voting on all issues shall be at the discretion of the Chair and shall be entered into the minutes of such meeting.

### **5.C POWERS AND DUTIES**

- 5.9 Purpose: The primary purpose of the NRO, the Nrep, Alt and Block Captain is communication and, secondarily, to foster social interaction within each Neighborhood as elaborated in Exhibits A, B, and C which follow..

- 5.10 Nrep duties: (1) Nreps shall preside over meetings of their respective neighborhood or neighborhood combinations (2) shall be responsible for communication between the residents and the NRO and (3) shall attend NRO meetings. Additional roles and responsibilities shall be as outlined in Exhibit "A" attached hereto.

- 5.11 Alt duties: The Alt shall assume the duties of the Nrep in his/her absence and shall assist in the duties of the Nrep as requested. Additional roles and responsibilities shall be as outlined in Exhibit "B" attached hereto.

- 5.12 Block Captain Duties: The Block Captain is the basic link between their neighbors and the CA. Roles and responsibilities shall be as outlined in Exhibit "C" attached hereto.

- 5.13 Restrictions: Officers, Nreps and Alts are prohibited from engaging in the following activities:

- A. Representing their Neighborhood or Sun City Texas when dealing with organizations or groups inside or outside of Sun City Texas.
- B. Using proprietary information for one's own gain or benefit.
- C. Lending or using their status as elected representatives of the Community Association (CA) to endorse any organization or group concerning any issue inside or outside of Sun City Texas. Should an Officer, Nrep or Alt choose to endorse or participate in any organization or group on any issue, they may do so. The CA appreciates all efforts for the Nrep or Alt to reflect these statements as an individual and not as a representative of the Nrep Team, NRO, or CA.

### **5.D OFFICERS**

- 5.14 Responsibilities: The elected Officers of the NRO shall be a Chairperson (Chair), a Vice Chairperson (Vice Chair) and a Secretary, who shall be nominated and elected by the NRO Membership. The Chair may appoint other NRO members to serve on his/her Executive Team.

- A. The Chair shall preside at all meetings.

- B. The Vice Chair shall perform the duties assigned to them by the Chair and perform the duties of the Chair in the Chair's absence. In the case of the Chair's resignation or inability to serve, the Vice Chair shall perform the duties of Chair until a new Chair is elected.
  - C. The Secretary shall record and publish the minutes of all NRO meetings and maintain a journal of NRO proceedings.
  - D. The Officers shall perform other duties as the CA Board may delegate.
- 5.15 Term: The Officers shall be elected for a one year period at the December NRO meeting.
- 5.16 Nominations: Nominations for Officers shall be held at the November NRO meeting.
- A. Nominees for Officers must be a current Nrep or Alt.
  - B. All nominees must agree to accept the nomination.
  - C. It is desirable for candidates for Chair, Vice Chair and Secretary to run as a "team" or "slate" of candidates.
  - D. Should no one accept the nomination for one or more of the Officer positions, the currently serving Officer may remain in his/her respective office for one additional year.
- 5.17 Elections: Each Team shall have one vote in the election of each of the Officers. This election will be the last item of business on the December meeting agenda. The newly elected Officers shall assume their duties on the first day of January.
- 5.18 Lack of Nominations: In the event that no one accepts the nomination as Vice Chair or Secretary, the Chair may appoint an Nrep or Alt to the open position. Should an Nrep or Alt not accept the nomination, the Chair may then appoint a resident in good standing to fill the open position.
- 5.19 Vacancies: Should the office of Chair, Vice Chair, or Secretary become vacant, the NRO shall elect a successor from the current list of eligible NRO members at the next regular meeting. Such election shall be for the remainder of the term of the vacated office.
- 5.20 Officer Replacement: Should an Officer of the NRO desire to relinquish their position on the Team as Nrep or Alt to concentrate on their new duties, such vacancy shall be filled in accordance with Article 5.4 above.
- 5.21 Continuation in office: Should an Officer's term as an Nrep or Alt expire during their term as an Officer of the NRO and he/she is not eligible to be re-elected as provided in Section 5.2., said Officer shall be entitled to complete his/her one year term as an Officer.

## **EXHIBIT “A”**

### **Neighborhood Representatives (Nrep)**

#### **Roles and Responsibilities**

##### GENERAL

The primary responsibility of the Neighborhood Representative (Nrep) is communication. The secondary function is to foster social interaction within their neighborhoods.

##### SPECIFIC

1. Recruit and appoint neighborhood Block Captains. In consultation with the Alternate Nrep (Alt) a Block Captain shall be recruited for each block in the neighborhood.
2. Inform Alt and Block Captain when your plans require you to be away for an extended period of time.
3. Hold regular meetings with the Alt and Block Captains. These meetings will foster communication and will help identify and plan activities that will promote social interaction within the neighborhood.
4. Hold quarterly neighborhood meetings to conduct official neighborhood business such as presenting candidates for Nrep teams and deciding action to be taken on neighborhood issues and initiatives. These meetings may be combined with social activities.
5. Provide a two-way flow of information between the residents and the Community Association (CA).
6. Promote social interaction in the neighborhood. Hold periodic neighborhood gatherings such as potluck or catered dinners or other social meetings. Try not to schedule neighborhood social events at the same time as scheduled CA events.
7. Encourage residents to maintain awareness about their personal security and that of their neighbors. Promote the idea that every resident should be watchful for unusual and/or suspicious activities in their neighborhood and to report suspicious activity to the proper authorities.
8. Provide information or guidance to direct residents to the proper source for help in resolving neighborhood or community problems.

9. Encourage residents to participate in CA activities and governance.
10. Participate in Neighborhood Representative Organization (NRO) meetings. These provide timely, important information about resident and CA issues and concerns.
11. Inform the Chair when your plans require you to be away for an extended period of time.
12. Serve as ex-officio (non-voting) liaison to a Chartered Committee as assigned by the Chair.
13. Attend meetings of the CA Board and other significant community meetings.
14. Maintain the Nrep Manual (provided by the CA) and pass it along to your successor when your term ends. Included in this manual should be:
  - a. A current directory of all residents in the neighborhood.
  - b. Copies of minutes of neighborhood meetings
  - c. Other pertinent neighborhood records.
15. Carry out additional responsibilities as requested by the CA Board or Chair.

**EXHIBIT “B”**

## **Neighborhood Representatives Alternate (Alt)**

### **Roles and Responsibilities**

#### GENERAL

The primary responsibility of the Neighborhood Representative (Nrep) and Nrep Alternate (Alt) is communication. The secondary function is to foster social interaction within their neighborhoods.

#### SPECIFIC

1. Assist the Nrep in recruiting residents to serve as block Captains.
2. Participate in Block Captain and neighborhood meetings as scheduled by the Nrep.
3. Assist the Nrep in promoting social interaction in the neighborhood.
4. Participate in Committee meetings as part of the Team
5. Serve as ex-officio (non-voting) liaison to a Chartered Committee as assigned by the Chair.
6. Attend meetings of the CA Board and other significant community meetings
7. Carry out additional duties as requested by the Nrep.

## **EXHIBIT “C”**

### **BLOCK CAPTAINS**

#### **Roles and Responsibilities**

##### GENERAL

Block Captains are the basic link between their neighbors and the CA. They typically possess an outgoing and compassionate personality and the gift for hospitality. They easily embrace and care for people they meet.

Some Nreps may also appoint Alternate Block Captains. The role of the Alternate Block captain is to assist the Block Captain and to assume responsibilities in the event the Block Captain is away or unable to accomplish assigned tasks.

##### SPECIFIC

1. Get to know the residents on their assigned block. Greet new residents when they move in and give them the necessary information to help them adjust to their new neighborhood.
2. Use the emergency contact form to collect and maintain emergency contact information and encourage residents to share this information with at least one neighbor. Be alert for changes and special needs of residents as they occur.
3. Promote social events within their block that will enable interaction between their neighbors.
4. Promote social interaction between the residents in their block and the rest of the neighborhood.
5. Act as liaison between their neighbors and the Nrep Team. Communicate CA information to residents with internet capability and arrange for distribution of copies to those who do not have internet.
6. Keep the Nrep Team informed of changes to a resident’s information as they occur.
7. Encourage residents in their block to participate in neighborhood and community governance.
8. Participate in regular Block Captain meetings with the Nrep Team. These meetings

provide opportunities to communicate important information and identify and plan activities that will promote social interaction within the neighborhood.

9. Inform your Nrep when your plans require you to be away for an extended period of time.
10. Participate in neighborhood meetings and social activities. These meetings are necessary to conduct official neighborhood business such as presenting candidates for Nrep Teams and CA Board, and deciding action to be taken on neighborhood issues and initiatives. These meetings can be combined with social activities.
11. Assist with additional tasks as requested by the Nrep Team.

## **Article VI** **MISCELLANEOUS**

6.1 Calendar Year. The calendar year of the Association shall be January 1 through December 31 unless otherwise established by Board resolution.

6.2 Parliamentary Rules. Except as may be modified by Board resolution, Robert's Rules of Order (current edition) shall govern the conduct of Association proceedings when not in conflict with Texas law, the Articles, the Declaration, or these By-Laws.

6.3 Conflicts. If there are conflicts between the provisions of Texas law, the Articles, the Declaration, and these By-Laws, the provisions of Texas law, the Declaration, the Articles, and the By-Laws (in that order) shall prevail.

6.4 Books and Records.

(a) Inspection by Members and Mortgagees. The Board shall make available for inspection and copying by any holder, insurer or guarantor of a first Mortgage on a Lot, any Member, or the duly appointed representative of any of the foregoing at any reasonable time and for a purpose reasonably related to his or her interest in a Lot: the Declaration, By-Laws, and Articles, any amendments to the foregoing, the rules of the Association, the membership register, the most recent Financial Statement, the current Budget, books of account, and the minutes of meetings of the Members, the Board, and committees. The Board shall provide for such inspection to take place at the office of the Association or at such other place within the Properties as the Board shall designate.

(b) Rules for Inspection. The Board shall establish reasonable rules with respect to:

- (i) notice to be given to the custodian of the records;

- (ii) hours and days of the week when such an inspection may be made; and
  - (iii) payment of the cost of reproducing copies of documents requested.
- (c) Inspection by Directors. Every director shall have the absolute right at any reasonable time to inspect all books, records, and documents of the Association and the physical properties owned or controlled by the Association. The right of inspection by a director includes the right to make a copy of relevant documents at the expense of the Association in furtherance of such director's duties as a director.

6.5 Notices. Unless otherwise provided in these By-Laws, all notices, demands, bills, statements, or other communications under these By-Laws shall be in writing and shall be deemed to have been duly given if delivered personally or if sent by United States mail, first class postage prepaid:

- (a) if to a Member, at the address which the Member has designated in writing and filed with the Secretary or, if no such address has been designated, at the address of the Lot of such Member; or
- (b) if to the Association, the Board, or the managing agent, at the principal office of the Association or the managing agent, if any, or at such other address as shall be designated by notice in writing to the Members pursuant to this Section.

6.6 Indemnification. The Association shall indemnify every officer, director, and committee member against all expenses, including counsel fees, reasonably incurred by them and each of them in connection with any action, suit, or other proceeding (including settlement of any suit or proceeding, if approved by the then Board) to which he or she may be a party by reason of being or having been an officer, director, or committee member of the Association.

The officers, directors, and committee members shall not be liable for any mistake of judgment, negligent or otherwise, except for their own individual willful misfeasance, malfeasance, misconduct, or bad faith. The officers and directors shall have no personal liability with respect to any contract or other commitment made or action taken in good faith on behalf of the Association. The Association shall indemnify and forever hold each such officer, director and committee member harmless from any and all liability to others on account of any such contract, commitment or action. Any right to indemnification provided for herein shall not be exclusive of any other rights to which any present or former officer, director, or committee member may be entitled. The Association shall, as a Common Expense, maintain adequate general liability and officers' and directors' liability insurance to fund this obligation, if such insurance is reasonably available.

6.7 Amendments

- (a) By Declarant. Until termination of the Class "B" membership, Declarant may unilaterally amend these By-Laws for any purpose. Thereafter, the Declarant may

unilaterally amend these By-Laws if such amendment is (i) necessary to bring any provision hereof into compliance with any applicable governmental statutes, rule, regulation, or judicial determination; (ii) necessary to enable any reputable title insurance company to issue title insurance coverage on the Lots; (iii) required by an institutional or governmental lender or purchaser of Mortgage loans, including, for example, the Federal National Mortgage Association or Federal Home Loan Mortgage Corporation, to enable such lender or purchaser to make or purchase Mortgage loans on the Lots; (iv) necessary to enable any governmental agency or reputable private insurance company to guarantee or insure Mortgage loans on the Lots; or (v) otherwise necessary to satisfy the requirements of any governmental agency for approval of these By-Laws. However, any such amendment shall not adversely affect the title to any Lot unless the affected Owner shall consent thereto in writing. In addition, so long as the Declarant owns any portion of the Properties or has the right to annex property pursuant to Section 9.1 of the Declaration, it may unilaterally amend these By-Laws for any other purpose provided that the amendment has no material adverse effect on any right of any owner. Thereafter and otherwise, these By-Laws may be amended in accordance with Section 6.7(b).

(b) By Board. Except as provided above, these By-Laws may be amended only by resolution duly adopted by the Board and with the consent of the Declarant, so long as the Declarant owns any Private Amenity or any portion of the Properties or has the right to annex property pursuant to Section 9.1 of the Declaration.

Notwithstanding the above, the percentage of votes necessary to amend a specific clause shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that clause.

(c) Validity and Effective Date of Amendments. Amendments to these By-Laws shall become effective upon recordation in the Official Records of Real Property of Williamson County, Texas unless a later effective date is specified therein. Any procedural challenge to an amendment must be made within six months of its recordation or such amendment shall be presumed to have been validly adopted. In no event shall a change of conditions or circumstances operate to amend any provisions of these By-Laws.

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

Notwithstanding any provision herein to the contrary, no amendment may remove, revoke, or modify any right or privilege of Declarant without the written consent of Declarant or the assignee of such right or privilege for as long as the Declarant owns any Private Amenity or any portion of the Properties or has the right to annex property pursuant to Section 9.1 of the Declaration.

SUN CITY GEORGETOWN COMMUNITY  
ASSOCIATION, INC.

By: \_\_\_\_\_

Title: \_\_\_\_\_

Printed Name: \_\_\_\_\_

STATE OF TEXAS  
COUNTY OF TRAVIS

This instrument was acknowledged before me on the \_\_\_\_ day of \_\_\_\_\_,  
20\_\_\_\_ by \_\_\_\_\_, in the capacity stated above.

\_\_\_\_\_  
Notary Public, State of Texas

Document originated 01/18/96  
Approved 01/27/96  
Amended and Approved 05/01/01  
Recorded with County Clerk 06/01/01  
Amended and Approved 02/01/02  
Recorded with County Clerk 02/26/02  
Recorded with County Clerk 08/16/02  
Recorded with County Clerk 03/26/03  
Revised and Approved by Board 01/22/04  
Recorded with County Clerk 02/04/05  
Revised 12/13/05  
Recorded with County Clerk 12/14/05  
Revised and Approved by Board 01/26/06  
Revised 05/04/06 and Approved 08/15/06  
Recorded with County Clerk 10/03/06