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HIGH POINT ESTATES HOMEOWNERS ASSOCIATION, INC.

BYLAWS

ARTICLE I. AUTHORITY

These Bylaws are established by the High Point Estates Homeowners Association Board of Directors pursuant to Article I section 1.04 (b) (viii) of the Amended Declaration Of Covenants, Conditions And Restrictions Of High Point Estates, dated the 15th day of October, 2012.

The Bylaws presented herein override and replace any and all Bylaws, Bylaws Amendments, and Resolutions established since the inception of High Point Estates Homeowners Association. This document constitutes the official, definitive Bylaws for High Point Estates Homeowners' Association, to which all future Amendments shall be applied.

The High Point Estates Homeowners Association Board of Directors may establish internal procedures as required to implement and carry out the Declaration Of Covenants, Conditions And Restrictions and these Bylaws.

ARTICLE II. PURPOSE

The High Point Estates Homeowners Association (hereinafter referred to as the "Association") is organized and shall be operated exclusively as a homeowners association within the meaning of Section 528 of the Internal Revenue Code of 1986, as amended, or the corresponding provision or provisions of any subsequent United States Internal Revenue law or laws.

The primary purpose of the Association is to provide architectural control and compliance with the covenants and restrictions set forth in the Declaration Of Covenants, Conditions And Restrictions Of High Point Estates Homeowners Association (herein referred to as the "Declaration"), dated the 4th day of September, 2007, executed by High Point Estates Homeowners Association (hereinafter referred to as the "Declarant"), and recorded as Instrument Number 20070904001229630 in Volume S, Page 397 of the Real Property Records of Collin County, Texas, as amended and/or restated from time to time.

ARTICLE III. DEFINITIONS AND INTERPRETATION

When used in these Bylaws, unless the context otherwise specifies or requires, the following words and phrases shall have the meanings hereinafter specified:

- (a) "**Articles**" means the Articles of Incorporation of High Point Estates Homeowners Association, which have been filed in the office of the Secretary of State of the State of Texas, as the same may from time to time be amended. Articles may also refer to the major sections of these Bylaws when applied in reference to these Bylaws.
- (b) "**Assessment**" means any assessments including fees, fines and other payments levied by the Association and through its Board of Directors under the terms and provisions of the Declaration or other Association documents.
- (c) "**Association**" means the High Point Estates Homeowners Association, Inc.
- (d) "**Association Property**" means all real or personal property now or hereafter owned by the Association, including, but not limited to, all easement estates, licenses, leasehold estates, and other interests of any kind in and to real or personal property which are now or hereafter owned or held by the Association.
- (e) "**Association Restrictions**" means the Declaration as the same may be amended from time to time, together with the Association Articles, By-laws, Committee Rules, and Other Rules.
- (f) "**Association Rules**" means the rules and regulations adopted by the Board pursuant to the Declaration, as the same may be amended from time to time.
- (g) "**Board**" means the Board of Directors of the Association.
- (h) "**Bylaws**" means the Bylaws of the Association which may be adopted by the Board and as from time to time amended.
- (i) "**CC&Rs**" means the Declaration of Covenants, Conditions and Restrictions of High Point Estates Homeowners Association, as same may be amended from time to time.
- (j) "**Declaration**" means the Declaration of Covenants, Conditions and Restrictions of High Point Estates Homeowners Association, as same may be amended from time to time.
- (k) "**Declarant**" means the High Point Estates Homeowners Association, Inc.
- (l) "**Dedicatory instrument**" means each governing instrument covering the establishment, maintenance, and operation of the High Point Estates residential subdivision. The term includes restrictions or similar instruments subjecting property to restrictive covenants, Bylaws, or similar instruments governing the administration or operation of the Association, to properly adopted rules and regulations of the Association, and to all lawful amendments to the covenants, Bylaws, rules, or regulations.
- (m) "**Lot**" means any parcel(s) of land within the Property, together with all improvements located thereon.
- (n) "**Member**" means any person(s), entity, or entities holding membership privileges in the

Association as provided in the Declaration.

- (o) "**Member in Good Standing**" means a member of the Association that is not delinquent in assessments, fees or fines made or levied against him and due to the Association.
- (p) "**Mortgage**" means any mortgages or deeds of trust covering any portion of the Property given to secure the payment of a debt.
- (q) "**Mortgagee**" means the holder or holders of any lien or liens upon any portion of the Property.
- (r) "**Official Mailing Address**" means the current mailing address of the High Point Estates Homeowners Association.
- (s) "**Owner**" means the person(s), entity, or entities, including Declarant, holding a fee simple interest in any Lot, but shall not include the Mortgagee of a Mortgage.
- (t) "**President, Vice President, Secretary, Treasurer, Member At Large**" means and refers to officer positions on the Association Board of Directors.
- (u) "**Property**" means and refers to that tract or parcel of land situated in Collin County, Texas, which is more fully described in the Declaration.
- (v) "**Restrictions**" means one or more restrictive covenants contained or incorporated by reference in a properly recorded map, plat, replat, declaration, or other instrument filed in the real property records or map or plat records. The term includes any amendment or extension of the restrictions.
- (w) "**Restrictive covenant**" means any covenant, condition, or restriction contained in a dedicatory instrument, whether mandatory, prohibitive, permissive, or administrative.
- (x) "**Time Associated Terms**":
 - a) "**Business Day**" means a day other than Saturday, Sunday, or a state or federal holiday.
 - b) "**Calendar Day**" means any day of a month including a Saturday, Sunday, or a state or federal holiday.
 - c) "**Day**" means a twenty-four (24) hour period beginning at 12:00 AM (midnight) and ending at the conclusion of the last second before 12:00AM (midnight) following the starting time, all such time to be in local time as designated by the State of Texas or the federal government.
- (y) Words importing the singular number also include the plural, and vice versa, and words importing the masculine gender include the feminine gender or neuter, and vice versa, and words importing persons include firms and corporations, and vice versa.

ARTICLE IV. NON-PROFIT ASSOCIATION

The Association is not organized for profit. No Owner, Member, Director, or person from whom the Association may receive any property or funds, shall receive or shall be lawfully entitled to receive any pecuniary profit from the operation thereof, and in no event shall any part of the funds or assets of the Association be paid as a salary or compensation to or inure to the benefit of any Director, provided, however that:

- (a) reasonable compensation may be paid to any Member while acting as an agent or employee of the Association for services rendered in effecting one or more of the purposes of the Association; and
- (b) any Director may, from time to time, be reimbursed for his/her actual and reasonable expenses incurred in connection with the administration of the affairs of the Association, subject to prior approval of the Board.

ARTICLE V. MEETINGS OF MEMBERS

5.1 MEETINGS OF ASSOCIATION MEMBERS

An Annual Meeting of the Members shall be scheduled each year at the discretion of the Board as may be permitted or required by law, these Bylaws, and by the Declaration, and as designated in the notice of meeting.

- (a) A meeting of the Members of the Association shall only be called by the President, a majority vote of the Board of the Directors, or by Members of the Association who hold more than sixty (60) percent of the outstanding votes of the Association in aggregate.

5.2 ANNUAL MEETING NOT CALLED

In accordance with Texas Property Code, the following procedure shall be implemented:

- (a) If the Board does not call an annual meeting of the Association Members, a Member may demand that a meeting of the Association be called not later than the 30th day after the date of the Member's demand.
- (b) The Member's demand must be made in writing and sent by certified mail, return receipt requested, to the published official address of the Association. A copy of the notice must be sent by the Member making the demand to each Member of the Association.
- (c) If the board does not call a meeting of the Association on or before the 30th day after the date of a demand under Subsection (b), three or more Members may form an election committee. The election committee must file written notice of the committee's formation with the Collin County Clerk.

- (d) A notice filed by an election committee must contain:
 - (1) a statement that an election committee has been formed to call a meeting of Members of the Association for the sole purpose of electing board members;
 - (2) the name and residential address of each committee member; and
 - (3) the name of the High Point Estates subdivision.
- (e) Each committee member must sign and acknowledge the notice before a notary or other official authorized to take acknowledgments.
- (f) The Collin County Clerk must enter on the notice the date the notice is filed and record the notice in Collin County's real property records.
- (g) Only one committee in High Point Estates may operate under this section at one time. If more than one committee in High Point Estates files a notice, the first committee that files a notice, after having complied with all other requirements of this section, is the committee with the power to act under this section. A committee that does not hold or conduct a successful election within four months after the date the notice is filed with the Collin County Clerk is dissolved by operation of law. An election held or conducted by a dissolved committee is ineffective for any purpose under this section.
- (h) The election committee may call meetings of the Members of the Association for the sole purpose of electing board members. Notice, quorum, and voting provisions contained in these Bylaws apply to any meeting called by the election committee.

5.3 SPECIAL MEETINGS

Special meetings of the Members may be called at any time by the President, by majority vote of the Board, or by Members of the Association who hold more than sixty (60) percent of the outstanding votes of the Association in aggregate.

5.4 PLACE OF MEETINGS

All annual and special meetings of the Members shall be held in Collin County, Texas at a suitable and convenient place as may be permitted by law and from time to time fixed by the entity calling the meeting, including the Board, and designated in the notices of such meetings.

5.5 MEMBERS ENTITLED TO NOTICE

The record date for determining the Members entitled to notice of any meeting, election or vote of the Members shall be established by the Board of Directors and shall not be more than sixty (60) days before the date of the meeting, election or vote.

- (a) After fixing the record date, the Board shall prepare an alphabetical list of all Members including their addresses and number of votes each is entitled to cast. This

listing shall be the members entitled to notice of any meeting, election or vote.

- (1) The list containing the listing of Members entitled to vote shall be made available for inspection from two business days after notice is given and until the meeting, election or vote is held.
 - (2) Any Member entitled to vote is entitled to access the list for the purpose of communicating with other Members. The Member or the Member's agent or attorney may make the inspection on written demand and copy the list at a reasonable time and at the Member's expense.
- (b) Notice of each meeting, election or vote of the Members shall be given in accordance with these Bylaws.

5.6 QUORUM

- (a) Except as may be otherwise provided by law or by the Declaration, the quorum required for any action authorized by the Members to be taken pursuant to these Bylaws shall be the presence at the meeting of Members, or of proxies, or of a combination thereof, entitled to cast sixty percent (60%) of all votes of the Members.
- (1) An absentee or electronic ballot may be counted as a Member present and voting for the purpose of establishing a quorum only for items appearing on the ballot.
- (b) If however, such quorum is not present or represented at any meeting, the Members entitled to vote at the meeting shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present or represented.

5.7 MEMBER PROXIES

- (a) At any and all meetings, elections or votes of Members, each or any Member may vote in person or by proxy.
- (b) A person authorized to exercise a proxy may not exercise the proxy unless it is delivered to Secretary or officer presiding at the meeting before the business of the meeting begins. The Secretary or other person taking the minutes of the meeting shall record in the minutes the name of the person who executed the proxy and the name of the person authorized to exercise the proxy.
- (c) If a person who has duly executed a proxy personally attends a meeting, the proxy will not be effective for that meeting.
- (d) A proxy filed with the Secretary of the Association or other designated officer remains in force until the first of the following occurs:

- (1) An instrument revoking the proxy is delivered to the Secretary or other designated officer.
- (2) The proxy expires under the proxy's term.
- (3) The proxy expires under the terms of these Bylaws.
- (e) No proxy is valid after eleven (11) months from the date of its execution.
- (f) Proxies are not valid if they purport to be valid to an indefinite date in the future.
- (g) Each proxy must include the following statement:

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

5.8 VOTING RIGHTS

- (a) The right to cast votes, and the number of votes that may be cast, for election of Members to the Board and on all other matters to be voted upon by the Members of the Association, shall be calculated as follows:
 - (1) Each Lot owned, as such term is defined in the Declaration, shall have one (1) vote.
- (b) A Member shall not be disqualified or barred from voting in an Association election on any matter concerning the rights or responsibilities of the Member.
- (c) The voting rights of a Member may be cast or given:
 - (1) in person or by proxy at a meeting of the Association;
 - (2) by absentee ballot in accordance with these Bylaws;
 - (3) by electronic ballot in accordance with these Bylaws.

5.9 VOTES AND BALLOTS

- (a) Any vote cast in an election or vote by a Member of the Association must be in writing and signed by the member.
- (b) The Board may authorize Members to vote by U.S. Mail or electronic ballot in accordance with these Bylaws.
- (c) Electronic votes cast in accordance with these Bylaws constitute written and signed ballots.
- (d) In an Association-wide election, written and signed ballots are not required for uncontested

ances.

(e) An absentee or electronic ballot:

- (1) may be counted as a Member present and voting for the purpose of establishing a quorum only for items appearing on the ballot;
- (2) may not be counted, even if properly delivered, if the Member attends any meeting to vote in person, so that any vote cast at a meeting by a Member supersedes any vote submitted by absentee or electronic ballot previously submitted for that proposal; and
- (3) may not be counted on the final vote of a proposal if the motion was amended at the meeting to be different from the exact language on the absentee or electronic ballot.

(f) A solicitation for votes by absentee ballot must include:

- (1) an absentee ballot that contains each proposed action and provides an opportunity to vote for or against each proposed action;
- (2) instructions for delivery of the completed absentee ballot, including the delivery location; and
- (3) the following language: "By casting your vote via absentee ballot you will forgo the opportunity to consider and vote on any action from the floor on these proposals, if a meeting is held. This means that if there are amendments to these proposals your votes will not be counted on the final vote on these measures. If you desire to retain this ability, please attend any meeting in person. You may submit an absentee ballot and later choose to attend any meeting in person, in which case any in-person vote will prevail."

(g) For the purposes of this section, "electronic ballot" means a ballot:

- (1) given by:
 - A. e-mail; or
 - B. facsimile; or
 - C. posting on the High Point Estates HOA website;
- (2) for which the identity of the Member submitting the ballot can be confirmed; and
- (3) for which the Member may receive a receipt of the electronic transmission and receipt of the Member's ballot.

(h) If an electronic ballot is posted on an internet website, a notice of the posting must be sent to each Member that contains instructions on obtaining access to the posting on the website.

5.10 TABULATION OF AND ACCESS TO BALLOTS

A person who is a candidate in an Association election or who is otherwise the subject of an Association vote, or a person related to that person within the third degree by consanguinity or affinity, as determined under Chapter 573, Government Code, may not tabulate or otherwise be given access to the ballots cast in that election or vote except:

- (a) A person other than a person described in the above paragraph may tabulate votes in an Association election or vote but may not disclose to any other person how an individual voted.
- (b) A person other than a person who tabulates votes under subsection (a), including a person described by subsection (a), may be given access to the ballots cast in the election or vote only as part of a recount process authorized by law.

5.11 RECOUNT OF VOTES

- (a) Any Member may, not later than the fifteenth (15th) day after the date of the meeting at which the election was held, require a recount of the votes. A demand for a recount must be submitted in writing either:
 - (1) by certified mail, return receipt requested, or by delivery by the United States Postal Service with signature confirmation service to the Association's official mailing address; or
 - (2) in person to the President of the Board of Directors; or
 - (3) to the address to which absentee and proxy ballots are mailed.
- (b) The Association shall, at the expense of the Member requesting the recount, retain for the purpose of performing the recount, the services of a person qualified to tabulate votes under this subsection. The Association shall enter into a contract for the services of a person who:
 - (1) is not a member of the Association or related to a member of the Association board within the third degree by consanguinity or affinity; and
 - (2) is a person agreed on by the Association and the persons requesting the recount.
- (c) Any recount under subsection (a) must be performed on or before the 30th day after the date of receipt of a request and payment for a recount in accordance with this section. If the recount changes the results of the election, the Association shall reimburse the requesting Member for the cost of the recount. The Association shall provide the results of the recount to each Member who requested the recount. Any action taken by the board in the period between the initial election vote tally and the completion of the recount is not affected by any recount.

5.12 ORDER OF BUSINESS

The order of business at all meetings of the Members may be as follows:

- (a) Recording of Members and Board Members present or Sign in sheet

- (b) Proof of quorum
- (c) Proof of notice of meeting or waiver of notice
- (d) Reading of minutes of preceding Association meeting, if applicable
- (e) Reports of officers
- (f) Reports of committees
- (g) Members open forum
- (h) Election of Directors, if applicable
- (i) Unfinished business
- (j) New business
- (k) Adjournment

5.13 ACTION WITHOUT A MEETING

All actions, except removal of a Board member, which may be taken at a meeting requiring the assent of the Members, may be taken without a meeting if a consent in writing, approving of the action to be taken, shall be signed by Members who hold more than sixty percent (60%) of the outstanding votes of the Association in aggregate. The original signed consents shall be placed in the Association minute book and maintained with the Association records.

ARTICLE VI. BOARD OF DIRECTORS

6.1 ENUMERATION

The affairs of the Association shall be governed by a Board of Directors composed of Five (5) Members of the Association or as otherwise stated in the Declaration as amended from time to time. The Members of the Board of Directors shall act in such capacity and shall manage the affairs of the Association until their successors are elected.

6.2 QUALIFICATION

- (a) No person shall be nominated or serve as a Director unless he/she meets each of the following qualifications.
 - (1) Be a property owner and legal resident of High Point Estates, Celina, Texas.
 - (2) Four out of Five Directors must be legal residents of High Point Estates, Celina, Texas.
 - (3) Be of good moral character and not convicted of a felony or a crime of moral turpitude.
- (b) A Director shall cease to be eligible to serve as a Director on the date the Director ceases to own any Lot or other real property in the Property.

- (c) No person shall simultaneously hold more than one Board office.

6.3 TERM OF OFFICE

Directors shall be elected for a term of two (2) years unless he/she shall sooner resign, or shall be removed or otherwise disqualified to serve.

- (a) A Board Member may hold the same Board Officer position for a maximum of two consecutive terms. A Board Member must sit out a minimum of one full term before being reelected to the same Board Officer position after having served two consecutive full terms in that position.
- (b) A Board Member having served two consecutive full terms in the same Board Officer position may be elected to another Board Officer position.
- (c) Irrespective of (a) and (b) above, upon the unanimous affirmative vote of all Board Members (other than the Board Member affected by such decision), the Board may suspend the limit on consecutive terms which a Board Member may serve in the same Board Officer position and allow such Board Member to serve in such position for one additional two-year term. A unanimous vote pursuant to this clause (c) is required for each such suspension.

6.4 NOMINATION

- (a) Nominations may be made from the floor at the Annual Meeting of the Association by any Member or at any time via email to the Board Secretary.
- (b) All candidates shall have a reasonable opportunity to communicate their qualification to the members and to solicit votes.

6.5 ELECTION

- (a) A Member who meets the qualifications for Director and who has been duly nominated may be elected as a Director by the vote of the Members.
- (b) Election to the Board shall be by written ballot in accordance with these Bylaws. At such elections, the Members or their proxies may cast, with respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.
- (c) On odd calendar years, three (3) Board Members shall be elected.
- (d) On even calendar years, two (2) Board Members shall be elected.
- (e) Elections shall be held each year at a time determined by the Board.

6.6 REMOVAL AND VACANCIES

- (a) Any Director may be removed from the Board with or without good cause by a majority vote of the Members of the Association.
 - (1) Good cause for removing a Director includes the unexcused failure to attend three consecutive Board meetings.
 - (A) Excused, in this section, shall mean the Board member being ill or injured beyond the capacity to attend and participate in a meeting, or that the Board member must attend an immediate family member suffering from a serious illness or injury, or that the Board member has just suffered a death in his/her immediate family, or as otherwise decided by the Board.
 - (2) Any Director whose removal has been proposed by the Members shall be given an opportunity to be heard at the meeting.
- (b) In the event of death, resignation, or removal of a Director, his/her successor shall be selected by the remaining members of the Board and shall serve out the remaining term of his/her predecessor.
- (c) If the Board is presented with written, documented evidence from a database or other record maintained by a governmental law enforcement authority that a Board Member has been convicted of a felony or crime involving moral turpitude, the Board Member is immediately ineligible to serve on the Board of the Association, automatically considered removed from the Board, and prohibited from future service on the Board.
- (d) Upon an affirmative vote of the majority of the members of the Board, any Officer may be removed, with or without cause, and his/her successor may be elected at any regular meeting of the Board or at any special meeting of the Board called for such purposes.
- (e) Any Officer may resign at any time by giving written notice to the Board, the President, or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, acceptance of such resignation shall not be necessary to make it effective.

6.7 POWERS AND DUTIES

- (a) The Board shall have the powers and duties necessary for the operation the administration of the other responsibilities and affairs of the Association, including, but not limited to, the powers and duties set forth in the Declaration. Subject to the provisions of the preceding sentence, the Board may do all such acts and things that are not by these Bylaws or by the Declaration reserved to the exclusive power to act by the Members.
- (b) Directors shall discharge their duties in good faith, with ordinary care, and in a manner they reasonably believe to be in the Association's best interest. In this context, the term "ordinary care" means the care that ordinarily prudent persons in similar positions would

exercise under similar circumstances. In discharging any duty imposed or power conferred on Directors, Directors may, in good faith, rely on information, opinions, reports, or statements, including financial statements and other financial data, concerning the Association or another person that has been prepared or presented by a variety of persons, including officers and employees of the Association, professional advisors or experts such as accountants or legal counsel. A Director is not relying on good faith if he has knowledge concerning a matter in question that renders reliance unwarranted.

(c) The Board shall have the following duties:

- (1) all of the powers conferred upon nonprofit corporations by common law and the statutes of the State of Texas in effect from time to time.
- (2) all of the powers necessary or desirable to perform the obligations and duties and to exercise the rights and powers set out in the Declaration, including, without limitation, the following:
 - (a) to fix and to collect assessments and other charges to be levied pursuant to the Declaration;
 - (b) to administer and enforce covenants, conditions, restrictions, uses, limitations, and obligations affecting any property to the extent the Association may be authorized to do so under the Declaration, or other recorded covenant;
 - (c) to maintain complete and accurate books and records showing all of the receipts, expenses, or disbursements and to permit examination thereof at any reasonable time by each of the Members and any Mortgagee in accordance with Board policies;
 - (d) to engage in activities which will actively foster, promote, and advance the common interests of all owners of property subject to the Declaration;
 - (e) to buy or otherwise acquire, sell or otherwise dispose of, mortgage or otherwise encumber, exchange, lease, hold, use, operate, and otherwise deal in and with real, personal, and mixed property of all kinds and any right or interest therein for any purpose of the Association;
 - (f) to supervise all officers and agents of the Association as they may exist from time to time, and to see that their duties are properly performed;
 - (g) to enter into, make, perform, or enforce contracts of every kind and description, and to do all other acts necessary, appropriate, or advisable in carrying out any purpose of the Association, with or in association with any other association, corporation, or other entity or agency, public or private;
 - (h) to adopt, alter, and amend or repeal such Bylaws as may be necessary or desirable for the proper management of the affairs of the Association; provided, such Bylaws may not be inconsistent with any provisions of the Declaration;
 - (i) to provide any and all services to the Association and adjacent properties as the

Board may determine to be necessary or desirable to supplement the services provided by local government; and

- (j) in general, to carry on the administration of the Association.
- (d) The foregoing enumeration of powers shall not limit or restrict in any manner the exercise of other and further rights and powers which may now or hereafter be allowed or permitted by law and the provisions of the Declaration as may be amended from time to time.

6.8 OFFICES

The duties of the Officers of the Board of Directors are as follows:

- (a) **PRESIDENT.** The President shall:
 - (1) be the chief executive officer of the Association,
 - (2) shall represent the Association at all meetings of the Association,
 - (3) preside at all meetings of both the Association and the Board,
 - (4) shall have all the general powers and duties which are usually vested in the office of President of an association, including, but not limited to:
 - (a) the power to appoint committees from among the Members to assist in the administration of the affairs of the Association, and
 - (b) the duty to see that the orders and resolutions of the Board are carried out.
 - (c) sign all leases, mortgages, deeds, and other written instruments, including those documents required to be filed with the Collin County Clerk, and
 - (d) cosign promissory notes, and checks drawn from the Association or its accounts for amounts greater than two hundred dollars (\$200.00).
- (b) **VICEPRESIDENT.** The Vice President shall:
 - (1) generally assist the President,
 - (2) perform the functions of President in the President's absence, and
 - (3) have such powers and perform such duties and services as shall, from time to time, be prescribed or delegated to him by the President or the Board.
 - (4) Serve notices as provided in these Bylaws or as required by law.
- (c) **SECRETARY.** The Secretary shall:
 - (1) have custody of and be responsible for all of the Association's books and records,
 - (2) record the votes, and take the minutes of the meetings and proceedings of the Board and Members and keep the minutes as part of the Association's records,

- (3) keep appropriate current records including, but not limited to, listings of each Member, Director and employee of the Association, together with their current postal and e-mail addresses,
 - (4) perform such other duties as required by the Board.
- (d) TREASURER. The Treasurer shall:
- (1) have charge and custody of and be responsible for all the Association's funds and securities,
 - (2) receive and give receipts for moneys due and payable to the Association from any source,
 - (3) deposit all moneys in the Association's name in banks, trust companies, or other depositories as these Bylaws provide or the Board or President directs,
 - (4) write and sign checks and disburse funds to discharge the Association's obligations, however funds may not be drawn from the Association or its accounts for amounts greater than two hundred dollars (\$200.00) without the signature of the President in addition to that of the treasurer,
 - (5) co-sign all promissory notes of the Association,
 - (6) keep and maintain proper books and records of the Association's accounts in appropriate form such that they could be audited by a public accountant whenever ordered by the Board or the membership
 - (7) prepare, or cause to be prepared, an annual budget and a statement of income and expenditures to be presented to the membership at its regular Annual Meeting, and deliver a copy of each to the Members,
 - (8) perform other duties as assigned by the President or the Board, and
 - (9) if the Board requires, give a bond for faithfully discharging his/her duties in a sum and with a surety as determined by the Board and at the expense of the Association.
- (e) Customary Duties. The officers, in addition to the duties specifically set forth herein, shall perform the duties of those officers customarily performed by officers of Associations.
- (f) No Treasurer. In the event that there is no Treasurer currently serving, the President shall be empowered with the Treasurer's duties.

6.9 ACTIONS OF THE BOARD

- (a) The Board will try to act by consensus. However, if a consensus is not available, the assenting vote of at least three of the Directors present and voting at a meeting at which a quorum is present is enough to constitute the act of the Board, unless the act of a greater number is required by law or by some other provision of these

Bylaws.

- (b) A Director who is present at a meeting and abstains from a vote is considered to be present and voting for the purpose of determining the Board's decision.
- (c) For the purpose of determining the decision of the Board, a Director who is represented by proxy in a vote is considered present.

6.10 DELEGATING DUTIES

Directors may delegate duties, with the exception of voting, to Associate Directors as may be permitted by the Board from time to time.

- (a) Directors who delegate such duties shall retain full responsibility and liability for those duties delegated.

ARTICLE VII. NOTICES OF MEETINGS, ELECTIONS AND VOTES

Advance notice of all Association meetings, elections and votes, and regular and special Board of Directors meetings shall be made by, or caused to be made by, the Secretary to all Members of the Association by:

- (a) mailing a copy of such notice, postage prepaid, addressed to the Member's last known address, not less than ten (10) calendar days or more than fifty (50) days prior to the date of the meeting, or
- (b) publishing the notice of meeting on the Association's website not less than seventy two (72) hours prior to the date and time of the meeting, and
- (c) sending the notice of meeting via e-mail to the e-mail address provided by a member to the Association not less than seventy two (72) hours prior to the date and time of the meeting.
- (d) Notices shall specify the place, date, and time of the meeting, election or vote, and the purpose and general matters to be covered in the meeting.

ARTICLE VIII. FIDUCIARY DUTY

The Directors of the Association have a fiduciary duty to the Members of the Association when acting on behalf of the Association.

The Board of Directors shall use its best efforts at all times to make decisions that are consistent with high principles and to protect and enhance the value of the High Point Estates community. All members of the Board shall exercise their power and duties in good faith and in the best interests of, and with utmost loyalty to, the Association.

ARTICLE VIII. CONFLICT OF INTEREST

Conflict of Interest means circumstances under which a Board Member may be unduly influenced in his decision making process in favor of or against any particular action.

A Board Member shall recuse him or herself from all aspects of any issue before the Board in which the Board Member, or any member of his/her family, has a financial or personal interest, or the appearance of either such an interest.

- (a) Personal interest is defined herein as a social friendship and being more than a casual acquaintance. Casual acquaintance is established by virtue of simple occasional contact not of an otherwise social nature.
- (b) No contract or other transaction between the Association and one or more of its directors, or between the Association and any other corporation, firm, association or other entity in which one or more of its directors are directors or officers, or are financially interested, shall either be void or voidable for this reason alone that such director or directors are present at the meeting of the Board of Directors, or of a committee thereof, which approves such contract or transaction, or that his/her or their votes are counted for such purposes:
 - (1) if the fact of such common directorship, officership or financial interest is disclosed or known to the Board or committee, and the Board or committee approves such contract or transaction by vote sufficient for such purpose without counting the vote or votes of such interested director or directors, or
 - (2) if such common directorship, officership, or financial interest is disclosed or known to the Members entitled to vote thereon, and such contract or transaction is approved by a vote of the Members, or
 - (3) if the contract or transaction is fair and reasonable as to the Association at the time it is approved by the Board, a committee or the Members.

ARTICLE X. PROHIBITED ACTS

As long as the Association exists, a Member, Director, Officer or committee member of the Association may not:

- (a) commit any act with the intention of harming the Association or any of its operations or Members, or
- (b) commit any act that would make it impossible or unnecessarily difficult to carry on the Association's business, or
- (c) make a promise of anything not approved by the Board as a whole, or
- (d) willingly misrepresent facts to any Member of the Association, or to anyone else on

- behalf of the Board or the Association, or
- (e) receive an improper benefit from the operation of the Association, or
 - (f) use the Association's assets, directly or indirectly, for any purpose other than carrying on the Association's business, or
 - (g) use the Association's name (or any substantially similar name) except on behalf of the Association in the ordinary course of its business, or
 - (h) disclose any of the Association's business or other information not generally known to the general community to any person not authorized to receive it.

ARTICLE XI. MEETINGS OF DIRECTORS

11.1 OPEN MEETINGS

All regular and special meetings of the Board shall be open to all Members of the Association. Members attending meetings shall not participate in the meeting except during an open forum period, or by direct invitation from the President, with participation limited to a specified issue. Any member desiring to address the Board shall be given an opportunity to do so in accordance with the meeting policies and procedures of the Board.

- (a) Except for a meeting held by electronic or telephonic means in accordance with these Bylaws, Board meetings shall be held in Collin County, Texas.
- (b) Meetings must be held in locations that will accommodate a minimum of all Board Members and at least five (5) Association Members.

11.2 REGULAR MEETINGS

Regular meetings of the Board may be held at such times and places as shall be determined by a majority of the Board and as provided in these Bylaws. A minimum of one such meeting shall be held during each calendar month.

- (a) A regular meeting of the Board may be cancelled by the President if there is no scheduled business to transact.
 - (1) if a meeting is cancelled, a notice shall be sent to each Board and Association Member in the same manner as the initial notice for the meeting.

11.3 SPECIAL MEETINGS

- (a) Special meetings of the Board may be called by the President of the Association or by any three (3) Directors. Unless otherwise indicated in the notice thereof, any business may be transacted at any organization, regular or special meeting.
- (b) The person or persons calling the meeting shall inform the Secretary of the information to be included in the notice of the meeting.

11.4 EXECUTIVE SESSIONS

The Board may hold executive meetings or executive sessions as part of a Board meeting, provided such executive meetings and sessions comply with these Bylaws and the Texas Property Code provisions relating to closed executive sessions.

- (a) In an executive meeting or session, the Board may consider and vote on the following classes of issues:
 - (1) actions involving personnel,
 - (2) pending or threatened litigation,
 - (3) contract negotiations,
 - (4) enforcement actions,
 - (5) confidential communications with the Association's attorney,
 - (6) matters involving the invasion of privacy of individual Members, or
 - (7) matters that are to remain confidential by request of the affected parties and agreement of the Board.
- (b) Following an executive meeting or session, any decision made in the executive meeting or session shall be summarized orally and placed in the minutes of that meeting or session, in general terms, without breaching the privacy of individual members, violating any privilege, or disclosing any information that was to remain confidential at the request of the affected parties.
- (c) The oral summary shall include a general explanation of any expenditure approved in executive session.

11.5 ACTION VIA COMMUNICATIONS EQUIPMENT

A meeting of the Board of Directors may be held, without prior notice to Members, by any method of communication, including electronic or telephonic communication, provided that each member of the Board can hear, participate, and respond to every other member of the Board, and that the meeting complies with these Bylaws.

- (a) Participation in such a meeting shall constitute presence in person, except where a person participates in the meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called or convened. Except cases concerning the confidentiality of a member, notice of any action via communications equipment, shall be posted on the website maintained by the Association as soon as practicable after such action. Any such notice on the website shall disclose how each Director voted on any such action.
- (b) The Board shall not consider or vote on the following matters during a meeting held via communications equipment.
 - (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; or
- (8) A suspension of a right of a particular Member before the Member has an opportunity to attend a Board meeting to present the Member's position, including any defense, on the issue.

11.6 QUORUM

At all meetings of the Board, three (3) or more Directors shall constitute a quorum for the transaction of business, and the assenting act of at least three (3) of the Directors present at the meeting at which a quorum is present shall be the act of the Board. If, at any meeting of the Board, there is less than a quorum present, the majority of those present may adjourn the meeting.

- (a) A quorum shall be established through the physical presence of Directors. Proxies shall not be used in establishing the minimum number of Directors present for a quorum.
- (b) The Directors at a duly called or held meeting at which a quorum is present may continue to transact business even if enough directors leave the meeting so that less than a quorum remains. However, no action may be approved without the assenting vote of at least three Directors.

11.7 ORDER OF BUSINESS

The order of business at all meetings of the Board shall be determined by the Board.

11.8 REGISTERING DISSENT

A Director who is present at a meeting of the Board of Directors at which action on an Association matter is taken shall be presumed to have assented to such action unless his/her dissent shall be entered in the minutes of the meeting, or unless he shall file his/her written dissent to such action with the person acting as the secretary of the meeting, before the adjournment thereof, or shall forward such dissent to the Secretary immediately after the adjournment of the meeting. Such right to dissent shall not apply to a Director who voted in favor of such action.

11.9 BOARD PROXIES

- (a) A Director may vote by proxy at a Board of Directors meeting. All proxies shall be in writing, must bear:

- (1) the original signature of the Director giving the proxy,
- (2) the name of the Director to which the proxy is assigned,
- (3) the date the proxy expires, and
- (4) the date on which the proxy was executed by the Director.
- (b) No proxy is valid after sixty (60) calendar days from the date of its execution.
- (c) Proxies shall not be used to establish the minimum number of Directors required for a quorum.

ARTICLE XII. COMMITTEES

12.1 APPOINTMENTS AND AUTHORITIES

- (a) The Board shall appoint an Architectural Committee as provided in these Bylaws.
- (b) The Board may appoint the members of committees by procedures to be established by the Board within the provisions of these Bylaws.
 - (1) Only Members of the Association shall be eligible to serve on such advisory committees.
- (c) Establishing a committee or delegating authority to it will not relieve the Board, or any individual Director, of any responsibility imposed by these Bylaws or otherwise imposed by law.
- (d) No committee shall have the authority to:
 - (1) Amend the Articles of incorporation, or
 - (2) Authorize the sale, lease, exchange, or mortgage of all or any of the Association's property or assets, or
 - (3) Authorize voluntary dissolution of the Association, or
 - (4) Adopt a plan for distributing the Association's assets, or
 - (5) Amend, alter, or repeal these Bylaws, or
 - (6) Elect, appoint, or remove a member of a committee, or a Director or officer of the Association, or
 - (7) Approve any transaction to which the Association is a party and that involves a potential conflict of interest as defined in these Bylaws, or
 - (8) Take any action outside of the scope of authority delegated to it by the Board, or
 - (9) Take final action on a matter requiring Member approval.
- (e) The authorities, duties, rules, and procedures for each committee shall be determined by

the Board, except that each committee, as a minimum, shall:

- (1) elect a chairman from its members, who will call and preside at all meetings of the committee,
- (2) try to take action by consensus. However, if a consensus is not available, the vote of the majority of committee members present and voting at a meeting where a quorum is present is enough to constitute the act of the committee,
- (3) not permit any member to vote by proxy, and
- (4) keep a written record of its activities and meetings, and report these to the Board of Directors at each meeting of the Board.

12.2 ARCHITECTURAL COMMITTEE

- (a) **AUTHORITIES AND PROCEDURE.** The Committee shall review all changes to the lot and grounds, and to the exterior of the house and other structures as proposed by Association Members. The Committee shall ensure that all such changes comply fully with current High Point Estates Homeowner Associations Covenants, Conditions and Restrictions requirements, other Associations rules, these Bylaws and the Texas Property Code.
 - (1) The Committee shall recommend in writing their approval or disapproval of Association member requested changes to the Board of Directors. The Committee report shall cite each Covenants, Conditions and Restrictions and Bylaws sections reviewed, and provide an explanation for the approval or disapproval of the Association Member's request.
- (b) **BOARD OF DIRECTOR ACTIONS.** The Board of Directors shall make the final decision for approval or disapproval of the Association member's request after due consideration of the Committee's report. The Board of Directors shall enter into its meeting minutes a complete explanation for any decision made that is contrary to the approval or disapproval recommended by the Committee.

ARTICLE XIII. COMMUNICATIONS

13.1 ASSOCIATION PERMANENT POSTAL ADDRESS

The Board shall establish a permanent Association postal mailing address that is not the address of any Association member as statutory notices must be based upon the address set forth by the Association. This address shall be at the closest P.O. Box.

13.2 ASSOCIATION BOARD E-MAIL ADDRESS

Statutory notices are based upon the physical and electronic addresses set forth and used by the Association. The Board shall cause to be established one or more permanent Association e-mail addresses that shall be used exclusively for the sending and receipt of all Board,

Committee and Association correspondence to and from Association Members and other parties.

13.3 ASSOCIATION WEBSITE

The Board shall authorize a High Point Estates website to be established, funded and maintained. The website shall be used to publish The Association's Covenants, Conditions and Restrictions, these Bylaws and additional documents as deemed appropriate by the Board.

- (a) The Board may assign a webmaster at its discretion.

ARTICLE XIV. OBLIGATIONS OF THE ASSOCIATION MEMBERS

14.1 FEES AND ASSESSMENTS

All Members of the Association shall be obligated to pay an initiation fee, Assessments, and other fees and fines imposed by the Association in accordance with the Declaration. No Member may waive or otherwise escape liability for the Assessments provided for herein by nonuse of the Association Property or abandonment of his/her Lot(s). A Member shall be deemed to be in good standing within the meaning of these Bylaws, only if he is current in payment of the initiation fee, Assessments, and other fees and fines levied against him and the Lot owned by him in accordance with the Declaration.

- (a) The first Annual Dues payment will satisfy the initiation fee requirement.

14.2 CURRENT CONTACT INFORMATION

It is each Member's duty to keep an updated U.S. Postal address, if different from their street address in the High Point Estates subdivision and an e-mail address registered with the Association. If the Association has no other registered address for a Member, the Association shall use the Member's street address in the High Point Estates subdivision for all correspondence and notices.

ARTICLE XV. ENFORCEMENT OF ASSOCIATION RULES AND POLICIES

15.1 REPORT OR OBSERVATION OF VIOLATION

Any member of the HOA may officially report an existing violation of the CC&Rs using the following process:

- (a) Members send an email to any member of the Board, providing the location, date, infraction noted and the specific article of the CC&R's violated.
 - (1) Emails will be forwarded to the Vice President who will perform a cursory inspection for verification. If an infraction exists, the Vice President will notify the rest of the Board and a meeting will be set to discuss.

- (b) Directors notify the entire Board, providing the location, date, infraction noted and the specific article of the CC&R's violated.
- (c) Once the Board has met, the original member will be notified of the Board's decision.

15.2 BUSINESS JUDGMENT RULE

- (a) The decision of the Board to pursue enforcement action in any particular case shall be left to the Board's discretion, subject to the duty to exercise its business judgment, and shall not be arbitrary or capricious in taking enforcement action. Without limiting the generality of the foregoing, the Board may determine that, under the circumstances of a particular case:
 - (1) the Association's position is not strong enough to justify taking any or further action,
 - (2) the covenant, restriction or rule being enforced is, or is likely to be construed as, inconsistent with applicable law,
 - (3) although a technical violation may exist or may have occurred, it is not of such a material nature as to be objectionable to a reasonable person or to justify expending the Association's resources, or
 - (4) that it is not in the Association's best interests, based on hardship, expense or other reasonable criteria, to pursue enforcement action.
- (b) When an enforcement action is not taken in accordance with subsection (a) above, the Board shall fully document the violation and reasons for not taking enforcement actions or not applying sanctions in accordance with these Bylaws.
- (c) Failure by the Board to enforce any covenant, restriction or rule, or any other provision of any of the Association's Documents shall in no event be deemed a waiver of the right to do so thereafter or preclude the Association from enforcing any other covenant, restriction or provision of the Association's Documents.
- (d) Action taken by the Association in accordance with this policy, or a decision to not take action, shall not affect a Member's right to bring his/her own enforcement action under the provisions of the Declaration.

15.3 ENFORCEMENT

The Board shall fully and equally and in a reasonable and timely manner, enforce all Association Covenants, Conditions and Restrictions, and requirements, these Bylaws, and all other policies and rules of the Association. In the case of a violation, the Association may choose a legal remedy or seek assistance from other enforcement authorities, such as police, fire, or animal control, as it deems appropriate.

- (a) The Association shall be entitled to reimbursement of all reasonable attorney's fees and costs incurred by the Association in connection with any enforcement action, including any proceeding under this Policy.

15.4 NOTIFICATIONS AND PENALTIES

The following sequence of notifications to Members shall be used for violations verified by the process in 16.1:

(a) **INFORMAL COMMUNICATION**

The Vice President, or his/her designee, shall approach the member in violation via walk up, phone call or email to discuss and attempt to resolve the violation to the Board's satisfaction. The results of that meeting will be relayed to the Board via email for documentation purposes. The Vice President, or his/her designee, will follow up to verify the resolution.

(b) **WRITTEN NOTIFICATION**

If the process of informal notification fails to resolve the issue, the following process shall occur:

- (1) a completed Courtesy Notice shall be delivered to the Association Member.
- (2) it is the Member's responsibility to notify the Board if he is currently serving on active military duty.
- (3) the Courtesy Notice shall detail the infraction, the CC&R section that has been violated and a timeline for correction. The notification shall also provide information facilitating a follow up meeting with the Board. If the issue is not resolved to the satisfaction of the Board, fines and or legal action will follow.
- (4) If the violation is not a repeat violation and the Member corrects the violation within the time period in the notice, no penalty shall be assessed. A record of the violation and correction shall be entered into the Association records.

(c) **SECOND WRITTEN NOTIFICATION**

If the issue is not remedied through the notification and meeting process above, the following will occur:

- (1) A notification of fines shall be sent to the homeowner by U.S. Postal Service Certified Mail documenting the infraction, the timeline for curing the infraction and the penalty schedule for non-curative action. The homeowner will be informed of his/her right to request a formal hearing before the Board within 30 days of the date of the notification. (TX SB 1168§209.006)
- (2) Second Notifications shall indicate a penalty of fifty dollars (\$50.00) per day shall be assessed if the violation is not corrected within thirty (30) days from the date of the Second Notification. A fee of \$25.00 to offset administrative and mailing costs shall be assessed in addition to any other assessments.

(d) **FURTHER ACTIONS**

- (1) If the violation(s) still exists following the conclusion of the Second Notification Process, the Board shall refer the matter to its attorney with instructions to file a lien for the accrued penalties and to proceed with filing a suit against the Member to cease and desist the actions of the cited violation(s) and to collect all costs associated with the violation(s).
- (2) If a Member advises the Board that he is currently on active military duty, the Board shall refer the violation(s) to its attorney for assistance on what actions to take in regard to any rights or relief the Member may have in accordance with the Service Members Civil Relief Act (50 U.S.C. app. Section 501 et seq.) or other applicable laws.

15.5 HEARINGS

(a) HEARING REQUESTED

- (1) If a hearing is requested by a member or deemed necessary by the Board:
 - (A) Hearings shall be held not later than thirty (30) days after the Board receives a request for a hearing from a Member.
 - (B) The Board or the Member may request a postponement of the hearing, and if granted, the postponement shall not be for more than ten (10) days. Only one postponement shall be granted.
- (2) These procedures shall not be necessary in order to impose any sanction or penalty for nonpayment of a delinquent assessment.

(b) HEARING PROCEDURE

The hearing shall be held pursuant to this notice affording the member a reasonable opportunity to be heard.

- (1) Prior to the effectiveness of any sanction hereunder, proof of notice and the invitation to be heard shall be placed in the minutes of the meeting.
- (2) Such proof shall be deemed adequate if a copy of the notice, together with a statement of the date and manner of delivery, is entered by the Director or agent who delivered such notice.
- (3) The notice requirement shall be deemed satisfied if the alleged violator appears at the meeting.
- (4) The minutes of the meeting shall contain a written statement of the results of the hearing and the sanction, if any, imposed.

(c) DECISION OF THE BOARD

The decision of the Board shall be final.

- (1) The Board may determine that the Member's failure to respond or appear at the hearing constitutes a no-contest plea to the complaint, and enforce the provisions of the Association's Documents.
- (2) The Board's decision shall be effective immediately upon conclusion of the hearing.
- (3) The Board's decision shall be communicated in writing to the homeowner.
- (4) The minutes of the hearing shall contain a written statement of the results of the hearing and sanction, if any, imposed.

15.6 ALTERNATIVE DISPUTE RESOLUTION

Alternative dispute resolution services may be used if agreed upon in advance by both the Board and the Member. If such services are requested by the Member, the Member shall be responsible for all costs incurred by the services, regardless of the decision rendered or accepted as a result of the services.

ARTICLE XVI. BOOKS, DOCUMENTS AND RECORDS

16.1 DUTY

The Association shall keep and maintain correct and complete books and records of accounts and shall keep minutes and other records of the proceedings of Association, Board of Directors and Committees. Each Board member responsible for keeping records is also responsible for transferring all hard copy and electronic documents to the new Board member upon transition of the office per state law.

16.2 REQUIRED RECORDS

The books and records shall include the items listed below and shall be retained by the association for seven years if unspecified below.

- (a) A file-endorsed copy of all documents filed with the Texas Secretary of State relating to the Association, including but not limited to the articles of incorporation, and any articles of amendment, restated articles and statement of registered office or registered agent,
- (b) A file-endorsed copy of all Bylaws, Resolutions and Policies, and any amended version or amendments to them as registered with the Collin County Clerk,
- (c) Minutes of the proceedings of the meetings and actions taken by Members, Directors, Officers and committees having any authority of the Board,
- (d) A list of the names and addresses of the current Members, Directors, Officers, and any committee members of the Association,
- (e) A financial statement showing the Association assets, liabilities, income and expenses at the end of the three (3) most recent fiscal years,

- (f) All financial audits or reviews conducted for the three (3) most recent fiscal years,
- (g) All written communications within the past three (3) years to Members,
- (h) All rulings, letters, and other documents relating to the Association's federal, state, and local tax status,
- (i) The Association's federal, state, and local tax information or returns for each of the Association's three (3) most recent years, and
- (j) All other documents and records as required by the Declaration and these Bylaws, each as may be amended from time to time.
- (k) Contracts with a term of one year or more shall be retained.

16.3 AVAILABILITY

The Association shall make the books, documents and records of the Association, including financial records, open to and reasonably available for examination by an Association Member.

- (a) Availability of the Association records and documents on the Association website shall satisfy this obligation for the current operating year.

16.4 INSPECTION AND COPY REQUESTS

An Association member may request access to Association records not available on the website by submitting a written request to the Secretary of the Association.

- (a) The records will be made available to the Association member within ten (10) business days of the receipt of the request.
- (b) If the records are unavailable, the Association member will be immediately notified and informed as soon as the information is accessible.

16.5 RECORD PRODUCTION FORMAT

The Association may produce books, documents and records requested in hard copy, electronic, or other format reasonably available to the Association.

16.6 RESTRICTED RECORDS

The Association is not required to release or allow inspection of any books, documents or records that identify:

- (a) the dedicatory instrument violation history of an individual Member of the Association,
- (b) a Member's personal financial information, including records of payment or nonpayment of amounts due the Association,
- (c) a Member's contact information, other than the Member's address, or information

related to an employee of the Association, including personnel files.

- (d) Information may be released in an aggregate or summary manner that would not identify an individual Association Member.

16.7 ATTORNEY FILES

Attorney's files and records relating to the Association, excluding invoices, requested by a Member are not records of the association and are not subject to inspection by the Member.

16.8 PRODUCTION AND COPYING CHARGES

The Association Secretary, or a person authorized by the Secretary, will set the date, time and location of any requested inspection of the Association's documents and records. If copies of documents or records are requested, the Association member will be responsible for paying the associated fee.

16.9 RESALE CERTIFICATES

- (a) REQUEST FOR CERTIFICATE. A request for a Resale Certificate shall be made to the Association Secretary, and the request shall only be accepted when made by an Association Member, or the Member's agent, a purchaser of property in High Point Estates or the purchaser's agent, or a title insurance company or its agent, acting on behalf of the Member or purchaser.
 - (1) The requestor shall make the request in writing, or via e-mail, and shall provide reasonable evidence of the requestor's authority to order the resale certificate.
 - (2) The requestor shall make payment of one hundred dollars (\$100.00) to the Association prior to the resale certificate being prepared and delivered by the Association.
- (b) CERTIFICATE PRODUCTION. After the Secretary has received and verified the requestor's authority to order the resale certificate, and has received payment for the certificate, the Secretary shall provide a certificate with the information requested per the current legal TREC Form.

ARTICLE XVII. FINANCIAL MANAGEMENT

17.1 DUTY

The Association shall keep correct and complete books and records of all financial accounts including all receipts and expenditures.

17.2 OPERATING BASIS

The Association shall operate on a cash basis accounting system, as defined by generally

accepted accounting principles.

17.3 DEPOSITORY

The depository of the Association shall be such banks, trust companies or other depositories as shall be designated from time to time by the Board of Directors in which the moneys of the Association shall be deposited in a timely manner.

17.4 WITHDRAWALS OF FUNDS

Withdrawal of moneys of the Association shall be only by checks signed by the Treasurer. However, checks for amounts greater than two hundred dollars (\$200.00) shall be countersigned by the President.

17.5 LOANS

No loans shall be contracted on behalf of the Association, and no evidences of indebtedness shall be issued in its name, unless authorized by a resolution of the Board of Directors and approved by the Members of the Association in accordance with the requirements of the Declaration.

17.6 ANNUAL BUDGET

The Treasurer shall prepare or cause to be prepared, the annual pro forma budget for each fiscal year.

- (a) The budget shall include as a minimum:
 - (1) a financial statement showing estimated income and expenses that are expected in the new fiscal year,
 - (2) identification of total cash reserves currently set aside, and
 - (3) any amount required to be added to the reserves in the next fiscal year.
- (b) The Treasurer shall present the budget to the Board for approval not later than the first day of December of each year.
- (c) The annual budget shall be reviewed, modified as necessary and adopted by the Board of Directors not later than the first of December.
- (d) The Board shall, at the Board meeting in November of each year, determine the annual Members' Assessment for the following fiscal year in accordance with the requirements and authorities of the Declaration and the approved annual Association budget for the following fiscal year.

17.7 ANNUAL REPORT TO MEMBERS

The Board shall annually provide a Budget and Reserve Funding Disclosure and Assessment Notice to each Association Member.

- (a) The Treasurer shall prepare this notice, or cause it to be prepared, and present it to the Board for approval not later than the Board meeting in November of each year.
- (b) This notice shall include as a minimum, the following information:
 - (1) the Board approved pro forma budget for the following fiscal year,
 - (2) a year-end financial statement for the current fiscal year,
 - (3) the amount of reserves currently set aside, and
 - (4) the amount of the Association Members' assessment for the next fiscal year, and
 - (5) an accountant's report, if an independent accountant has reviewed or audited the financial statements, or a certificate signed by the Treasurer indicating that the statements were prepared without review or audit.
- (c) This notice shall be provided to Members within 5 business days of January 1st by U.S. Postal mail or other means as provided in these Bylaws.

17.8 DELINQUENCY REPORT

The Treasurer shall prepare, or cause to be prepared, and present to the Board at each Board meeting, a Delinquency Report containing the following information:

- (a) a listing of all Members delinquent in paying their current fiscal year assessments or other moneys owed to the Association including any late fees or penalties,
- (b) the current status of each Member's account,
- (c) the status of any action to collect such payments which remain delinquent, and
- (d) recommendations for any additional actions necessary to collect delinquent accounts.

17.9 DESIGNATION OF EXCESS FUNDS

The Board shall, during the third quarter of each year, consider if there are Excess Funds available in the Operating Account. Excess Funds are defined as those monies in the Operating Account that are over and above those funds needed to pay any and all remaining operating expenses for the current fiscal year, any unusual increased operating expenses anticipated for the following fiscal year, and necessary funding of the Reserve Fund for the next fiscal year. An affirmative vote of four of the five members of the Board of Directors may designate a percentage of those Excess Funds to be paid in equal portions to each current Lot Owner. The Treasurer would distribute the designated amount by check to each current Lot Owner.

ARTICLE XVIII. RESERVE FUND

18.1 FUND USE

Monies from the High Point Estates Homeowners Association Investment Reserve Fund (hereafter referred to as "Reserve Fund") shall only be used when authorized by an affirmative vote of not less than four of the five Board of Directors, and shall only be used to pay for attorney and legal fees required to enforce High Estates Point Declaration of Covenants, Conditions and Restrictions, and major non-reoccurring expenses of an urgent nature that cannot be financed through funding included in the annual operating budget.

18.2 FUND BALANCE

The Reserve Fund shall be initially established with a maximum fund balance of ten thousand dollars (\$10,000.00) and may be changed by an affirmative vote of not less than four of the five members of the Board of Directors, each voting in person at the time. The Reserve Fund balance shall be adjusted at the beginning of each fiscal year so that the Reserve Fund is maintained at not less than eighty (80) percent of that amount. Whether or not money has been expended from the Reserve Fund during the previous year, the first budget action for each fiscal year shall be to calculate and budget for the appropriate balance in the Reserve Fund. Any excess monies in the fund over and above the established maximum fund amount or cap shall be placed in the Association's following fiscal year operating budget.

18.3 REPLENISHMENT METHOD

A special assessment may be authorized by the Board of Directors if the Reserve Fund cannot be replenished at least to the eighty (80) percent level within the following two year period through the use of annual assessments.

18.4 ANNUAL FUND REPORT

The Home Owners Association Treasurer shall include a report of the Reserve Fund in the annual Association financial report. The report shall detail the use of any funds expended during the previous fiscal year, the balance of the Reserve Fund, the type and amount of fund investments including any interest earned and a recommendation for any necessary replenishment amount.

18.5 RESERVE FUND POLICY AMENDMENTS

The Board of Directors may amend this policy as necessary from time to time by an affirmative vote of not less than four of the five members of the Board of Directors voting in person at the time.

ARTICLE XVIII. AUDITS

Any Member of the Association may have an audit conducted of the Association's books. The Member shall bear the expense of the audit unless the Members vote to authorize payment of audit expenses. A Member may not exercise these rights so as to subject the Association to an audit more than once in any fiscal year.

ARTICLE XX. FISCAL YEAR

The fiscal year of the Association shall begin on the first (1st) day of January and end on the thirty-first (31st) day of December of every year.

ARTICLE XXI. ASSESSMENTS

21.1 PAYMENT OF ASSESSMENTS

As provided in the Declaration, each Member shall pay to the Association, in the manner designated by the Board of Directors, regular assessments and special assessments, such assessments to be established and collected as provided in the Declaration and these Bylaws. Each such assessment shall be the personal obligation of the person who is the owner of a Lot at the time the assessment falls due. No Member may waive or otherwise escape liability for the Assessments provided for herein by nonuse of the Association Property or abandonment of his/her Lot(s).

21.2 NOTICE OF ASSESSMENT

A Budget and Reserve Funding Disclosure and Assessment Notice, which shall include the amount of the annual Assessment amount for the following fiscal year and the date the Assessment is due to be paid to the Association, shall be provided to each Member of the Association not later than thirty (30) calendar days prior to the end of the current fiscal year. The Notice shall be provided by U.S. Postal mail or other means as provided in these Bylaws.

21.3 REMEDIES FOR NONPAYMENT

Any assessment or fee not paid within thirty (30) days after the due date shall be deemed delinquent and shall be subject to interest from the due date at an amount of twelve percent (12%) per annum of the outstanding balance computed monthly or any portion thereof.

- (a) The delinquent Member shall be liable to the Association for the delinquent assessments and fees, and all penalty fees accrued thereon and, in any suit or proceeding against the Member or the Member's Lot.
- (b) The delinquent Member shall be liable for all costs, expenses and reasonable attorneys' fees incurred by the Association to collect the delinquent assessments, fees, and penalty fees thereon.

21.4 ASSESSMENT COLLECTION PROCESS

- (a) 30 Days Delinquent: A 'First Notice Letter' shall be sent to the Member via certified mail, return receipt requested notifying the Member the account is delinquent, information regarding availability of a payment plan through the Association in accordance with these Bylaws, and advising the Member he has a period of not more than thirty (30) days to cure the delinquency before further collection action is taken. Interest accrues from the due date of the assessment and a \$25.00 administrative fee to offset the administrative and mailing expenses shall be applied to the account.
- (b) 90 Days Delinquent: A 'Second Notice Letter' shall be sent via certified mail, return receipt requested notifying the Member of collection costs, and intent to file a lien if account is not paid in full within 180 days of the due date. Interest continues to accrue and an additional \$50.00 administrative fee to offset the administrative and mailing expenses shall be applied to the account.
- (c) 180 Days Delinquent: A 'Final Notice Letter' shall be sent to the Member via regular and certified mail, return receipt requested. The letter explains that a Notice of Lien is being filed. A fee of \$250.00 to offset administrative, mailings, legal, and filing fees shall be assessed. An Affidavit of lien is prepared, signed by a Board member, and filed with Collin County Clerk.

ARTICLE XXII. ALTERNATIVE PAYMENT PLAN

22.1 USE

A Member may make partial payments to the Association for non-delinquent or delinquent regular or special assessments and fines owed to the association in accordance with the provisions of this Article.

22.2 ANNUAL ASSESSMENTS

An alternative payment plan for the payment of non-delinquent annual assessments which may be used by any Member without monetary penalty shall be to pay one half of the assessment amount, on the original due date, and the remaining one half of the assessment and handling charges not later than the end of the fifth (5th) month following the month in which the assessment was originally due.

22.3 SPECIAL ASSESSMENTS, DELINQUENT ACCOUNTS AND FINES

Special assessments and fines are due in full on the date set by the Board of Directors for payment of the special assessment or fine. An alternative payment plan for the payment of special assessments, delinquent accounts and fines which may be used by a member shall be to pay the assessment or fine, plus administrative fees as described in this Article, in equal payments

of at least fifty dollars, with the last payment being more or less than fifty dollars as may be required to account for the total assessment or fine plus administrative fees.

- (a) The total number of payments is not to exceed twelve.
- (b) The first payment is due on the original date the assessment or fine payment is due according to the notice received by the Member of such assessment or fine. Each subsequent payment is due on the first day of each month following the original payment due date.

22.4 ELECTION TO USE AN ALTERNATIVE PAYMENT PLAN

Any Member wanting to use an alternative payment plan for payment of assessments and fines must complete an Alternative Payment Plan Contract form and provide it to the Board of Directors for their approval. The form is available on the HOA Website or can be obtained from the Board Secretary or Treasurer.

22.5 PAYMENT PLAN NOT REQUIRED

The Association is not required to enter into a payment plan with a Member who failed to honor the terms of a previous payment plan during the two years following the Member's default under the previous payment plan.

22.6 PRIORITY OF PAYMENTS

- (a) A payment received from an Association member shall be applied to the member's debt in the following order of priority:
 - (1) any delinquent assessment;
 - (2) any current assessment;
 - (3) any attorney's fees or third party collection costs incurred by the Association associated solely with assessments or any other charge that could provide the basis for foreclosure;
 - (4) any attorney's fees incurred by the Association that are not subject to (3) above;
 - (5) any fines assessed by the Association; and
 - (6) any other amount owed to the Association.
- (b) The above priority shall not apply for any Association member who is in default of an elected alternative payment plan, except that in applying a payment under this condition, the Association may not give a fine assessed by the Association priority over any other amount owed to the Association.

ARTICLE XXIV. INDEMNIFICATION

24.1 DEFINITIONS

In this Article:

(a) "Indemnitee" means:

- (1) any present or former director, advisory director or officer of the Association;
- (2) any person who, while serving in any of the capacities referred to in clause (1) hereof, served at the Association's request as a director, officer, partner, venturer, proprietor, trustee, employee, agent, or similar functionary of another foreign or domestic corporation, partnership, joint venture, trust, employee benefit plan or other enterprise; and
- (3) any person nominated or designated by (or pursuant to authority granted by) the Board or any committee thereof to serve in any of the capacities referred to in clauses (1) and (2) hereof.

(b) "Official Capacity" means:

- (1) when used with respect to a Director, the office of the Director, and
- (2) when used with respect to a person other than a Director, the elective or appointive office of the Association held by such person, or the employment or agency relationship undertaken by such person on behalf of the Association, but in each case does not include service for any other foreign or domestic corporation, or any partnership, joint venture, sole proprietorship, trust, employee benefit plan, or other enterprise.

(c) "Proceeding" means any threatened, pending, or completed action, suit or proceeding, whether civil, criminal, administrative, arbitative or investigative, any appeal in such an action, suit or proceeding, and any inquiry or investigation that could lead to such an action, suit or proceeding.

24.2 INDEMNIFICATION

(a) The Association shall indemnify every Indemnitee against all judgments, penalties (including excise and similar taxes), fines, amounts paid in settlement, and reasonable expenses actually incurred by the Indemnitee in connection with any Proceeding in which he was, is, or is threatened to be named a defendant or respondent, or in which he was or is a witness without being named a defendant or a respondent, by reason, in whole or in part, of his/her serving or having served, or having been nominated or designated to serve, in any of the capacities referred to in subsection 24.1(a), if it is determined that the Indemnitee in accordance with subsection 24.4:

- (1) conducted himself/herself in good faith;
- (2) reasonably believed, in the case of conduct in his/her Official Capacity, that his/her

- conduct was in the Association's best interests and, in all other cases, that his/her conduct was, at the least, not opposed to the Association's best interests; and
- (3) in the case of any criminal proceeding, had no reasonable cause to believe that his/her conduct was illegal.
- (b) Such indemnification is provided, however, that in the event that an Indemnatee is found liable to the Association or is found liable on the basis that personal benefit was improperly received by the Indemnatee, the indemnification:
- (1) is limited to reasonable expenses actually incurred by Indemnatee in connection with the Proceeding, and
- (2) shall not be made in respect of any Proceeding in which Indemnatee shall have been found liable for willful or intentional misconduct in the performance of his/her duty to the Association.
- (c) Except as provided in the immediately preceding proviso to the first sentence of this subsection 24.2, no indemnification shall be made under subsection 24.2 in respect of any Proceeding in which such Indemnatee shall have been:
- (1) found liable on the basis that personal benefit was improperly received by him/her, whether or not the benefit resulted from an action taken in the Indemnatee's Official Capacity, or
- (2) found liable to the Association.
- (d) The termination of any Proceeding by judgment, order, settlement, or conviction, or on a plea of *nolo contendere* or its equivalent, is not of itself determinative that Indemnatee did not meet the requirements set forth in clauses (a), (b), or (c) in the first sentence of this subsection 24.2. An Indemnatee shall be deemed to have been found liable in respect of any claim, issue, or matter only after the Indemnatee shall have been so adjudged by a court of competent jurisdiction after exhaustion of all appeals therefrom. Reasonable expenses shall include, but are not limited to; all court costs and all fees and disbursements of attorneys for the Indemnatee.

24.3 SUCCESSFUL DEFENSE

If an Indemnatee has been wholly successful, on the merits or otherwise, in defense of a Proceeding in which he/she is a witness or a named defendant or respondent because he/she served in any of the capacities referred to in subsection 24.1(a), the Association, without limitation of subsection 24.2 and in addition to the indemnification provided for in subsection 24.2, shall indemnify the Indemnatee against reasonable expenses incurred by Indemnatee in connection with such a Proceeding.

24.4 DETERMINATIONS

- (a) Any indemnification under subsection 24.2 (unless ordered by a court of competent jurisdiction) shall be made by the Association only upon a determination that

indemnification of the indemnitee is proper in the circumstances because he has met the applicable standard of conduct.

- (b) Any such determination shall be made:
 - (1) by the Board by a majority vote of a quorum consisting of Directors who, at the time of such vote, are not named as defendants or respondents in the Proceeding;
 - (2) if such a quorum cannot be obtained, then by a majority vote of all Directors (in which designation Directors who are named defendants or respondents in the Proceedings may participate), such committee to consist solely of two (2) or more Directors who, at the time of the committee vote, are not named defendants or respondents in the Proceeding;
 - (3) by special legal counsel chosen by the Board or a committee thereof by vote as set forth in clauses (b)(1) or (b)(2) of this subsection 24.4, or, if the requisite quorum of Directors cannot be obtained and such committee cannot be established, by a majority vote of all Directors (including any Directors who are named defendants or respondents in the Proceeding); or
 - (4) by the Members in a vote that excludes the Directors who are named defendants or respondents in the Proceeding.
- (c) Determination of "reasonable expenses" shall be made in the same manner as the determination of indemnification, except that if the determination that indemnification is permissible is made by special legal counsel, the determination of "reasonable expenses" must be made in the manner specified in clause (iii) of the preceding paragraph for the selection of special legal counsel.
- (d) In the event that the Indemnitee has met the applicable standard of conduct as to some matters but not as to others, amounts to be indemnified may be reasonably prorated.

24.5 PAYMENT OF EXPENSES

- (a) Any reasonable expenses (including court costs and attorney's fees) incurred by an Indemnitee who was or is a witness, or who is or is threatened to be named a defendant or respondent in a Proceeding, shall be paid by the Association at reasonable intervals prior to the final disposition of such Proceeding, without making any of the determinations specified in subsection 24.4, after receipt by the Association of:
 - (1) a written affirmation by such Indemnitee that he believes in good faith that he has met the standard of conduct necessary for indemnification by the Association under this Article XXIV and
 - (2) a written undertaking by or on behalf of such Indemnitee to repay the amount paid or reimbursed by the Association if Indemnitee is ultimately determined by the Association to not be entitled to indemnification, as authorized in this Article

XXIV.

- (b) Such written undertaking shall be an unlimited obligation of the Indemnatee, but need not be secured and it may be accepted without reference to any financial ability to repay such sums. Notwithstanding any other provision of this Article XXIV, the Association may pay or reimburse expenses incurred by an Indemnatee in connection with his/her appearance as a witness or other participation in a Proceeding in which he is not named a defendant or respondent in the Proceeding.

24.6 OTHER INDEMNIFICATION AND INSURANCE

The indemnification provided in this Article XXIV shall:

- (a) not be exclusive of, or preclude, any other rights to which those seeking indemnification may at any time be entitled under the Articles, any applicable law, agreement or vote of Members or disinterested Directors, or otherwise, or under any policy or policies of insurance purchased and maintained by the Association on Indemnatee's behalf, both as to action in his/her Official Capacity and as to action in any other capacity,
- (b) continue as to a person who has ceased to be in the capacity by reason of which he was an Indemnatee with respect to matters arising during the period he was in such capacity, and
- (c) inure to the benefit of the heirs, successors, and assigns of such Indemnatee.

24.7 NOTICE

Any indemnification of an Indemnatee or any payment of expenses to an Indemnatee in accordance with this Article XXIV shall be reported in writing to the Members, with or before the notice or waiver of notice of the next meeting of the Members, or with or before the next submission to the Members of a consent to action without a meeting. Any such notice shall occur within the twelve (12) month period immediately following the date of indemnification or advance.

24.8 INVALIDITY

The indemnification provided by this Article XXIV shall be subject to all valid and applicable laws, and, in the event this Article XXIV or any of the provisions herein, or the indemnification contemplated hereby, are found to be inconsistent with or contrary to any such laws, the applicable laws shall be deemed to control and this Article XXIV shall be regarded as modified accordingly, and, as so modified, to continue in full force and effect.

24.9 CONTINUING OFFER, RELIANCE, ETC.

- (a) The provisions of this Article XXIV:
 - (1) are for the benefit of, and may be enforced by, each Indemnatee of the

Association the same as if set forth in their entirety in a written instrument duly executed and delivered by the Association and such Indemnatee, and

(2) constitute a continuing offer to all present and future Indemnitees.

(b) By the adoption of these Bylaws, the Association:

(1) acknowledges and agrees that each Indemnatee of the Association has relied upon and will continue to rely upon the provisions of this Article XXIV in becoming, and serving in any of the capacities referred to in subsection 24.1(a) herein,

(2) waives reliance upon, and all notices of acceptance of, such provisions by such Indemnitees, and

(3) prejudiced in his/her right to enforce the provisions of this Article XXIV in accordance with their terms by any act or failure to act on the part of the Association.

24.10 EFFECT OF AMENDMENT

No amendment, modification, or repeal of this Article XXIV or any provision hereof shall, in any manner, terminate, reduce, or impair the right of any past, present, or future Indemnitees to be indemnified by the Association, nor the obligation of the Association to indemnify any such Indemnitees under and in accordance with the provisions of this Article XXIV as in effect immediately prior to such amendment, modification, or repeal with respect to claims arising from, or relating to, matters occurring, in whole or in part, prior to such amendment, modification or repeal, regardless of when such claims may arise or be asserted.

ARTICLE XXV. AMENDMENTS TO BYLAWS

25.1 BYLAWS BY MEMBERS OR BOARD

These Bylaws herein may be altered, amended, or repealed and new Bylaws may be adopted either by the Members of the Association or the Board of Directors. The notice of any meeting at which these Bylaws are altered, amended, or repealed, or at which new Bylaws are adopted shall include the text of the proposed bylaw provisions as well as the text of any existing provisions proposed to be altered, amended, or repealed. Alternatively, the notice may include a fair summary of those provisions.

25.2 BYLAWS ONLY BY MEMBERS

The following types of bylaw amendments may be adopted only by the Members:

(a) Setting or changing the number of Directors.

(b) Increasing or extending the Directors' terms.

- (c) Increasing the quorum for Membership meetings.
- (d) Repealing, restricting, rerating, expanding or otherwise changing the Members' proxy rights.
- (e) Authorizing cumulative voting.

ARTICLE XXVI. FILING OF PAPERS AND DOCUMENTS

26.1 MAINTAINING TAX EXEMPT STATUS

The Board shall cause to be filed with all applicable government agencies, such certificates, reports, and other paperwork as necessary to assure that the Association, to the greatest extent possible, retains its tax-exempt status as a Texas non-profit corporation operating exclusively as an HOA within the meaning of Section 528 of the Internal Revenue Code of 1986, as amended, or the corresponding provision(s) of any subsequent United States Internal Revenue law(s).

26.2 COLLIN COUNTY CLERK FILINGS

All Covenants, Conditions, and Restrictions, Bylaws and other documents containing restrictions, rules and policies enacted, altered, amended, or rescinded by the Board and the Association shall be filed with the Collin County Clerk.

- (a) In accordance with the Texas Property Code, these Bylaws and all such covenants and restrictions must be filed with the Collin County Clerk and will not be effective or enforceable until such filings have been completed.
- (b) Each Association member shall be officially notified of the filings within two weeks after such filings have been completed. Notification may be made via any method permitted in these Bylaws for making notifications.

26.3 MANAGEMENT CERTIFICATE

- (a) In accordance with Texas State Law, the Board shall file, or cause to be filed, with the Collin County Clerk, a Management Certificate signed and acknowledged by the Board President, Secretary and Treasurer, stating:
 - (1) the name of the subdivision;
 - (2) the name and mailing address of the Association;
 - (3) the recording data for the Subdivision;
 - (4) the recording data for the Declaration;
 - (5) the name and mailing address of the person managing the Association or the Association's designated representative; and

- (6) other information the Association considers appropriate.
- (b) The Association shall record an amended management certificate not later than the thirtieth (30th) day after the date the Association has notice of a change in any information in the recorded certificate required by this subsection 26.3.

ARTICLE XXVII. MISCELLANEOUS

27.1 CONFLICT OR INCONSISTENCY

In the event of any conflict or inconsistency between the Articles of Incorporation and these Bylaws, the Articles shall control. In the event of any conflict or inconsistency between the Declaration and these Bylaws, the Declaration shall control.

27.2 LEGAL AUTHORITIES GOVERNING CONSTRUCTION OF BYLAWS

These Bylaws shall be constructed under Texas law. All references in these Bylaws to statutes, regulations, or other sources of legal authority shall refer to the authority cited, or their successors, as they may be amended from time to time.

27.3 LEGAL CONSTRUCTION

To the extent possible, these Bylaws shall be constructed to conform to all legal requirements and all requirements for obtaining and maintaining all tax exemptions that may be available to nonprofit corporations. If any bylaw provision is held invalid, illegal, or unenforceable in any respect, the invalidity, illegality, or unenforceability will not affect any other provision, and the Bylaws shall be construed as if they had not included the invalid, illegal, or unenforceable provision.

27.4 PARTIES BOUND

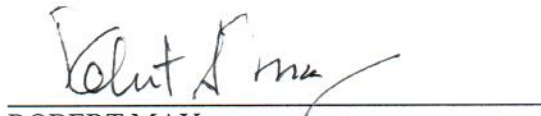
The Bylaws shall bind and inure to the benefit of the Members, Directors, Officers, committee members, employees, and agents of the Association and their respective heirs, executors, administrators, legal representatives, successors, and assigns except as the Bylaws otherwise provide.

The Board of Directors directs that these Bylaws be filed with the minutes of the proceedings of the Board of Directors of the High Point Estates Association, Inc. and in the Official Public Records of Real Property of Collin County, Texas, to constitute notice to all owners and purchasers of lots within the Subdivision of its existence.

Executed this 8th day of February, 2017 by the undersigned Board of Directors on behalf of High Point Estates Homeowners Association.


SEAN MCCORMICK


PHILLIP CHAMBERS


ROBERT MAY


LAURA CHAPPELL

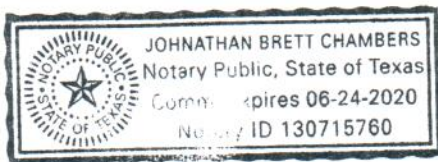

BILL MCCLAMMY

ACKNOWLEDGEMENT:

STATE OF TEXAS §
 §
COUNTY OF COLLIN §

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared, Sean McCormick, Phillip Chambers, Robert May, Laura Chappell and Bill McClammy, authorized representatives of HIGH POINT ESTATES HOMEOWNERS ASSOCIATION, known to be the persons whose names are subscribed to the foregoing instrument and acknowledged to me that the same was the act of said, for the purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN under my hand and seal of office this 8th day of February, 2017.




Notary Public – State of Texas