

BYLAWS OF TFCC HOME OWNERS ASSOCIATION, INC.  
Adopted on May 27, 2009; Amended June 22, 2011; Amended May 10, 2021

ARTICLE I  
Members

- 1.01. Classes of Members. The Association shall have one class of members.
- 1.02. Qualifications. The qualifications and rights of the members are those required and afforded under these bylaws.
- 1.03. Members. The owner of each lot in The Forest at Colorado Crossing, Section 1, Bastrop County, Texas, ("the Subdivision") will be a Member of the Association. If a lot is owned by more than one person, then those owners will still be one Member.
- 1.04. Voting Rights. The owner or owners of a lot in the Subdivision is entitled to one vote on each matter submitted to a vote of the membership regardless of the number of different owners for a particular lot. Thus, as long as the Subdivision consists of fifty-three (53) lots, not more than fifty-three (53) total votes may be cast. Further, a person is entitled to one vote for each lot the person(s) owns. The member must be in good standing within 3 days of any vote for the vote to be valid.
- 1.05. Transfer of Membership. Membership in the Association automatically transfers to the purchaser of any lot, upon the payment of the applicable transfer fee. Transfer fee will not be more than \$200.00 and may be waived at the discretion of the Board.
- 1.06. Liability of Members. The members of the Association shall not be personally liable to its creditors for any indebtedness or liability, unless a member provides otherwise.
- 1.07. Annual Meeting of Members. The annual meeting of the Members shall be held in the month of May in each year to transact all business that may be properly before it.
- 1.08. Special Meeting. Special meetings of the Members may be called by the President, by the Board of Directors, or by not less than ten percent of the Members.
- 1.09. Notice of Meetings. Written or printed notice stating the place, day, hour, and purpose of any meeting of Members shall be delivered, not less than ten (10) nor more than fifty (50) days prior to the date of the meeting, either personally or by mail, by or at the direction of the President, or the Secretary, or the Officers or persons calling the meeting, to each Member entitled to vote at the meeting. If mailed, the notice of a meeting shall be deemed to be delivered when deposited at least twelve (12) days before the meeting in the United States mail with postage prepaid, addressed to the Member at his or her address as it appears on the records of the Association.
- 1.10. Place of Meetings. The Board of Directors may designate any place within Bastrop County, Texas as the place of meeting for the annual meeting of the Members or for any special meeting of the Members it calls. The person or persons calling a special meeting shall designate a place of meeting within the State of Texas.
- 1.11. Quorum. The presence at a meeting of Members entitled to cast in their own right, or by proxy, one-tenth (1/10) of the total number of votes shall constitute a quorum for the transaction of business. If a quorum is not present at any meeting of Members, a majority of those Members present may adjourn the meeting from time to time and place to place without further notice.
- 1.12. Proxies. At any meeting of Members, a Member entitled to vote may vote by proxy executed in writing by the Member or by his duly authorized attorney-in-fact. A proxy shall not be valid after one (1) month from the date of its execution, unless otherwise provided in the proxy. A Member may revoke a proxy by providing written notification to the Secretary or Officer conducting any election, but such revocation is effective only upon receipt.

1.13. Record Date. To determine which Members are entitled to notice of or to vote at any meeting of Members or at any adjournment of such meetings or to make a determination of Members for any other proper purpose, the Membership of the Association shall be deemed to be in those persons who are Members in good standing as evidenced by the Official Public Records and the membership records of the Association three (3) business days immediately preceding the date of the meeting. However, if a purchaser provides proof satisfactory to the Association after that day, the purchase - new Member will be entitled to vote.

1.14. Waiver of Notice; Action Without Meeting.

(a) Attendance of a Member at a meeting shall constitute a waiver of notice of that meeting, except when a Member attends a meeting for the expressed purpose of objecting to the transaction of any business on the ground that the meeting was not properly noticed under these bylaws. The transactions of any meeting of the Members, however called and noticed and wherever held, shall be as valid as though such transactions had occurred at a meeting duly held after regularly called and noticed if, either before or after the meeting, each of the Members not present signs a written waiver of notice or consent to holding such meeting or an approval of the minutes of such meeting.

(b) Any action required or permitted to be taken by the Members at a meeting may instead be taken without the meeting if all of the Members consent in writing to such action.

(c) All waivers shall be filed with the minutes of the meetings of the Members.

1.15. Credentials Committee. The Board of Directors may establish a two-member Credentials Committee, which the Secretary shall chair. This committee shall:

(a) adopt procedures for conducting membership meetings;

(b) draft and adopt ballots and proxy forms for use in membership meetings;

(c) adopt procedures for notifying the Members of membership meetings and providing Members with proxy forms;

(d) validate proxies and determine, qualify, and register eligible voters at membership meeting; and

(e) determine the presence of a quorum, canvass all votes, and record the results of all votes at membership meetings.

## ARTICLE II Board of Directors

2.01. Powers and Duties.

(a) The Board of Directors shall have:

(1) the general power to control and manage the affairs and property of the Association,

(2) the full power to adopt policies, and rules governing the actions of the Board of Directors as well as for operation of the Association, consistent with the law, the Certificate of Formation, and these Bylaws,

(3) the authority with respect to the distribution and payment of the monies received by the Association from time to time, and

(4) the authority to borrow money and incur indebtedness for the purposes of the Association in the form of loans. The ability to take a loan for the benefit of the HOA must be a unanimous decision by the board.

(b) However, the Board of Directors shall not amend or change the fundamental and basic purposes of the Association, as expressed in the Certificate of Formation, and the Board shall not permit any part of the net earnings or capital of the Association to inure to the benefit of any private individual.

2.02. Number, Election, Term of Office, Removal, and Compensation.

(a) The number of Directors shall be five (5). These Bylaws may be amended to decrease or increase the number of Directors, so long as the number is an odd number but never to a number smaller than three (3).

(b) Any or all Directors may be elected at the annual meeting to the Members by a majority of the Membership then in attendance in person or by proxy. Each Director shall hold office for a term of two (2) years or until his successor shall have been elected and qualified, or until his death, resignation,

or removal in accordance with these Bylaws.

(c) A person must be a Member of the Association to serve as a Director. Only one member of a household may serve as either Director or Officer during a given term.

(d) Any Director may be removed, with cause, by a majority vote of the Directors or the Members at the annual meeting or a Special Meeting. However, all Directors not subject to removal must be present at the meeting when the removal of a Director is being considered, and a unanimous vote of the Directors not subject to removal is required for removal of a Director. The removal of a person from the Board of Directors shall also vacate any office of the Association held by the removed Director.

(e) Any Director failing to attend two (2) consecutive regular meetings of the Board shall be given written notice by the balance of the Board that failure by that Director to attend a third consecutive regular meeting, without justifiable cause acceptable to the balance of the Board, shall give rise to removal of that Director from the Board.

(f) Directors shall serve without pay, but may be compensated for actual expenses upon unanimous approval by the Board of Directors.

2.03. Vacancies. Any vacancy in the Board of Directors arising at any time and from any cause may be filled for the unexpired term:

(a) at any meeting of the Board of Directors by a majority of the Directors then in office, though less than a quorum, or

(b) at a special meeting of the Members called for that purpose by a majority vote of those present, in person or by proxy.

2.04. Regular Meetings; Notice.

(a) The regular annual meeting of the Board of Directors shall be held, without other notice than this bylaw, immediately after the annual meeting of Members.

(b) The Board of Directors may provide by resolution the time and place, either within or without the State of Texas, for the holding of additional regular meetings of the Board without other notice to the Board Members than such resolution.

(c) Meetings may be in person or by conference telephone call.

2.05. Special Meetings; Notice.

(a) Special meetings of the Board of Directors may be held upon the call of the Chairman, the President, or any two Directors, at the principal office of the Association or at such other place as may be designated in the notice to the Board Members of such meetings.

(b) Notice of the time and place of any special meeting of the Board of Directors shall be given by the Secretary by either mailing or delivering a copy of the notice to each Director or by telephone call to each Director at least two (2) days before such meeting. If mailed, the notice of a meeting shall be deemed to be delivered when deposited at least three (3) days before the meeting in the United States mail with postage prepaid, addressed to the Member at his or her address as it appears on the records of the Association.

(c) Meetings may be in person or by conference telephone call.

2.06. Waiver of Notice; Action Without Meeting.

(a) Attendance of a Director at a meeting shall constitute a waiver of notice of that meeting, except when a Director attends a meeting for the expressed purpose of objecting to the transaction of any business on the ground that the meeting was not properly noticed under these bylaws. The transactions of any meeting of the Board of Directors, however called and noticed and wherever held, shall be as valid as though such transactions had occurred at a meeting duly held after regularly called and noticed if, either before or after the meeting, each of the Directors not present signs a written waiver of notice or consent to holding such meeting or an approval of the minutes of such meeting.

(b) Any action required or permitted to be taken by the Board at a meeting may instead be taken without the meeting if all of the Directors consent in writing to such action.

(c) All waivers shall be filed with the minutes of the meetings of the Board.

2.07. Quorum; Adjournments of Meetings.

(a) At all meetings of the Board of Directors, a majority of the Directors then in office shall constitute a quorum for the transaction of business.

(b) In the absence of a quorum, a majority of the Directors present may, without giving notice to

the Board Members other than by announcement at the meeting, recess the meeting until a quorum is obtained. Upon reconvening the meeting, once a quorum is present, any business may be transacted that might have been transacted at the meeting as originally called.

#### 2.08. Organization and Decisions.

(a) The President of the Association shall preside at all meetings of the Board of Directors or the Board may elect from among its Members a Chairman.

(b) The Secretary of the Association shall act as Secretary at all meetings of the Board. In the absence of the Secretary, the presiding Officer may appoint any person to act as Secretary of the meeting.

(c) Decisions of the Board at meetings shall be a majority vote.

(d) Directors may vote by proxy at any meeting of the Board of Directors. A proxy shall not be valid after one (1) month from the date of its execution, unless otherwise provided in the proxy. A Director may revoke a proxy by providing written notification to the Secretary, but such revocation is effective only upon receipt.

#### 2.09. Resignation.

(a) Any Director may resign at any time by giving written notice to the President of the Association.

(b) Such a resignation shall take effect at any time specified in the resignation and, unless otherwise specified in the resignation, the acceptance of such resignation shall not be necessary to make it effective.

#### 2.10. Compensation. The Association shall not compensate the Directors for their services as Directors.

### ARTICLE III Officers

#### 3.01. Number and Titles.

(a) The Officers of the Association shall be a President, a Vice-President, a Secretary, and a Treasurer, and such other Officers as the Board of Directors may elect.

(b) One person may hold more than one office in the Association, except that one person may not hold both the Offices of President and Secretary.

(c) An instrument required to be signed by more than one Officer may not be signed by one person in more than one capacity.

#### 3.02. Election, Term of Office, and Removal.

(a) Any or all Officers may be elected at the annual meeting to the Members by a majority of the Membership then in attendance in person or by proxy. Each Officer shall hold office for a term of two (2) years or until his or her successor shall have been elected and qualified, or until his or her death, resignation, or removal in accordance with these Bylaws

(b) Any Officer of the Association may be removed, with or without cause, by a vote of a majority of the Directors then in office or by a majority vote of Members at the annual meeting or special meeting.

(c) Only one member of a household may serve as either Director or Officer during a given term.

#### 3.03. Compensation. There shall be no compensation for Officers, other than expenses incurred.

#### 3.04. Other Agents.

(a) The Board of Directors may from time to time appoint such agents as it shall deem necessary.

(b) Each of these agents shall hold office during the pleasure of the Board, and shall have such authority, perform such duties, and receive such reasonable compensation, if any, as the Board may from time to time determine.

#### 3.05. Vacancies.

(a) The Board of Directors may fill any vacancy in any office.

(b) Any Officer elected to fill a vacancy shall hold office until the election at the annual meeting of

the Board and until his or her successor shall have been elected and qualified, or until his or her death, resignation, or removal.

3.06. President; Power and Duties.

(a) The President shall preside at all meetings of the Board of Directors unless the Board elects a Chairman of the Board.

(b) The President shall:

- (1) generally supervise the affairs of the Association;
- (2) keep the Board fully informed, and shall freely consult with them concerning the activities of the Association;
- (3) employ or contract a support staff within the budget approved by the Board of Directors;
- (4) have the power to sign alone, unless the Board shall specifically require an additional signature, in the name of the Association all contracts authorized either generally or specifically by the Board; and
- (5) perform all duties incident to the Office of President, subject to the control of the Board.

3.07. Vice President; Powers and Duties.

(a) The Vice President shall:

- (1) in the absence of the President or in the event of his inability or refusal to act, perform the duties of the President and, when so acting, shall have all the powers of and be subject to all the restrictions upon the President; and
- (2) perform such other duties as from time to time may be assigned to him or her by the President or the Board of Directors.
- (3) act as the leader and give final approval for A.R.C. determinations.

3.08. Secretary; Powers and Duties.

(a) The Secretary shall:

- (1) attend to the giving and serving of all notices of the Association;
- (2) certify and keep at the principal office of the Association the original, or a copy, of its Bylaws as amended or otherwise altered to date, and keep at that office the original, or copy, of the Certificate of Formation as amended to date;
- (3) keep or cause to be kept minutes of all meetings of the Members and all meetings of the Board of Directors;
- (4) have custody of the Seal of the Association and affix it as directed herein or by resolution of the Board or of the Members.
- (5) keep at the principal office of the Association a membership book containing the name and address of each member and, in any case where membership has been terminated, record such fact in the book, together with the manner of termination and the date on which the membership ceased.
- (6) exhibit at all reasonable times to any Director or Officer of the Association, or to his agent or attorney, on request, the Certificate of Formation, the Bylaws, the membership book, and the minutes of the proceedings of Directors' and Members' meetings.
- (7) exhibit at all reasonable times to any member, or to his agent or attorney, on written demand, for a purpose reasonably related to the interests of the member, the Certificate of Formation, the Bylaws, and the minutes of Directors' or Members' meetings.
- (8) perform all duties incident to the office of the Secretary, subject to the control of the Board of Directors, and shall perform such other duties as from time to time the President or the Board of Directors assigns to him or her.

3.09. Treasurer; Powers and Duties.

(a) The Treasurer shall:

- (1) have the custody of all funds and securities of the Association that may come into his or her hands;
- (2) receive, and give receipt for, moneys due and payable to the Association from any source whatever;

(3) as the Board of Directors may direct, disburse or cause to be disbursed the funds of the Association, taking proper vouchers for such disbursements;

(4) keep and maintain complete and accurate accounts of the Association's properties and business transactions, including accounts of its assets, liabilities, receipts, disbursements, gains, and losses;

(5) deposit all moneys and other valuable effects of the Association in the name and to the credit of the Association in such banks and depositories as the Board of Directors may designate;

(6) render a statement of accounts whenever the Board of Directors requires;

(7) prepare, or cause to be prepared, and certify the financial statements to be included in any report to the Members;

(8) render to the President and the Board, whenever requested, an account of any or all of his or her transactions as Treasurer and of the financial condition of the Association;

(9) exhibit his or her books and accounts to any Member, Officer, Director of the Association at all reasonable times;

(10) exhibit at all reasonable times to any member, his agent, or attorney, on written demand therefore for a purpose reasonably related to the interests of such member, the books of account and financial records of the Association;

(11) perform all duties incident to the Office of Treasurer, subject to the control of the Board of Directors and perform such other duties as from time to time may be assigned to him or her by the President or the Board of Directors.

(b) The Treasurer shall, if the Board of Directors requires, give such security for the faithful performance of his or her duties as the Board requires.

#### ARTICLE IV Offices

4.01. Principal Office. The principal office of the Association shall be located at such place as the Board of Directors may from time to time determine.

4.02. Registered Office and Registered Agent.

(a) The Association shall have and continuously maintain in the State of Texas a registered office, and a registered agent whose office is identical with such registered office, as required by the Texas Non-Profit Corporation Act.

(b) The registered office may be, but need not be, identical with the principal office of the Association in the State of Texas, and the address of the registered office may be changed from time to time by the Board of Directors.

#### ARTICLE V General Provisions

5.01. Dividends. The Association shall conduct its business on a nonprofit basis, and dividends shall never be paid upon the memberships of the Association.

5.02. Contracts. The Board of Directors may authorize any Officer or Officers, agent or agents of the Association in addition to the Officers so authorized by these bylaws, to enter into any contract or execute and deliver any instrument in the name of and in behalf of the Association. The grant of this authority may be general or confined to specific instances.

5.03. Checks, Drafts, Etc. All checks, drafts, or orders for the payment of money, notes, or other evidence of indebtedness issued in the name of the Association shall be signed by the Officer or Officers, agent or agents of the Association and in the manner as shall from time to time be determined by resolution of the Board of Directors. In the absence of such determination by the Board of Directors, such instruments shall be signed by any two Officers.

5.04. Depository. The Board of Directors shall select as the depository for the funds of the Association, a bank within the State of Texas that is insured with the Federal Deposit Insurance Association and shall require the bank to provide a bond that it deems necessary for the protection of the Association.

5.05. Investments. The Association shall have the right to retain all or part of the funds, securities, or property that it acquires in whatever manner, and to invest and reinvest any funds held by it, according to the judgment of the Board of Directors.

5.06. Reserve Account.

(a) The Board of Directors shall establish and maintain, so long as the Association is indebted to any entity, in a bank within the State of Texas, insured with the Federal Deposit Insurance Association (FDIC), a reserve account separate and apart from other funds accounts of the Association.

(b) Each month the Association shall deposit funds in that reserve account, from the revenues of the Association, funds in the amounts as required by each lender.

(c) Withdrawals from this reserve account shall be made only for emergency repairs, obsolescence of equipment, improvements to facilities, the elimination of any deficiencies in revenue for loan payments, and the final payment on any indebtedness, when the amount in the reserve account for that indebtedness equals the remaining principal balance on the indebtedness.

(d) However, after any withdrawals from this reserve account, monthly deposits shall be resumed according to the requirements of each lender until the total amount in the reserve account equals the amount required by all of the applicable loan resolutions of the Association.

5.07. Insurance.

(a) The Board of Directors shall insure with a reputable insurance company each of its properties and in such amounts as the Board determines is necessary for the protection of the assets of the Association.

(b) The Board shall also obtain such other insurance as required by law.

5.08. Gifts. The Board of Directors may accept on behalf of the Association any contribution, gift, bequest, or devise for the general purpose or for any special purpose of the Association.

5.09. Loans. The Association shall not contract for any loans and shall not issue any evidence of indebtedness in its name unless the Board of Directors authorized such action by resolution. Such authority may be general or confined to specific instances.

5.10. Interested Directors, Officers, and Members.

(a) A contract or other transaction between the Association and any of its Directors or Officers (or any corporation or firm in which any of them are directly or indirectly interested) shall not be invalid solely because of this relationship or because of the presence of the Director or Officer at the meeting authorizing that contract or transaction, or his participation in such meeting or authorization provided that the provisions of subsection (b) of this section are satisfied.

(b) Subsection (a) of this section shall apply only if the material facts of the relationship of each such Director or Officer are known or disclosed:

(1) to the Board of Directors, and it nevertheless authorizes or ratifies the contract or transaction by a majority of the Directors present, each such interested Director to be counted in determining whether a quorum is present but not in calculating the majority necessary to carry the vote; or

(2) the contract or transaction is fair to the Association as of the time the Board is authorizes or ratifies it.

(c) However, the Association shall not make any loans to its Directors.

5.11. Seal.

(a) The Association may have a seal that shall be in the form and contain the matter as the Board of Directors specifies by resolution.

(b) If the Association adopts a seal, then the Secretary shall affix it to all corporate instruments. However, the failure to affix the seal to a corporate instrument shall not affect the validity of the instrument.

ARTICLE VI  
Books, Records, and Reports

6.01. Books and Records.

(a) The Association shall keep, at the principal office of the Association:

(1) minutes of the meetings of the Board of Directors and committees having any authority of the Board of Directors;

(2) a minute book, which shall contain a copy of these bylaws and a copy of the Certificate of Incorporation; and

(3) current true and accurate financial records with full and correct entries of all financial transactions of the Association, in accordance with applicable law and generally accepted accounting practices.

(b) Subject to exceptions allowed by law and in accordance with the Board's rules, all books and records of the Association may be inspected by any Director, or his agent or attorney, for any proper purpose at any reasonable time.

6.02. Annual Report. Based on the financial records kept in accordance with these Bylaws, the Board of Directors shall annually prepare or approve a report of the financial activity of the Association for the preceding year. The report must conform to the accounting standards promulgated by the American Institute of Certified Public Accountants and must include a statement of support, revenue, and expenses and changes in fund balances, a statement of functional expenses, and balance sheet for all funds.

ARTICLE VII  
Fiscal Year

7.01. Fiscal Year. The fiscal year of the Association shall be the calendar year unless the Board of Directors fixes another fiscal year by resolution.

ARTICLE VIII  
Dues

8.01. Annual Dues. The Board of Directors may determine from time to time the amount of the annual dues payable to the Association by the Members consistent with the Declaration of Covenants, Conditions, and Restrictions for the Subdivision ("the CCRs").

8.02. Payment of Dues. Annual dues shall be payable in advance on the last day of January in each fiscal year. Because a member's annual dues are his or her contribution made once each calendar year to the corporation to further its purposes and to allow the member to enjoy the benefits of membership, annual dues of a new member will not be prorated for the remainder of a calendar year.

8.03. Default. When any Member shall be in default in the payment of dues the Board of Directors will take such actions that it deems appropriate to collect those dues in a manner consistent the CCRs and applicable law.

ARTICLE IX  
Indemnification

9.01. Indemnification. The Association may, to the fullest extent now or hereafter permitted by law, indemnify all persons made, or threatened to be made, a party to any action, suit, or proceeding by reason of that he or she (or a person of whom he or she is the legal or personal representative or heir or legatee) is or was a Director, Officer, employee, or other agent of the Association, or of any other organization served by him or her in any capacity at the request of the Association, against judgments,



finances, amounts paid in settlement, and reasonable expenses, including attorney fees, except in relation to matters in which he or she is adjudged to be liable for negligence or misconduct in the performance of his or her duties to the Association. The Association will indemnify amounts paid in settlement only if the majority of the Board not involved in the matter, whether or not a quorum, finds that the settlement was in the interest of the Association. The rights of indemnification and reimbursement created by this section are not exclusive of any other rights to which a Director, Officer, employee, or other agent of the Association may have by law or under the Certificate of Formation, or under any agreement, or otherwise.

## ARTICLE X Distribution of Net Earnings and Dissolution

### 10.01. Distribution of Net Earnings.

(a) The net earnings of the Association shall not inure to the benefit of or be distributable to its Directors, Officers, or other private persons, except that the Association shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in the Certificate of Formation.

(b) Irrespective of any other provision of the Certificate of Formation or these bylaws, the Association shall not carry on any activity not permitted to be carried on by a corporation exempt from federal income tax under Section 501(c) of the Internal Revenue Code of 1986 (or the corresponding provision of any future United States Internal Revenue Law).

10.02. Dissolution. Upon the discontinuance of the Association by dissolution or otherwise, all assets and all gains from the sale of the appreciated assets of the Association remaining after payment of the indebtedness of the Association shall be distributed only for tax exempt purposes to one or more organizations that are exempt from federal income tax under Section 501(c)(4) of the Internal Revenue Code of 1986 (or the corresponding provision of any future United States Internal Revenue Law), or that are described in Section 170(c)(1) or (2) of the Internal Revenue Code of 1986 (or the corresponding provision of any future United States Internal Revenue Law), pursuant to a plan of distribution adopted as provided in the Texas Non-Profit Corporation Act.

## ARTICLE XI Amendments

11.01. Amendments. These bylaws may be amended or repealed at any meeting of the Board of Directors by a vote of the majority of the entire Board or by the Members by a vote of the majority of a quorum of the Members. However, the Members shall not amend these bylaws to:

- (a) change the purpose of the Association so as to decrease its rights and authority under the laws of the State,
- (b) waive any requirements of bond or other provision of safety and security of the property and funds of the Associations or its Members, or
- (c) deprive any Member of rights and privileges then existing without authority,

## CERTIFICATION OF BYLAWS

I, Dannie Duckworth, President of the TFCC Home Owners Association, Inc., certify that the above and foregoing are the Bylaws of the Association as approved on May 10, 2021.

DATED: June 1, 2021.