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BYLAWS OF SUMMIT NORTH ESTATES, INC.

THIS FIRST AMENDMENT TO THE BYLAWS OF THE SUMMIT NORTH ESTATES, INC. is made by the Board of Directors and the Property Owners of Summit North Estates on the date listed below and on the acknowledgement.

WITNESSETH:

WHEREAS a non-profit corporation called "The Summit North Architectural Control Committee, Inc." was created with the Secretary of State of Texas on September 12, 2013, for the purpose of operating as the Property Owners Association for Summit North Estates Phases 1 through 5 in Comal County, Texas (herein sometimes referred to as the "Association"); and

WHEREAS a change of name for the Association was filed with the Secretary of State of Texas on December 14, 2020, changing the name of the Association to "Summit North Estates, Inc."; and

WHEREAS The Association desires to correct ambiguous language as well as grammatical and typographical errors, in the Bylaws for the Association; and

WHEREAS The Association can make this Amendment; and

NOW, THEREFORE, the Association, with the approval of 67% of the record property owners in each of Phases 1 through 5 of Summit North Estates subdivision, hereby adopt these Amended BYLAWS and wholly replace the previously filed Bylaws. These Amendments shall be binding on the Association and all property owners in all phases of the Summit North Estates subdivision.

These Bylaws govern the affairs of SUMMIT NORTH ESTATES, INC., a nonprofit Association organized under the Texas Non-Profit Association Act.

**ARTICLE I
OFFICES**

Principle Office

1.1 **The principal office** of the Association shall be located at 126 Primrose Path, Canyon Lake, Texas, 78133. The Association may have such other offices, either in Texas or elsewhere, as the Board of Directors may determine. The Board of Directors may change the location of any office of the Association.

Registered Office and Registered Agent

1.2 The Association shall comply with the requirements of the Act and maintain a registered office and registered agent in Texas. The registered office may, but need not, be identical with the Association's principal office in Texas. The Board of Directors may change the registered office and the registered agent as provided in the Act.

**ARTICLE 2
MEMBERS**

Lot or lots Appurtenant to Lot

2.1 There shall be one Lot or lots appurtenant to each Lot in SUMMIT NORTH ESTATES, INC., a recorded Subdivision in Comal County, Texas. A Lot or lots may not be separated from the ownership of the Lot to which it is appurtenant.

2.2 Any Lot or lots appurtenant to a Lot having more than one Owner shall be shared by such Owners, and each such Owner shall be a member of the Association. The voting rights of any such members shall be shared between or among the Owners as provided in paragraph 2.3 below.

Transfer of Lot or lots

2.3 An Owner shall not sell, assign, transfer, convey, pledge or Encumber the Owner's Lot or lots in any way, except upon the sale or encumbrance of the Lot to which the Lot or lots is appurtenant, and then only to the purchaser(s) of fee simple title to the Lot or the Mortgagee of the Lot. A transfer of ownership of a Lot may be made by deed, interstate testamentary disposition, foreclosure of a mortgage of record or such other legal process as is now effective or may hereafter become effective in that regard under the laws of the State of Texas. Any attempt to transfer a Lot or lots in a manner other than those permitted by this Section shall be null and void.

2.4 The Owner (at the time the vote is cast) of each Lot to which a Lot or lots is appurtenant shall be entitled to one vote. Person(s) owning more than one lot shall have one vote per lot unless the lots have been combined into a single lot with Comal County Appraisal District (CCAD). The Association shall have no voting rights. No vote shall be exercised on behalf of any lot if any assessment for such lot is delinquent.

2.5 If a Lot to which a Lot or lots is appurtenant is owned by more than one Person or entity, such Owners shall be entitled to cast one collective vote; fractional voting shall not be allowed. If such Owners cannot agree as to how to cast their vote when they are required to cast their vote on a particular matter, they shall lose their right to vote on such matter. If any Owner casts a vote representing a certain Lot or lots, it will thereafter be conclusively presumed for all purposes that the Owners was acting with the authority and consent of all other Owners of such Lot or lots, unless objection to such vote is made to the chairperson of the meeting at the time the vote is cast. If more than one vote is cast for any Lot or lots, none of such votes shall be counted and all such votes shall be deemed null and void.

2.6 Any director(s) shall be elected by the affirmative vote of most (a majority) of the Owners present in person or by written proxy at a meeting at which a quorum is present and is called for the purpose of electing directors. In any election of members of the Board of Directors for the Association, each Lot or lots shall have several votes equal to the number of members to be elected to the Board of Directors of the Association. Cumulative voting shall not be allowed in the election of members of the Board of Directors or for any other purpose.

2.7 All meetings at which the Owners shall be presented with matters to vote on shall be called by the Board of Directors of the Association with not less than fifteen days written notice to all Owners, which notice shall be delivered by hand or regular 1st class U.S. mail to each such Owner at the address of the Owner's property within the Subdivision, or by email to the email address provided by the Owner unless such Owner designates another address for such purpose by written notice to the Secretary of the Association, and shall be posted on the website.

Membership Rights and Obligations

2.8 Each owner shall have the rights, duties, and obligations set forth in the Association Documents.

Waiver of Interest in Association Property

2.9 All real and personal property, including all improvements located on the Property, acquired by the Association shall be owned by the Association. A member shall have no interest in specific property of the Association. Each member hereby expressly waives the right to require partition of all or part of the Association's property.

ARTICLE 3 MEETINGS OF MEMBERS Annual Meeting

3.1 The Board of Directors shall hold an annual meeting of the members at 9 a.m. on the 1st Saturday in May each year or at another time that the Board of Directors designates. At the annual meeting, the members shall elect directors (if term is up) and transact any other business that may come before the meeting. If, in any year, the election of directors is not held on the day designated for the annual meeting, or before any adjournment of the annual meeting, the Board of Directors shall call a special meeting of the members as soon thereafter as possible to conduct the election of directors.

Special Meetings

3.2 Special Meetings of the members may be called by the president, The Board of Directors, or not less than 10% of the voting members.

Place of Meeting

3.3 The Board of Directors shall designate any place, within Comal County Texas, as the place for meeting for any annual meeting or for any special meeting called by the Board of Directors.

Quorum

3.4 The members holding 10% of the votes that may be cast at a meeting who attend the meeting in person or by proxy shall constitute a quorum at that meeting. The members present at a duly called or held meeting at which a quorum is present may continue to transact business even if enough members leave the meeting so that less than a quorum remains. However, no action may be approved without the vote of at least most members required to constitute a quorum. If a quorum is not present at a meeting, most of the members present may adjourn and reconvene the meeting one time without further notice.

Actions of Membership

3.5 The membership shall try to act by consensus. However, the vote of most voting members entitled to vote at a meeting at which a quorum is present, shall be sufficient to constitute the act of the membership unless the vote of a greater number is required by law of the Bylaws. Voting shall be by ballot if demanded by any voting member at the meeting before the voting begins.

Proxies

3.6 A member entitled to vote may vote by proxy executed in writing by the member. No proxy shall be valid after the date of the election for which it was granted unless otherwise provided in the proxy. All proxy voting closes 30 days from date on the ballot.

Voting by Mail

3.7 The Board of Directors may authorize members to vote by mail on the election of directors and officers or on any other matter that may be voted on by the members.

ARTICLE 4 BOARD OF DIRECTORS Management of the Association

4.1 The affairs of the Association shall be managed by the Board of Directors.

Numbers, Qualifications, and Tenure of Directors

4.2 The Board shall consist of 5 to 7 Directors. The initial Board shall consist of 5 Directors and may be increased to 7 when 50% of the lots have been built out. Directors shall be members of the Association. Each director shall serve for a term of two years. The terms of the directors shall be staggered so that the terms of 2 of the directors shall begin in even-numbered years and the term of 3 of the directors shall begin in odd-numbered years.

Nomination of Directors

4.3 At any meeting at which the election of a director occurs, a member may nominate a person with the second of any other member. In addition to nominations made at meetings, a nominating committee, appointed by the Board, shall consider, and qualify possible nominees and make nominations for each elected position of director(s). All nominations will be considered. To qualify for any office, the nominee should:

- Be a property owner of Summit North Estates. The Board President and Secretary should be residents of Summit North Estates. Other Board members are not required to be residents. Officers may not cohabit in the same primary residence with any other officer on the Board.
- Be current with membership dues.
- Have no citations or violations on file with the Association.

The secretary shall include the names nominated by the nomination committee, and any report of the committee, with the notice of the meeting at which the election occurs.

Election of Directors

4.4 A person who meets the qualifications required to be a director and who has been duly nominated may be elected as a director. No person may be nominated or elected if they are delinquent on any assessment for their lot(s). Directors shall be elected by the vote of the lot or lots of the Association. Each director shall hold office until a successor is elected and qualified. A director may be elected to succeed himself or herself as director. Any officer will be removed from the Board if appropriate proof from a governmental law enforcement authority shows that, in the last 20 years, such officer has been convicted of a felony or crime involving moral turpitude.

Vacancies

4.5 Any vacancy occurring in the Board of Directors, and any director position to be filled due to an increase in the number of directors, shall be filled by the Board of Directors. A vacancy is filled by the affirmative vote of a majority of the remaining directors, even if it is less than a quorum of the Board of Directors, or it is a sole remaining director. A director elected to fill a vacancy shall be elected for the unexpired term of the predecessor in office.

Annual Meeting

4.6 The annual meeting of the Board of Directors shall be held immediately after, and at the same place as the annual meeting of members and serve to recap the meeting resolutions.

Regular Meetings

4.7 The Board of Directors may provide for regular meetings by resolution stating the time and place of such meetings.

Special Meetings

4.8 Special Meetings of the Board of Directors may be called by or at the request of the president or any 3 directors. A person or persons authorized to call special meetings of the Board of Directors may fix any place within Comal County, Texas as the place for holding a special meeting. The person or persons calling a special meeting shall notify the secretary of the information required to be included in the notice of the meeting. The secretary shall give notice to the directors and members as required in the Bylaws and state law.

Notice

4.9 Written or printed notice of any regular or special meetings of the Board of Directors shall be delivered to each director no less than 3 or more than 30 days before the date of the meeting. The notice shall state the place, day, and time of the meeting, who called the meeting, and the purpose or purposes for which the meeting is called. Members shall be given notice of the date, hour, place, and general subject of a regular or special Board meeting, including a general description of any matter to be brought up for deliberation in executive session. The notice shall be:

(1) mailed to each property owner not later than the 10th day or earlier than the 60th day before the date of the meeting; or

(2) provided at least 72 hours before the start of the meeting by:

(A) posting the notice in a conspicuous manner reasonably designed to provide notice to the Members:

(i) in a place located on the Association's property or, with the property owner's consent, on other conspicuously located privately owned property within the subdivision; or

(ii) on any Internet website maintained by the Association or other Internet media; and

(B) sending the notice by e-mail to each owner who has registered an e-mail address with the Association. It is the Member's duty to keep an updated e-mail address registered with the Association.

If the Board recesses a regular or special board meeting to continue the following regular business day, the Board is not required to post notice of the continued meeting if the recess is taken in good faith and not to circumvent these notice requirements. If a regular or special Board meeting is continued to the following regular business day, and on that following day the Board continues the meeting to another day, the Board shall give notice of the continuation in at least one manner prescribed above within two hours after adjourning the meeting being continued. A Board may meet by any method of communication, including electronic and telephonic, without prior notice to Members, if each director may hear and be heard by every other director, or the Board may act by unanimous written consent to consider routine and administrative matters or a reasonably unforeseen emergency or urgent necessity that requires immediate board action.

Quorum

4.10 A simple majority of the directors shall constitute a quorum for the transaction of business at any meeting of the Board of Directors. The directors present 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 vote of at least most of the number of directors required to constitute a quorum. If a quorum is present at no time during a meeting, a majority of the directors present may adjourn and reconvene the meeting one time without further notice.

Duties of Directors

4.11 Directors shall exercise ordinary business judgment in managing the affairs of the Association. In acting in their official capacity as directors of this Association, directors shall act in good faith and take actions they reasonably believe to be in the best interests of the Association and that are not unlawful. In all other instances, the Board of Directors shall not take any action that they should reasonably believe would be opposed to the Association's best interests or would be unlawful. A director shall not be liable if, in the exercise of ordinary care, the director acts in good faith relying on written financial and legal statements provided by an accountant or attorney retained by the Association.

Actions of Board of Directors

4.12 The Board of Directors shall try to act by consensus. However, the vote of a majority of directors present and voting at a meeting at which a quorum is present shall be sufficient to constitute the act of the Board of Directors unless the act of a greater number is required by law or the Bylaws. A director who is present at a meeting and abstains from a vote is present and voting for the purpose of determining the decision of the Board of Directors.

Proxies

4.13 A director may not vote by written proxy.

Compensation

4.14 Directors shall not receive salaries for their services. A director may serve the Association in any other capacity and receive compensation for those services. Any compensation that the Association pays to a director shall be commensurate with the services performed and reasonable in amount.

Removal of Directors

4.15 The members may vote to remove a director at any time, with or without good cause. A meeting of members to consider the removal of a director may be called and noticed following the procedures provided in these Bylaws. The notice of the meeting shall state that the issue of possible removal of the director will be on the agenda. The director shall have the right to present evidence at the meeting as to why he or she should not be removed. At the meeting, the Association shall consider possible arrangements for resolving the problems that are in the mutual interest of the Association and the director. A director may be removed by the affirmative vote of majority of the members attending the meeting, providing a quorum is present.

ARTICLE 5 OFFICERS

5.1 The officers of the Association shall be a President, a Vice-President, a Secretary, Treasurer, and Compliance Officer. The officers of the Association shall be elected by the Directors and shall be president, a vice-president, a secretary and a treasurer. The Board of Directors may also elect additional vice-presidents, and one or more assistant secretaries and assistant treasurers. Any two or more office may be held by the same person except that the offices of president and secretary shall not be held by the same person.

The Board of Directors may create additional officer positions, define the authority and duties of each such position, and elect or appoint persons to fill the positions. Only directors may be elected to serve as officers.

Election and Term of Office

5.2 The officers of the Association shall be elected annually by the Board of Directors at the regular annual meeting of the Board of Directors. If the election of the officers is not held at this meeting, the election shall be held as soon thereafter as conveniently possible. Each officer shall hold office until a successor is duly selected and qualified. An officer may be elected to succeed himself or herself in the same office.

Vacancies

5.3 The Board of Directors may appoint a member to the board until next election is held. A vacancy in any office may be filled by the Board of Directors for the unexpired portion of the officer's term. (See paragraph 4.5)

President

5.4 The President:

- a) Shall be the chief executive officer of the Association.
- b) Shall supervise and control all the business and affairs of the Association.
- c) Shall preside at all meetings of the members and of the Board of Directors.
- d) Shall execute any deeds, mortgages, bonds, contracts, or other instruments that the Board of Directors has authorized to be executed.
- e) May not execute instruments on behalf of the Association if this power is expressly delegated to another officer or agent of the Association by the Board of Directors, the Bylaws, or statute.
- f) Shall perform other duties prescribed by the Board of Directors and all duties incident to the office of president.

Vice President

5.5 The Vice President:

- a) Shall perform the duties of the President, when the President is absent, is unable to act, or refuses to act.
- b) Shall have all the powers of and be subject to all the restrictions upon the President when acting in place of the President.
- c) Shall perform other duties as assigned by the President or Board of Directors.

Treasurer

5.6 The Treasurer:

- a) Shall have charge and custody of and be responsible for all funds and securities of the Association.
- b) Shall receive and give receipts for moneys due and payable to the Association from any sources.

- c) Shall deposit all moneys in the name of the Association in banks, trust companies, or other depositories as provided in the Bylaws or as directed by the Board of Directors or President.
- d) Shall write checks and disburse funds to discharge obligations of the Association. Funds may not be drawn for amounts greater than \$2500 from the Association or its accounts without the signature of the President and the signature of the Treasurer.
- e) Shall maintain the financial books and records of the Association.
- f) Shall prepare financial reports at least annually. Additionally, financial reports shall be made available on request at the expense of the Member requesting the report for just cause.
- g) Shall perform other duties as assigned by the President or by the Board of Directors.
- h) Shall give a bond for the faithful discharge of his or her duties in a sum and with a surety as determined by the Board of Directors when required by the Board of Directors.
- i) Shall perform all the duty's incident to the office of Treasurer.

Secretary

5.7 The Secretary:

- a) Shall give notices as provided by the Bylaws or as required by law.
- b) Shall take minutes of the meetings of the Members and of the Board of Directors and keep the minutes as part of the corporate records.
- c) Shall maintain custody of the corporate records and of the seal of the Association.
- d) Shall keep a register of the mailing address of each Member, Director, Officer, and employee of the Association.
- e) Shall perform duties as assigned by the President or by the Vice-President or by the Board of Directors.
- f) Shall perform all duties incident to the office of Secretary.

Compliance Officer

5.8 The Compliance Officer:

- a) Shall serve the interests of the Association and enforce Bylaws, Covenants and Requirements documents.
- b) Shall communicate details from the Restrictions, Easements and Covenants requirements with parties in violation.
- c) Shall give violation notices as provided by the Bylaws or as required by law.

ARTICLE 6 COMMITTEES

Establishment of Committees

6.1 The Board of Directors may adopt a resolution establishing one or more committees delegating specific authority to a committee and appointing or removing members of a committee.

- a) The Nominating Committee will qualify, select, and recommend potential directors to the lot or lots at any meeting where directors are being elected.
- b) The Board of Directors shall establish a standing Architectural Control Committee. The ACC shall have 3 or 5 members, as established by The Board of Directors.
- c) A board member or board member's spouse cannot serve on the Architectural Control Committee.
- d) The Board of Directors may designate an Architectural Control Committee member to act on its behalf. In the event of death or resignation a written instrument naming the new member will be filed with the County Clerk of Comal County, Texas.

The Architectural Control Committee

6.2 The Architectural Control Committee:

- a) Shall review proposed improvements to any Lot in the Subdivision, approve or disapprove such improvements.
- b) Shall report to the Board of Directors any recommended changes to be considered in Bylaws or Covenants.
- c) Shall inform The Board of Directors of modifications or waivers needed to approve Owner construction plans.
- d) Shall report any violation of the recorded restrictions to the Subdivision together with its recommendations to the Compliance officer.
- e) Shall perform such other duties as the Board may direct.

- f) Shall evaluate plans submitted by Owner/Builders for compliance with the Covenants and Guidelines and compatibility of the design within the subdivision.
- g) Shall approve submitted plans when they follow Covenants and Guidelines.
- h) Monitor the design and construction process to ensure compliance with Covenants and Guidelines.
- i) Interpret Covenants and Guidelines with respect to submitted plans.
- j) Approve all exterior modifications to existing structures and lots including, but not limited to, walls, fences, material replacements, renovations (not intended to include repairs to existing structures) and additions.
- k) Enforce these Restrictions, Easements and Covenants throughout the proposal, construction, and post-construction property phases.
- l) Decisions by the Architectural Control Committee can be appealed to the Association by written request for review made within 15 days of notice of the decision from the Architectural Control Committee.

Term of Office

6.3 Each member of a committee shall continue to serve on the committee at the will of the Board of Directors. A vacancy on a committee may be filled by an appointment made in the same manner as an original appointment. A person appointed to fill a vacancy on a committee shall serve for the unexpired portion of the terminated committee member's term.

Chair and Vice-Chair

6.4 One member of each committee shall be designated as the chair of the committee and another member of each committee shall be designated as the vice-chair. The president of the Association shall appoint the chair and vice-chair. The chair shall call and preside at all meetings of the committee. When the chair is absent, is unable to act, or refuses to act, the vice-chair shall perform the duties of the chair. When a vice-chair acts in place of the chair, the vice-chair shall have all the powers of and be subject to all the restrictions upon the chair.

Notice of Meetings.

6.5 Written or printed notice of a committee meeting shall be delivered to each member of a committee not less than 3 nor more than 15 days before the date of the meeting and to the members in accordance with paragraph 4.9 above. The notice shall state the place, day and time of the meeting, and the purpose or purposes for which the meeting is called.

Committee Lot or Lots Qualifications, Appointment and Removal

6.6 Directors may establish qualifications for Lot or lots on a committee. The Board of Directors may delegate to the president its power to appoint and remove members of a committee. No person may serve on any committee if they are delinquent on any assessments for their lot(s).

Authority of Committee

6.7 The establishment of a committee or the delegation of authority to it shall not relieve the responsibility imposed by the Bylaws or otherwise impose by law. No committee shall have the authority of the Board of Directors to:

- a) Amend the Corporate Articles of Incorporation
- b) Adopt a plan of merger or a plan of consolidation with another Association
- c) Authorize the sale, lease, exchange, or mortgage of all or substantially all the property and assets of the Association
- d) Authorize the voluntary dissolution of the Association
- e) Revoke the proceedings for the voluntary dissolution of the Association
- f) Adopt a plan for the distribution of the assets of the Association
- g) Amend, alter, or repeal the Bylaws
- h) Elect, appoint, or remove a member of a committee or a director or Officer of the Association
- i) Approve any transaction to which the Association is a party and that involves a potential conflict of interest as defined in 7.4 below
- j) Take any action outside the scope of authority delegated to it by the Board of Directors
- k) Take final action on a matter that requires the approval of the members

ARTICLE 7
TRANSACTIONS OF THE ASSOCIATION
Contracts

7.1 The Board of Directors may authorize any officer or agent of the Association to enter a contract or execute and deliver any instrument in the name of and on behalf of the Association. This authority may be limited to a specific contract or instrument, or it may extend to any number and type of possible contracts and instruments the Board of Directors is vested with, and responsible for, the following powers and duties:

(a) The power and duty to conduct, manage and control the affairs and business of the Association, and to make and enforce such rules and regulations therefore consistent with the law, with the Articles of Incorporation, the Declaration and these Bylaws, as the Board may deem necessary or advisable;

(b) The power and duty to enforce the provisions and purposes of the Declaration and these Bylaws;

(c) The power and duty to contract for and pay fire, casualty, errors and omissions, blanket liability, malicious mischief, vandalism, and other insurance, insuring the Members, the Association, the Board of Directors and other interested parties, in accordance with the provisions of the Declaration, insuring, covering and protecting against such damages or injuries as the Board deems advisable (which may include without limitation, medical expenses of persons injured on the Property). The Board shall review, not less frequently than annually and in advance of expiration dates, all insurance policies and bonds obtained on behalf of the Association by the Board or by agents of the Association;

(d) The power and duty to contract and pay for repairs, maintenance, gardening, utilities, materials and supplies, and services relating to the Property and to employ personnel necessary for the operation of the Property and to keep in good order, condition and repair, all of the Common Properties and all items of personal property used in the enjoyment of the entire premises, including the power to contract and pay for legal and accounting services, and to contract for and pay for Improvements on the common area;

(e) The power and duty to accept assignment of or enter into license and/or maintenance agreements with any city, Comal County, or other appropriate governmental authority to construct, maintain, repair and replace landscape improvements and irrigation systems within any public right-of-way crossing or abutting the Property;

(f) The power, but not the duty, to delegate its powers according to law; 14

(g) The power and the duty to grant and maintain easements where necessary for utilities, sewer facilities and other public purposes to serve the Property;

(h) The power and duty to adopt such rules and regulations ("Rules") as the Board may consider necessary for the management of the subdivision, which Rules shall become effective and binding after (1) they are adopted by a majority of the Board at a duly called meeting, and (2) they are either mailed or otherwise delivered to each Member, and (3) they are posted in a conspicuous place on the Common Areas, and (4) or recorded. Such Rules may address, without limitation, use of the Common Areas, signs, parking restrictions, minimum standards of property maintenance, and any other matter within the jurisdiction of the Association as provided in the restrictions; provided, however, that such Rules shall be enforceable only to the extent that they are consistent with the Declaration, the Articles of Incorporation and these Bylaws; and the Rules may not be used to amend any of said documents;

(i) Subject to the Association's Records Retention Policy and Records Production Policy, the power and duty to keep, or cause to be kept, a complete record of all acts and corporate affairs of the Association and to present a statement thereof to the Members at the annual meeting of the Members and at any other time that such statement is requested by Members representing at least fifty percent (50%) of the total voting power of the Association;

(j) The power, but not the duty, to borrow funds in order to pay for any expenditure or outlay required pursuant to authority granted by the provisions of the Declaration and these Bylaws, and to execute all such instruments evidencing such indebtedness as the Board of Directors may deem necessary;

(k) The power and the duty to establish a bank account or accounts for the common treasury and for all separate funds which are required or may be considered advisable by the Board of Directors;

(l) The power and duty to make repairs, additions, alterations and Improvements to the common areas consistent with managing the subdivision in a manner keeping with the character and quality of the neighborhood in which it is located, and consistent with the best interests of the Owners, the Declaration, and these Bylaws;

(m) To protect and defend the entire Common Areas from loss and damage by suit or otherwise;

(n) To keep and maintain full and accurate books and records showing all of the receipts, expenses or disbursements and, subject to the Associations Records Retention Policy and Records Production Policy and the privacy rights of the Members, to permit examination thereof at any reasonable time by each of the Owners and any first mortgagee of a Lot, and, if a majority of the Board of 15 Directors so elects, to cause a complete audit of the books and accounts to be made by a competent accountant, once each year. The Association, if directed

to do so by the Board of Directors, shall cause to be prepared and made available upon request annually to each Owner an audited statement showing all receipts, expenses, or disbursements since the last such statement. Such audited financial statement, if prepared, shall be available to any first mortgagee of a Lot, on request, within one hundred eighty (180) days following the fiscal year end of the Association; and

(o) In general, to carry on the administration of this Association and to do all of those things, necessary and reasonable, in order to carry out the communal aspect of the common areas.

(p) The power to contract with Declarant and other persons on such terms and provisions as the Board shall determine, to operate and maintain any common area or to provide any service or perform any function on behalf of the Association.

Deposits

7.2 All funds of the Association shall be deposited to the credit of the Association in banks, trust companies, or other depositories that the Board of Directors selects.

Gifts

7.3 The Board of Directors may accept on behalf of the Association any contribution, gift, bequest, or devise for the general purposes or for any special purpose of the Association. The Board of Directors may make special gifts and give charitable contributions that are not prohibited by the Bylaws, the articles of incorporation, state law, and any requirements for maintaining the Association's federal or state tax status.

Potential Conflicts of Interest

7.4 The Association shall not make any loan to a member director or officer of the Association. A member, director, officer, or committee member of the Association may not lend money to and otherwise transact business with the Association except as otherwise provided by the Bylaws, articles of incorporation, and all applicable laws. Such a person transacting business with the Association has the same rights and obligations relating to those matters as other persons transacting business with the Association.

Prohibited Acts

7.5 As long as the Association is in existence, and except with the prior approval of the Board of Directors, no director, officer, or committee member of the Association:

- a) Shall do any act in violation of the Bylaws or a binding obligation of the Association.
- b) Shall do any act with the intention of harming the Association or any of its operations.

- c) Shall do any act that would make it impossible or unnecessarily difficult to carry on the intended or ordinary business of the Association.
- d) Shall receive any improper personal benefit from the operation of the Association.
- e) Shall use the assets of this Association, directly or indirectly, for any purpose other than carrying on the business of this Association.
- f) Shall wrongfully transfer or dispose of Association property, including intangible property such as good will.
- g) Shall use the name of the Association (or any substantially similar name) or any trademark or trade name adopted by the Association's business.
- h) Shall disclose any of the Association's business practices, trade secrets, or any other information not generally known to the business community to any person not authorized to receive it.

ARTICLE 8
BOOKS AND RECORDS
Required Books and Records

8.1 The Association shall keep correct and complete books and records of account. The Association's books and records shall include:

- a) An official 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, articles of merger, articles of consolidation, and statement of change of registered office or registered agent.
- b) A copy of the Bylaws, and any amended versions or amendments to the Bylaws.
- c) Minutes of the proceedings of the members, Board of Directors, and committees having any of the authority of the Board of Directors.
- d) A list of the names and addresses of the members, directors, officers, and any committee members of the Association.
- e) A financial statement showing the assets, liabilities, and net worth of the Association at the end of the three most recent years.

- f) A financial statement showing the income and expenses of the Association for the three most recent fiscal years.
- g) All rulings, letters and other documents relating to the Association's federal, state, and local tax status.
- h) The Association's federal, state, and local information or income tax returns in accordance with statute for each of the Association's three most recent tax years.

Inspection and Copying

8.2 Any member, director, officer, or committee member of the Association may inspect and receive copies of all books and record of the Association required to be kept by these Bylaws. Such a person may inspect or receive copies if the person has a proper purpose related to the person's interest in the Association and if the person submits a request in writing. Any person entitled to inspect and copy the Association's books and records may inspect at a reasonable time no later than 10 working days after the Association's receipt of a proper written request. The Board of Directors may establish reasonable fees for copying the Association's books and records by members. The fees may cover the cost of materials and labor but may not exceed the state guideline or one dollar (\$1) per page. The Association shall provide requested copies of books or records no later than 30 working days after the Association's receipt of a proper written request.

Audits

8.3 Any member shall have the right to have an audit conducted of the Association's books. The member requesting the audit shall bear the expenses. The member requesting the audit may select the accounting firm to conduct the audit. A member may not exercise these rights to compel audits to subject the Association to an audit more than once in any fiscal year.

ARTICLE 9 FISCAL YEAR

9.1 The fiscal year of the Association shall begin on the first day of January and end on the last day of December in each year.

ARTICLE 10 INDEMNIFICATION SCOPE

10.1 When indemnification is permitted, the Association may indemnify a director, officer, committee member, or employee of the Association who was, is, or may be named defendant or respondent in any proceeding because of his or her actions or omissions within the scope of his or her official capacity in the Association, to the extent permitted by law. If the Association may indemnify a person under the Bylaws, the person may be indemnified against judgments,

penalties, including excise and similar taxes, fines, settlements, and reasonable expenses (including attorney's fees) actually incurred in connection with the proceeding.

Procedure

10.2 Relating to indemnification payments: Before the Association may pay any indemnification expenses (including attorney's fees), the Board of Directors shall specially determine the indemnification is permissible, authorize indemnification, and determine that expenses to be reimbursed are reasonable.

ARTICLE 11

NOTICES

Notice by Mail

11.1 Written or printed notice stating the place, day and hour of the meeting and, in case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than ten (10) days, nor more than sixty (60) days, before the date of the meeting, either personally or by mail, by or at the direction of the President, the Secretary or the officer or person or persons calling the meeting, to each member of record entitled to vote at such meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail addressed to the Member at his or her address as it appears on the membership rolls of the Association, with postage thereon prepaid. Any notice required or permitted by the Bylaws to be given to a director, officer or member of a committee of the Association may be given by mail. If mailed, notice shall be deemed to be delivered when deposited in the United States mail addressed to the person at his or her address as it appears on the records of the Association, with first class postage prepaid. A person may change his or her address by giving written notice to the secretary of the Association.

Signed Waiver of Notice

11.2 Whenever any notice is required to be given under the provisions of Act or under the provisions of the articles of incorporation or the Bylaws, a waiver in writing signed by a person entitled to receive a notice shall be deemed equivalent to the giving of the notice. A waiver of notice shall be effective whether signed before or after the time stated in the notice being waived.

Waiver of Notice by Attendance

11.3 The attendance of a person at a meeting shall constitute waiver of notice of the meeting unless the person attends for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

**ARTICLE 12
AMENDMENTS TO BYLAWS**

12.1 The Bylaws may be altered, amended, or repealed, and new Bylaws may be adopted only by the membership. The notice of any meeting at which the Bylaws are altered, amended, or repealed, or at which new Bylaws are adopted shall include notice that that amendment of the Bylaws will be considered at the meeting. The votes of a minimum of 51% of record property owners will be required for any decision to amend these Bylaws and these Bylaws may be amended by an affirmative vote of at least 66% of such returned votes.

**ARTICLE 13
MISCELLANEOUS PROVISIONS
Legal Authorities Governing Construction of Bylaws**

13.1 The Bylaws shall be construed in accordance with the laws of the State of Texas. All references in the Bylaws to statutes regulations, or other sources of legal authority shall refer to the authorities cited, or their successors, as they may be amended from time to time.

Legal Construction

13.2 If any Bylaw provision is held to be invalid, illegal, or unenforceable in any respect, the invalidity, illegality, or unenforceability shall not affect any other provision and the Bylaws shall be construed as if the invalid, illegal, or unenforceable provision had not been included in the bylaws.

Headings

13.3 The headings used in the Bylaws are used for convenience and shall not be considered in construing the terms of the Bylaws.

Gender

13.4 Whenever the context requires, all words in the Bylaws in the male gender shall be deemed to include the female or neuter gender, all singular words shall include the plural, and all plural words shall include the singular.

Seal

13.5 The Board of Directors may provide for a corporate seal.

Power of Attorney

13.6 A person may execute any instrument in any transaction with the Association by means of a power of attorney if an original copy of the power of attorney is provided to the secretary of the Association to be kept with the Association records.

Parties Bound

13.7 The Bylaws shall be binding upon and inure to the benefit of the directors, officers, committee members, employees, and agents of the Association and their respective heirs, executors, administrators, legal representatives, successors, and assigns except as otherwise provided in the Bylaws.

ARTICLE 14

Summit North Estates, Inc. Property Owner Maintenance Fees

14.1 Maintenance fees (initially \$150.00 per year – Per lot – shall be due and payable on or before January 31st of each year. The amount of said maintenance fees shall be determined by the members of Board of Directors or its assigns. Said maintenance fees shall be used to maintain the private roads, park, gate, and entryway of THE SUMMIT NORTH Estates, Inc. A lien on property will be assigned if annual maintenance fees are more than 90 days late, However, this provision will not affect a member's right to vote.

CERTIFICATION

"I, the undersigned, being an officer of Summit North Estates, Inc., sometime referred to herein as the Association, do hereby certify that the foregoing amended restrictions were duly approved and adopted by written ballot by the owners /members of the Summit North Estates subdivisions.

James Dittman

James Dittman, President of the Board

James Dittman

Printed Name

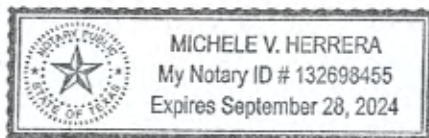
Summit North Estates, Inc.

SUBSCRIBED AND SWORN TO BEFORE ME, the undersigned authority, by JAMES DITTMAN the president of

Summit North Estates, Inc. on this 23rd day of NOVEMBER, 2021, to certify which witness my hand and seal of office.

Michele V. Herrera

NOTARY PUBLIC State of Texas



Filed and Recorded
Official Public Records
Bobbie Koepf, County Clerk
Comal County, Texas
11/23/2021 01:08:48 PM
TERRI 21 Page(s)
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Bobbie Koepf