

**BYLAWS  
OF  
RIVER PLACE PROPERTY OWNERS' ASSOCIATION, INC.**

These Bylaws govern the affairs of River Place Property Owners' Association, Inc., a non-profit corporation organized under the laws of the State of Texas.

**ARTICLE 1  
OFFICES**

- 1.01 **Principal Office.** The Corporation's principal office in Texas will be located at **6901 River Place Court, College Station, Texas 77845**. The Corporation may have such other offices, in Texas or elsewhere, as the Board of Directors may determine. The Board of Directors may change the location of any office of the Corporation.
- 1.02 **Registered Office and Registered Agent.** The Corporation will maintain a registered office and registered agent in Texas. The registered office may, but need not, be identical with the Corporation's principal office in Texas. The Board of Directors may change the registered office and the registered agent as permitted in the Texas Non-Profit Corporation Act.

**ARTICLE 2  
MEMBERS**

- 2.01 **Definitions.** All capitalized words used in this Article, if not otherwise defined herein, shall have the same meaning given such words in the Declaration of Covenants, Conditions and Restrictions for RIVER PLACE SUBDIVISION PHASE 1-3.
- 2.02 **Membership.** Declarant, during the time it owns any Lots, and each person or entity who is a record Owner of a fee or undivided fee interest in any Lot shall be a Member of the Corporation. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from any ownership of any Lot which is subject to assessment by the Association. Transfer of ownership, either voluntarily or by operation of law, shall terminate such Owner's membership in the Corporation, and membership shall be vested in the transferee; provided, however, that no such transfer shall relieve or release such Owner from any personal obligation with respect to assessments which have accrued prior to such transfer.
- 2.03 **Voting Rights.** The Corporation shall have two classes of voting membership.
- 2.03.01 **Class "A".** The Class "A" Members shall be all Owners. The Class "A" Members shall be entitled to one vote for each Ownership Unit owned. When more than one person holds an interest in any Lot, all such persons shall be Members. The vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any Ownership Unit.
- 2.03.02 **Class "B".** The Class "B" Member shall be Declarant. The Declarant shall be entitled to three votes for each Ownership Unit it owns; provided however that

Declarant shall cease to be a Class "B" Member and shall become a Class "A" Member entitled to one vote per Ownership Unit on the happening of either of the following events:

- 2.03.02.01 when the total votes outstanding in the Class "A" membership equals the total votes outstanding in the Class "B" membership, or
  - 2.03.02.02 the expiration of ten (10) years from the recording date of this instrument in the Real Property Records of the County.
- 2.04 **No Cumulative Voting.** At all meetings of the Corporation, there shall be no cumulative voting. Prior to all meetings, the Board of Directors shall determine the total number of votes outstanding and entitled to vote by the Members.
- 2.05 **Suspension of Voting Rights.** In the event that any Member shall have failed, following thirty (30) days written notice from the Declarant or the Association, to pay any Assessment when due, in addition to any other remedy set forth in these Bylaws, the voting rights of such Member shall be suspended until such time that the Member shall have paid its proportionate share of all Assessments in full. The suspension of a Member's voting rights under this paragraph shall occur notwithstanding the fact that the Member may, in good faith, be contesting the payment of the delinquent Assessments.
- 2.06 **Transfer of Membership.** Membership in this Corporation is not transferable or assignable.
- 2.07 **Annual Meeting.** The annual meeting of the Members may be held without notice other than these Bylaws. The annual meeting of the Members will be held the first Wednesday in June of each year at the Corporation's registered office in Texas.
- 2.08 **Special Meetings.** Special meetings of the Members may be called by the President, the Board of Directors, or not less than one-tenth of the Members having voting rights.
- 2.09 **Place of Meeting.** The Board of Directors may designate any place, either within or without the State of Texas, as the place of meeting for any annual meeting or for any special meeting called by the Board of Directors. If no designation is made or if a special meeting be otherwise called, the place of meeting shall be the registered office of the corporation in the State of Texas but if all of the Members shall meet at any time and place, either within or without the State of Texas, and consent to the holding of a meeting, such meeting shall be valid without call or notice, and at such meeting any corporate action may be taken.
- 2.10 **Notice of Meetings.** Written notice stating the place, day and hour of any meeting of Members shall be delivered, either personally or by mail, to each member entitled to vote at such meeting, not less than seven (7) nor more than sixty (60) days before the date of such meeting, by or at the direction of the President, or the Secretary, or the officers or persons calling the meeting. In case of a special meeting or when required by statute or by these by-laws, the purpose for which the meeting is called shall be stated in the notice. If mailed, the notice of a meeting shall be deemed ~~to be delivered when deposited in the United States mail and addressed to the member at his address as it appears on the records of the corporation, which postage thereon prepaid.~~ Notwithstanding the foregoing, any meeting, annual or special, may be held without notice on the condition that each member consent in writing to said meeting as evidenced by each member's signature on the minutes of such meeting.

- 2.11 Informal Action by Members.** Any action required by law to be taken at a meeting of the Members, or any action which may be taken at a meeting of Members, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by at least two-thirds of the Members entitled to vote with respect to the subject matter thereof.
- 2.12 Quorum.** The Members holding thirty percent (30%) of the votes which may be cast at any meeting shall constitute a quorum at such meeting. If a quorum is not present at any meeting of Members, a majority of the Members present may adjourn the meeting from time to time without further notice.
- 2.13 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. No proxy shall be valid after eleven months from the date of execution, unless otherwise provided in the proxy.
- 2.14 Manner of Acting.** A majority of the votes entitled to be cast on a matter to be voted upon by the Members present or represented by proxy at a meeting at which a quorum is present shall be necessary for the adoption thereof unless a greater proportion is required by law or by these by-laws.
- 2.15 Voting by Mail.** Where Directors or officers are to be elected by Members or any class or classes of Members, such election may be conducted by mail in such manner as the Board of Directors shall determine.

### ARTICLE 3 BOARD OF DIRECTORS

- 3.01 Management of Corporation.** The Board of Directors will manage corporate affairs.
- 3.02 Number, Qualifications, and Tenure of Directors.** The number of Directors will be a number determined by the Board of Directors that is not less than three (3) and not greater than nine (9). Directors need not be Texas residents.
- 3.03 Nominating Directors.** At any meeting at which the election of a Director is held, a Member may nominate a person with the second of any other director.
- 3.04 Electing Directors.** A person who meets the qualifications for Director and who has been duly nominated may be elected as a Director. Directors will be elected by the vote of the Members. Each Director will hold office until a successor is elected and qualifies. A Director may be elected to succeed himself or herself as Director.
- 3.05 Vacancies.** The Members will fill any vacancy in the Board of Directors and any Director position to be filled due to an increase in the number of Directors. A vacancy is filled by the affirmative vote of a majority of the Members. A Director selected to fill a vacancy will serve for the unexpired term of his or her predecessor in office.
- 3.06 Annual Meeting.** ~~The annual meeting of the Board of Directors may be held without notice other than these Bylaws. The annual Board of Directors meeting will be held the first Wednesday in June of each year at the Corporation's registered office in Texas.~~
- 3.07 Regular Meetings.** The Board of Directors may provide for regular meetings by resolution stating the time and place of such meetings. The meetings may be held inside or outside Texas, and will be held at the Corporation's registered office in Texas if the resolution does not specify the location

of the meetings. No notice of regular Board of Directors meetings is required other than a Board of Directors resolution stating the time and place of the meetings.

- 3.08 Special Meetings.** Special Board of Directors meetings may be called by, or at the request of, the President or any two (2) Directors. A person or persons authorized to call special meetings of the Board of Directors may fix any place within Texas as the place for holding a special meeting. The person or persons calling a special meeting will inform the Secretary of the Corporation of the information to be included in the notice of the meeting. The Secretary of the Corporation will give notice to the Directors as these Bylaws require.
- 3.09 Notice.** Written or printed notice of any special meeting of the Board of Directors will be delivered to each Director not less than seven (7), nor more than sixty (60) days before the date of the meeting. The notice will state the place, day, and time of the meeting, who called it, and the purpose or purposes for which it is called.
- 3.10 Quorum.** A majority of the number of Directors then in office constitutes a quorum for transacting business at any Board of Directors meeting. 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 a majority of the number of Directors required for a quorum. If a quorum is never present at any time during a meeting, a majority of the Directors present may adjourn and reconvene the meeting once without further notice.
- 3.11 Duties of Directors.** Directors will discharge their duties in good faith, with ordinary care, and in a manner they reasonably believe to be in the Corporation'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 Corporation or another person that has been prepared or presented by a variety of persons, including officers and employees of the Corporation, professional advisors or experts such as accountants or legal counsel. A Director is not relying in good faith if such Director has knowledge concerning a matter in question that renders reliance unwarranted. Directors are not deemed to have the duties of trustees of a trust with respect to the Corporation or with respect to any property held or administered by the Corporation, including property that may be subject to restrictions imposed by the donor or transferor of the property.
- 3.12 Duty to Avoid Improper Distributions.** Directors who vote for or assent to improper distributions are jointly and severally liable to the Corporation for the value of improperly distributed assets, to the extent that, as a result of the improper distribution or distributions, the Corporation lacks sufficient assets to pay its debts, obligations, and liabilities. Any distribution made when the Corporation is insolvent, other than in payment of corporate debts, or any distribution that would render the Corporation insolvent, is an improper distribution. A distribution made during liquidation without payment and discharge of or provision for payment and discharge of all known debts, obligations, and liabilities is also improper. Directors present at a Board of Directors meeting at which the improper action is taken are presumed to have assented, unless they dissent in writing. The written dissent must be filed with the Secretary of the Corporation before adjournment of the meeting in question or mailed to the Secretary by registered mail immediately after adjournment.

A Director is not liable if, in voting for or assenting to a distribution, the Director (1) relies in good faith and with ordinary care on information, opinions, reports, or statements, including financial statements and other financial data, prepared or presented by one or more officers or employees of the Corporation, legal counsel, public accountants, or other persons as to matters the Director

reasonably believes are within the person's professional or expert competence; (2) while acting in good faith and with ordinary care, considers the Corporation's assets to be at least that of their book value; or (3) in determining whether the Corporation made adequate provisions for paying, satisfying or discharging all of its liabilities and obligations, relied in good faith and with ordinary care on financial statements or other information concerning a person who was or became contractually obligated to satisfy or discharge some or all of these liabilities or obligations. Furthermore, Directors are protected from liability if, in exercising ordinary care, they acted in good faith and in reliance on the written opinion of an attorney for the Corporation.

Directors held liable for an improper distribution are entitled to contribution from persons who accepted or received the improper distribution knowing they were improper. Contribution is in proportion to the amount received by each such person.

- 3.13 Delegating Duties.** Directors may select advisors and delegate duties and responsibilities to them, such as the full power to buy or otherwise acquire stocks, bonds, securities, and other investments on the Corporation's behalf, and to sell, transfer, or otherwise dispose of the Corporation's assets and properties at a time and for a consideration that the advisor deems appropriate. The Directors have no liability for actions taken or omitted by the advisor if the Board of Directors acts in good faith and with ordinary care in selecting the advisor. The Board of Directors may remove or replace the advisor at any time and without any cause whatsoever.
- 3.14 Interested Directors.** Contracts or transactions between Directors or officers who have a financial interest in the matter are not void or voidable solely for that reason. Nor are they void or voidable solely because the Director or officer is present at or participates in the meeting that authorizes the contract or transaction, or solely because the interested party's votes are counted for the purpose.
- 3.15 Actions of Board of Directors.** The Board of Directors will try to act by consensus. However, if a consensus is not available, the vote of a majority of Directors present and voting at a meeting at which a quorum is present is enough to constitute the act of the Board of Directors, unless the act of a greater number is required by law or by some other provision of these Bylaws. 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 of Directors' decision. For the purpose of determining the decision of the Board of Directors, a Director who is represented by a proxy in a vote is considered present.
- 3.16 Proxies.** A Director may vote by proxy. All proxies must be in writing, must bear the signature of the Director giving the proxy, and must bear the date on which the proxy was executed by the Director. No proxy is valid after three (3) months from the date of its execution.
- 3.17 Compensation.** Directors receive salaries for their services. The Board of Directors may adopt a resolution providing for paying Directors a fixed sum and expenses of attendance, if any, for attending each Board of Directors meeting. A Director may serve the Corporation in any other capacity and receive compensation for those services. Any compensation that the Corporation pays to a Director will be reasonable and commensurate with the services performed.
- 3.18 Removing Directors.** ~~The Members may vote to remove a Director at any time, without cause.~~ A meeting to consider removing a Director may be called and noticed following the procedures provided in these Bylaws for a special meeting of the Members. The notice of the meeting will state that the issue of possibly removing the Director will be on the agenda.

At the meeting, the Director may present evidence of why he or she should not be removed and may be represented by an attorney at and before the meeting. Also, at the meeting, the Corporation will

consider possible arrangements for resolving the problems that are in the mutual interest of the Corporation and the Director.

A Director may be removed by the affirmative vote of two-thirds (2/3) of the Members represented at the meeting called for that purpose.

#### **ARTICLE 4 OFFICERS**

- 4.01 Officer Positions.** The Corporation's officers will be a President, a Secretary, and a Treasurer. 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. The same person may hold any two or more offices, except for President and Secretary.
- 4.02 Election and Term of Office.** The Corporation's officers will be elected annually by the Board of Directors at the annual Board of Directors meeting. If officers are not elected at this time, they will be elected as soon thereafter as possible. Each officer will hold office until a successor is duly selected and qualifies. An officer may be elected to succeed himself or herself in the same office.
- 4.03 Removal.** Any officer elected or appointed by the Board of Directors may be removed by the Board of Directors with or without good cause. Removing an officer will be without prejudice to the officer's contractual rights, if any.
- 4.04 Vacancies.** The Board of Directors may select a person to fill a vacancy in any office for the unexpired portion of the officer's term.
- 4.05 President.** The President is the Corporation's chief executive officer. The President will supervise and control all the Corporation's business and affairs and will preside at all meetings of the Board of Directors. The President may execute any deeds, mortgages, bonds, contracts, or other instruments that the Board of Directors authorizes to be executed. However, the President may not execute instruments on the Corporation's behalf if this power is expressly delegated to another officer or agent of the Corporation by the Board of Directors, these Bylaws, or statute. The President will perform other duties prescribed by the Board of Directors and all duties incident to the office of President.
- 4.06 Treasurer.** The Treasurer will:
- 4.06.01 Have charge and custody of, and be responsible for, all the Corporation's funds and securities;
  - 4.06.02 Receive and give receipts for moneys due and payable to the Corporation from any source;
  - 4.06.03 Deposit all moneys in the Corporation's name in banks, trust companies, or other depositories as these Bylaws provide or as the Board of Directors or President directs;
  - 4.06.04 Write checks and disburse funds to discharge the Corporation's obligations; however, funds may not be drawn from the Corporation or its accounts greater than One Thousand Dollars (\$1,000.00) without the signature of the President in addition to that of the Treasurer;

- 4.06.05 Maintain the Corporation's financial books and records;
- 4.06.06 Prepare financial reports at least annually;
- 4.06.07 Perform other duties as assigned by the President or the Board of Directors;
- 4.06.08 If the Board of Directors requires, give a bond for faithfully discharging the duties of Treasurer in a sum and with a surety as determined by the Board of Directors; and
- 4.06.09 Perform all of the duties incident to the office of Treasurer.

**4.07 Secretary.** The Secretary will:

- 4.07.01 Give all notices as provided in the Bylaws or as required by law;
- 4.07.02 Take minutes of the meetings of the members and the Board of Directors and keep the minutes as part of the corporate records;
- 4.07.03 Maintain custody of the corporate records and seal;
- 4.07.04 Affix the corporate seal to all documents as authorized;
- 4.07.05 Keep a register of the mailing address of each Director, officer, and employee of the Corporation;
- 4.07.06 Perform the duties as assigned by the President or the Board of Directors; and
- 4.07.07 Perform all duties incident to the office of Secretary.

**ARTICLE 5  
TRANSACTIONS OF CORPORATION**

- 5.01 Contracts.** The Board of Directors may authorize any officer or agent of the Corporation to enter into a contract or execute and deliver any instrument in the name of, and on behalf of, the Corporation. This authority may be limited to a specific contract or instrument, or it may be limited to a specific contract or instrument, or it may extend to any number and type of possible contract or instrument, or it may extend to any number and type of possible contracts and instruments.
- 5.02 Deposits.** All the Corporation's funds will be deposited to the credit of the Corporation in banks, trust companies, or other depositories that the Board of Directors selects.
- 5.03 Gifts.** The Board of Directors may accept, on the Corporation's behalf, any contribution, gift, bequest, or devise for the general purposes or for any special purpose of the Corporation. The Board of Directors may make gifts and give charitable contributions not prohibited by these Bylaws, the Articles of Incorporation, state law, and provisions set out in federal tax law that must be complied with to maintain the Corporation's federal and state tax exempt status.
- 5.04 Potential Conflicts of Interest.** The Corporation may not make any loan to a Director or officer of the Corporation. A Director or officer of the Corporation may lend money to, and otherwise transact

business with, the Corporation except as otherwise provided by these Bylaws, the Articles of Incorporation, and applicable law. Such a person transacting business with the Corporation has the same rights and obligations relating to those matters as other persons transacting business with the Corporation. The Corporation may not borrow money from, or otherwise transact business with, a Director or officer of the Corporation unless the transaction is described fully in a legally binding instrument and is in the Corporation's best interest. The Corporation may not borrow money from, or otherwise transact business with, a Director or officer of the Corporation without full disclosure of all relevant facts and without the Board of Directors' approval, not including the vote of any person having a personal interest in the transaction.

**5.05 Prohibited Acts.** As long as the Corporation exists, and except with the Board of Directors' prior approval, no Director or officer of the Corporation may:

- 5.05.01 Do any act in violation of these Bylaws or a binding obligation of the Corporation;
- 5.05.02 Do any act with the intention of harming the Corporation or any of its operations;
- 5.05.03 Do any act that would make it impossible or unnecessarily difficult to carry on the Corporation's intended or ordinary business;
- 5.05.04 Receive an improper personal benefit from the operation of the Corporation;
- 5.05.05 Use the Corporation's assets, directly or indirectly, for any purpose other than carrying on the Corporation's business;
- 5.05.06 Wrongfully transfer or dispose of Corporation property, including intangible property such as good will;
- 5.05.07 Use the Corporation's name (or any substantially similar name) or any trademark or trade name adopted by the Corporation, except on behalf of the Corporation in the ordinary course of its business; or
- 5.05.08 Disclose any of the Corporation'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 6 BOOKS AND RECORDS

**6.01 Required Books and Records.** The Corporation will keep correct and complete books and records of account. The books and records include:

- 6.01.01 A file-endorsed copy of all documents filed with the Texas Secretary of State relating to the Corporation, 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;
- 6.01.02 A copy of all bylaws, including these Bylaws, and any amended versions or amendments to them;
- 6.01.03 Minutes of the proceedings of the Board of Directors;



- 6.01.04 A list of the names and addresses of the Directors and officers of the Corporation;
- 6.01.05 A financial statement showing the Corporation's assets, liabilities, and net worth at the end of the three (3) most recent fiscal years;
- 6.01.06 A financial statement showing the Corporation's income and expenses for the three (3) most recent fiscal years;
- 6.01.07 All rulings, letters, and other documents relating to the Corporation's federal, state, and local tax status; and
- 6.01.08 The Corporation's federal, state, and local tax information or income-tax returns for each of the Corporation's three (3) most recent tax years.

**6.02 Inspection and Copying.** Any Director or officer of the Corporation may inspect and receive copies of all the corporate books and records required to be kept under the Bylaws. Such a person may by written request, inspect or receive copies if such person has a proper purpose related to such person's interest in the Corporation. Such person may do so through such person's attorney or other duly authorized representative. The inspection may take place at a reasonable time, no later than five (5) working days after the Corporation receives a proper written request. The Board of Directors may establish reasonable copying fees, which may cover the cost of materials and labor. The Corporation will provide requested copies of books or records no later than five (5) working days after receiving a proper written request.

#### **ARTICLE 7 FISCAL YEAR**

The Corporation's fiscal year of the Corporation will begin on the first day of January and end on the last day in December in each year.

#### **ARTICLE 8 INDEMNIFICATION**

##### **8.01 When Indemnification is Required, Permitted, and Prohibited.**

- 8.01.01 The Corporation will indemnify a Director, officer, employee, or agent of the Corporation who was, is, or may be named defendant or respondent in any proceeding as a result of such person's actions or omissions within the scope of his or her official capacity in the Corporation. For the purposes of this Article 8, an agent includes one who is or was serving at the Corporation's request as a Director, officer, partner, venturer, proprietor, trustee, partnership, joint venture, sole proprietorship, trust, employee-benefit plan, or other enterprise.
- 8.01.02 The Corporation will indemnify a person only if such person acted in good faith and reasonably believed that such person's conduct was in the Corporation's best interest. In case of a criminal proceeding, such person may be indemnified only if such person had no reasonable cause to believe that the conduct was unlawful. The Corporation will not indemnify a person who is found liable to the Corporation or is found liable to another on the basis of improperly receiving a personal benefit from the Corporation. A person is conclusively considered to have been found liable in relation to any claim, issue, or matter if such person has been adjudged liable by a court of competent jurisdiction and all appeals have been exhausted.

Termination of a proceeding by judgment, order, settlement, conviction, or on a plea of nolo contendere or its equivalent does not necessarily preclude indemnification by the Corporation.

8.01.03 The Corporation will pay or reimburse expenses incurred by a Director, officer, employee, or agent of the Corporation in connection with such person's appearance as a witness or other participation in a proceeding involving or affecting the Corporation when such person is not a named defendant or respondent in the proceeding.

8.01.04 In addition to the situations otherwise described in this Paragraph 8.01, the Corporation may indemnify a Director, officer, employee, or agent of the Corporation to the extent permitted by law. However, the Corporation will not indemnify any person in any situation in which indemnification is prohibited by Paragraph 8.01.05 hereof.

8.01.05 The Corporation may advance expenses incurred or to be incurred in the defense of a proceeding to a person who might eventually be entitled to indemnification, even though there has been no final disposition of the proceeding. Furthermore, the Corporation will never advance expenses to a person before final disposition of a proceeding if the person is a named defendant or respondent in a proceeding brought by the Corporation or if the person is alleged to have improperly received a personal benefit or committed other wilful or intentional misconduct.

8.02 **Extent and Nature of Indemnity.** The indemnity permitted under these Bylaws includes indemnity against judgments, penalties, (including excise and similar taxes), fines, settlements, and reasonable expenses (including attorney's fees) actually incurred in connection with the proceeding. If the proceeding was brought by or on behalf of the Corporation, the indemnification is limited to reasonable expenses actually incurred by the person in connection with the proceeding.

## ARTICLE 9 NOTICES

9.01 **Notice by Mail or Telegram.** Any notice required or permitted by these Bylaws to be given to a Director or officer may be given by mail, facsimile, or telegram.

9.02 **Signed Waiver of Notice.** Whenever any notice is required by law or under the Articles of Incorporation or these Bylaws, a written waiver signed by the person entitled to receive such notice is considered the equivalent to giving the required notice. A waiver of notice is effective whether signed before or after the time stated in the notice being waived.

9.03 **Waiving Notice by Attendance.** A person's attendance at a meeting constitutes 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 was not lawfully called or convened.

## ARTICLE 10 SPECIAL PROCEDURES CONCERNING MEETINGS

10.01 **Meeting by Telephone.** The Board of Directors of the Corporation may hold a meeting by telephone conference-call procedures. In all meetings held by telephone, matters must be arranged in such a manner that all persons participating in the meeting can hear each other; the notice of a

meeting by telephone conference must state the fact that the meeting will be held by telephone as well as all other matters required to be included in the notice; and a person's participation in a conference-call meeting constitutes such person's presence at the meeting.

- 10.02 Decision Without Meeting.** Any decision required or permitted to be made at a meeting of the Board of Directors may be made without a meeting. A decision without a meeting may be made if a written consent to the decision is signed by all persons entitled to vote on the matter. The original signed consents will be placed in the Corporation minute book and kept with the corporate records.

Furthermore, in accordance with the Articles of Incorporation, action may be taken without a meeting when there are signed written consents by the number of Directors whose votes would be necessary to take action at a meeting at which all such persons entitled to vote were present and voted. Each written consent must be signed and bear the date of signature of the person signing it. A telegram, telecopy, telex, cablegram, or similar transmission by a Director, or a photographic, facsimile, or similar reproduction of a signed writing, will be treated as an original being signed by the Director.

Consents must be delivered to the Corporation. A consent signed by fewer than all Directors is not effective to take the intended action unless the required number of consents are delivered to the Corporation within sixty (60) days after the date that the earliest-dated consent was delivered to the Corporation. Delivery must be made by hand, or by certified or registered mail, return receipt requested. The delivery may be made to the Corporation's registered office, registered agent, principal place of business, transfer agent, registrar, exchange agent, or an officer or agent having custody of books in which the relevant proceedings are recorded. If the delivery is made to the Corporation's principal place of business, the consent must be addressed to the President.

The Corporation will give prompt notice of the action taken to the persons who do not sign consents. If the action taken requires documents to be filed with the Secretary of State, the filed documents will indicate that these written consent procedures were followed to authorize the action and filing.

- 10.03 Proxy Voting.** A person authorized to exercise a proxy may not exercise the proxy unless it is delivered to the officer presiding at the meeting before the business of the meeting begins. The Secretary or other person taking the minutes of the meeting will record the minutes the name of the person who executed the proxy and the name of the person authorized to exercise the proxy. If a person who has duly executed a proxy personally attends a meeting, the proxy will not be effective for that meeting. A proxy filed with the Secretary or other designated officer remains in force until the first of the following occurs:

- 10.03.01 An instrument revoking the proxy is delivered to the Secretary or other designated officer;
- 10.03.02 The proxy authority expires under the proxy's terms; or
- 10.03.03 The proxy authority expires under the terms of these Bylaws.

## ARTICLE 11 AMENDING BYLAWS

These Bylaws may be altered, amended, or repealed, and new bylaws may be adopted by 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 will 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.

**ARTICLE 12  
MISCELLANEOUS PROVISIONS**

- 12.01 Legal Authorities Governing Construction of Bylaws.** These Bylaws will be construed under Texas law. All references in these Bylaws to statutes, regulations, or other sources of legal authority will refer to the authorities cited, or their successors, as they may be amended from time to time.
- 12.02 Legal Construction.** To the greatest extent possible, these Bylaws shall be construed 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 will be construed as if they had not included the invalid, illegal, or unenforceable provision.
- 12.03 Headings.** The headings used in the Bylaws are for convenience and may not be considered in construing the Bylaws.
- 12.04 Number.** All singular words include the plural, and all plural words include singular.
- 12.05 Seal.** The Board of Directors may provide for a corporate seal.
- 12.06 Power of Attorney.** A person may execute any instrument related to the Corporation by means of a power of attorney if an original executed copy of the power of attorney is provided to the Secretary to be kept with the corporate records.
- 12.07 Parties Bound.** The Bylaws will bind and inure to the benefit of the Directors, officers, employees, and agents of the Corporation and their respective heirs, executors, administrators, legal representatives, successors, and assigns except as the Bylaws otherwise provide.

**CERTIFICATE OF SECRETARY**

I certify that I am the duly elected and acting Secretary of **River Place Property Owners' Association, Inc.**, a non-profit corporation organized under the laws of the State of Texas, and that these Bylaws constitute the Corporation's Bylaws. These Bylaws were duly adopted at a meeting of the Board of Directors held on April 12, 2002.

DATED: April 12, 2002.



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KEITH WILLIAMSON, SECRETARY