

**BYLAWS
OF
COLONIES MASTER ASSOCIATION, INC.
(As Amended October 6, 2015)**

IMPORTANT NOTICES

ALL PROPERTY TO WHICH THESE BYLAWS APPLY IS LOCATED IN A PUBLIC IMPROVEMENT DISTRICT AUTHORIZED BY THE CITY OF AMARILLO IN RESOLUTION NO. 2-13-01-1 TO CONSTRUCT, INSTALL, AND MAINTAIN ENHANCED PUBLIC IMPROVEMENTS WHICH ARE IN ADDITION TO THE PUBLIC IMPROVEMENTS AND SERVICES THAT NORMALLY WOULD BE PROVIDED BY THE CITY. THE COSTS OF THE ENHANCED PUBLIC IMPROVEMENTS WILL BE PAID FROM SPECIAL ASSESSMENTS LEVIED BY THE CITY AGAINST LOTS LOCATED IN THE PUBLIC IMPROVEMENT DISTRICT. UNTIL CHANGED BY THE CITY OF AMARILLO, THE SPECIAL ASSESSMENT FOR THE PUBLIC IMPROVEMENT DISTRICT WILL BE BASED UPON THE NUMBER OF SQUARE FEET IN A LOT. AN OWNER OF A LOT MAY NOT AVOID PAYMENT OF THE SPECIAL ASSESSMENTS FOR THE PUBLIC IMPROVEMENT DISTRICT.

PURSUANT TO THE MASTER DECLARATION, UPON PURCHASING A LOT EACH OWNER BECOMES A MEMBER OF THE ASSOCIATION AND BECOMES OBLIGATED TO PAY ASSESSMENTS TO THE ASSOCIATION. EACH OWNER'S ATTENTION IS DIRECTED TO THE MASTER DECLARATION FOR THE SPECIFIC TERMS APPLICABLE TO AN OWNER PURSUANT TO THE MASTER DECLARATION.

EACH LOT IS SUBJECT TO ASSESSMENT LIENS DESCRIBED IN ARTICLE 3 OF THE MASTER DECLARATION.

EACH OWNER OF A LOT IS ADVISED THAT SECTION 202.004 OF THE TEXAS PROPERTY CODE AUTHORIZES COURTS TO ASSESS CIVIL DAMAGES FOR THE VIOLATION OF RESTRICTIVE COVENANTS IN AN AMOUNT NOT TO EXCEED \$200.00 FOR EACH DAY OF THE VIOLATION.

**Article 1.
NAME AND LOCATION**

The name of the Association is the Colonies Master Association, Inc. The registered office of the Association will be as designated with the Secretary of State of the State of Texas, as it may be changed from time to time. The principal office of the Association will be located in Randall County, Texas.

**Article 2.
DEFINITIONS**

The use of any of the following defined terms in their capitalized form will have the meaning designated below. The use of any of the following defined terms in their uncapitalized form will indicate the words have their normal meaning:

- 2.1 **"Developer Director"** means an officer of Developer.
- 2.2 **"Nomination Committee"** means a committee composed of the following:
- (a) an officer, Director, shareholder, Member, or Owner of Declarant or Developer;
 - (b) the President of the Association; and
 - (c) the immediate past president of the Association if he or she is a Member.

Capitalized terms used in these Bylaws, to the extent not otherwise defined herein, have the meanings used in the Colonies Master Declaration (as amended October 6, 2015) recorded in the Official Public Records of Randall County, Texas, under Document No. 2015019215 (the "Master Declaration").

Article 3. PURPOSES

3.1 **Purpose.** The Association is organized and will be operated exclusively to act as agent for the Owners of the Property pursuant to these Bylaws and the Master Declaration, and its purposes are:

- (a) To make Assessments if:
 - (1) no assessments or inadequate assessments are levied against the Property by the City to pay for the costs of the Enhanced Public Improvements;
 - (2) the PID is dissolved, terminated, or otherwise fails to function;
 - (3) the City fails to approve the annual budgets recommended by the PID; or
 - (4) the annual budgets recommended by the PID are inadequate; and
- (b) To collect City PID Assessments if the City fails or refuses to collect them; and
- (c) To enforce the Association Documents and any rules made thereunder and to enjoin and seek damages from any Owner for violation of such provisions or rules; and
- (d) To exercise all the rights, powers, and privileges and to perform all the duties and obligations of the Association as set forth in the Association Documents; and
- (e) To affix, levy, collect, and enforce payment of, by any lawful means, all charges or Assessments provided in the Association Documents; and as agent, pay all expenses in connection therewith and all office and other expenses incident to conducting the business of the Association including all licenses, taxes, or governmental charges levied or imposed against the Property of the Association, if any; and
- (f) To make disbursements, expenditures, and payments on behalf of the Owners as required by the Association Documents; and

- (g) To hold as agent for Owners' reserves for periodic repairs and improvements to be made as directed by Owners acting through the Board; and
- (h) To enter into and perform any contract and to exercise all powers which may be necessary or convenient to the operation, management, maintenance, and administration of the affairs of this Association according to the Association Documents; and
- (i) Insofar as permitted by law, to do any other thing that, in the opinion of the Board, will promote the common benefit and enjoyment of Owners and occupants of the Property, or for operation or protection of the Association or for enforcement of the Association Documents; and
- (j) To engage in any other lawful business under the provisions of the Texas Nonprofit Corporation Act.

3.2 **Use of Facilities.** All Persons who use the facilities on the Property are subject to these Bylaws. The acquisition, lease, or rental of any Lot or the act of occupancy of any Lot will signify that these Bylaws are accepted, approved, and ratified and will be complied with.

Article 4. MEMBERSHIP AND VOTING

4.1 **Membership and Voting in the Association.** Matters dealing with membership and voting are set forth in Article 2 of the Master Declaration, and those matters are incorporated herein as if repeated verbatim.

4.2 **Signed Ballots.** The vote of a Member must be in writing and signed by the Member; provided (1) in an Association-wide election, written and signed ballots are not required for uncontested races, and (2) the Board may adopt rules to allow Members to vote by secret, unsigned ballots so long as reasonable measures are taken to ensure that:

- (a) a Member cannot cast more votes than the Member is eligible to cast in an election or vote;
- (b) the Association counts every vote cast by a Member that is eligible to cast a vote; and
- (c) in any election for the Board, each candidate may name one person to observe the counting of the ballots, provided that this does not entitle any observer to see the name of the person who cast any ballot, and that any disruptive observer may be removed.

4.3 **Manner of Voting.** The Board may authorize votes to be cast or given by any or all of the following methods, so long as Members are, at a minimum, allowed to vote by either proxy or absentee ballot:

- (a) in person at a meeting of the Association;
- (b) by proxy in accordance with Section 4.4;

- (c) by absentee ballot in accordance with Sections 4.5, 4.6, and 4.7; or
- (d) by electronic ballot in accordance with Sections 4.5, 4.6 and 4.8.

4.4 **Proxy Voting.** A Member may vote by proxy in a form acceptable to the Board and executed in writing by the Member or by his duly authorized attorney-in-fact. No proxy will be valid after five months from the date of its execution unless otherwise provided in the proxy. Each proxy will be revocable unless expressly provided therein to be irrevocable, and in no event will it remain irrevocable for more than five months from the date of its execution. A Member may not vote by proxy unless it is delivered to the secretary or other designated officer or designated representative of the Association before the business of the meeting begins. The secretary or other person taking the minutes of the meeting will record in the minutes the name of the person who executed the proxy and the name of the person authorized to exercise the proxy. If a Member who has duly executed a proxy personally attends a meeting, the proxy will not be effective for that meeting.

4.5 **Counting of Absentee or Electronic Ballots.** If the Board elects to allow voting by absentee and/or electronic ballots, an absentee or electronic ballot:

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

For purposes of determining whether a vote by absentee or electronic ballot shall be counted, a nomination taken from the floor in an election of Director(s) is *not* considered an amendment to the proposal for the election.

4.6 **Solicitation of Nominations Prior to Distribution of Absentee or Electronic Ballots.** If the Board elects to allow voting by absentee and/or electronic ballots for the purposes of voting in an election of Directors for the Board, then at least 10 days before the date the absentee and/or electronic ballots are disseminated to Members, the Association must provide notice to the Members soliciting candidates interested in running for a position on the Board. The notice must contain instructions for an eligible candidate to notify the Association of the candidate's request to be placed on the ballot and the deadline to submit the candidate's request. The deadline may not be earlier than the 10th day after the date the notice soliciting candidates is disseminated to the Members. The notice soliciting candidates must be:

- (a) Mailed to each Member; or
- (b) Provided by:
 - (1) posting the notice in a conspicuous manner reasonably designed to provide notice to Members: (i) in a place located on the Association's common areas, or (ii) on any Internet website maintained by the Association; and

- (2) sending the notice by email to each Member who has a registered email address with the Association. (It is each Member's duty to keep an updated email address registered with the Association.)

The Association shall include on each ballot for an election of Director(s), the name of each eligible candidate from whom the Association received a request to be placed on the ballot in accordance with this section.

4.7 **Solicitation for Votes by Absentee Ballot.** A solicitation for votes by absentee ballot must include:

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

4.8 **Electronic Ballot.** "Electronic ballot" means a ballot:

- (a) given by: (i) email; (ii) facsimile; or (iii) posting on an Internet website;
- (b) for which the identity of the Member submitting the ballot can be confirmed; and
- (c) for which the Member may receive a receipt of the electronic transmission and receipt of the Member's ballot.

If an electronic ballot is posted on an Internet website, a notice of the posting shall be sent to each Member that contains instructions on obtaining access to the posting on the website.

4.9 **Tabulation of Votes.** Tabulation of votes shall be in accordance with the following:

- (a) A person who is a candidate in an Association election or who is otherwise the subject of an Association vote, or a person related to that person within the third degree by consanguinity or affinity, as determined under Chapter 573, Government Code, may not tabulate or otherwise be given access to the ballots cast in that election or vote except as provided by this section.
- (b) A person other than a person described by Subsection 4.9(a) may tabulate votes in an Association election or vote.
- (c) A person who tabulates votes or who performs a recount of votes may not disclose to any other person how a Member voted.

- (d) Only a person who tabulates votes under Subsection 4.9(b) or who performs a recount under Section 4.10 may be given access to the ballots cast in the election or vote.
- (e) This section may not be construed to affect a person's obligation to comply with a court order for the release of ballots or other voting records.

4.10 **Recount of Votes.** A Member may request a recount of votes in accordance the following:

- (a) Any Member may, not later than the 15th day after the later of (i) the date of any meeting of Members at which the election or vote was held or (ii) the date of the announcement of the results of the election or vote, require a recount of the votes. A demand for a recount must be submitted in writing either:
 - (1) by verified mail (any method of mailing for which evidence of mailing is provided by the United States Postal Service or by common carrier) or by delivery by the United States Postal Service with signature confirmation service to the Association's mailing address as reflected on the latest management certificate; or
 - (2) in person to the Association's managing agent as reflected on the latest management certificate or to the address to which absentee and proxy ballots are mailed.
- (b) The Association shall estimate the costs for performance of the recount by a person qualified to tabulate votes under Subsection 4.10(c) and send an invoice for the estimated costs to the requesting Member at the Member's last known mailing address according to Association records not later than the 20th day after the date the Association receives the Member's demand for the recount. The Member demanding the recount must pay such invoice in full to the Association on or before the 30th day after the date the invoice is sent to the Member. If the invoice is not paid by such deadline, the Member's demand for a recount is considered withdrawn and a recount is not required.
- (c) Following receipt of payment from the Member under Subsection 4.10(b), the Association shall, at the expense of the Member requesting the recount, retain for the purpose of performing the recount, the services of a person qualified to tabulate votes under this subsection. The Association shall enter into a contract for the services of a person who:
 - (1) is not a member of the Association or related to a member of the Board within the third degree by consanguinity or affinity, as determined under Chapter 573, Government Code; and
 - (2) is:
 - (A) a current or former:
 - i. county judge;

- ii. county elections administrator;
- iii. justice of the peace; or
- iv. county voter registrar; or

(B) a person agreed on by the Association and each person requesting the recount.

- (d) On or before the 30th day after the date of receipt of payment for a recount in accordance with Subsection 4.10(b), the recount must be completed and the Association must provide each Member who requested the recount with notice of the results of the recount. If the recount changes the results of the election, the Association shall reimburse the requesting Member for the cost of the recount not later than the 30th day after the date the results of the recount are provided. Any action taken by the Board in the period between the initial election vote tally and the completion of the recount is not affected by any recount.

Article 5. ASSESSMENTS

5.1 **Assessments.** Matters dealing with Assessments are set forth in Article 3 of the Master Declaration, and those matters are incorporated herein as if repeated verbatim

Article 6. DIRECTORS

6.1 **Number of Directors.** The number of Directors of the Association will be three until the second annual meeting of the Members when the number of Directors may increase up to nine. In no event will the number of Directors be less than three or more than nine. Until the Conversion Date, the Developer Director must be one of the members of the Board of Directors. Except for the Developer Director, the Directors whose terms have expired must be elected at the annual meeting of the Members by a Majority Vote of the Members except as provided in Section 6.4. All Directors except the Developer Director must be Members, except as otherwise required by law. Each Director shall hold office until a successor is elected and qualified, but if a Director, other than a Developer Director, ceases to be a Member, his directorship shall automatically terminate.

6.2 **Term of Directors.** The Directors named in the articles shall hold office until the second annual meeting of the Members and until their successors are elected and qualified. At the second annual meeting of the Members, there shall be elected up to eight Directors who shall be divided into three classes. There shall be up to two Directors in the first class, who shall hold office until the first annual meeting of Members after their election and until their successors are elected and qualified; and there shall be up to three Directors in the second class, who shall hold office until the second annual meeting of Members after their election and until their successors are elected and qualified; and there shall be up to three Directors in the third class, who shall hold office until the third annual meeting of Members after election and until their successors are elected and qualified. At each annual meeting of Members thereafter, Directors shall be elected for the class whose term of office expires at that meeting, and they shall hold office until the third annual meeting of Members after their election and until their successors are elected and qualified.

6.3 **Qualifications.** In order to be qualified to serve as a Director, a person may not have been convicted of a felony or a crime involving moral turpitude within the twenty years before the date the person begins serving as a Director. If a Board is presented with written, documented evidence from a database or other record maintained by a governmental law enforcement authority that a Director was convicted of a felony or crime involving moral turpitude not more than 20 years before the date the Board is presented with the evidence, the Director is immediately ineligible to serve on the Board, automatically considered removed from the Board, and prohibited from future service on the Board.

6.4 **Vacancy and Removal.** Any vacancy occurring in the Board may be filled by the affirmative vote of a majority of the remaining Directors though less than a quorum of the Board. A Director elected to fill a vacancy will be elected for the unexpired term of his predecessor in office. Any directorship to be filled by reason of an increase in the number of Directors must be filled at an annual meeting of the Members or at a special meeting of the Members entitled to vote called for that purpose. Any Director may be removed from the Board, with or without cause, by a Majority Vote of the Members at an annual meeting of the Members or at a special meeting of the Members called for that purpose.

6.5 **Management.** The business of the Association will be managed by its Board. The Board may exercise all powers of the Association and do all lawful acts and things including those which are not directed or required by statute or by the Association Documents to be exercised and done by the Members.

6.6 **General Powers and Duties of the Board of Directors.** Article 4 of the Master Declaration sets forth the general powers and duties of the Board which are incorporated herein as if repeated verbatim.

Article 7. MEETINGS OF THE BOARD

7.1 **Place of Meeting of Board.** Meetings of the Board will be held in Amarillo, Potter or Randall County, Texas, at such location as stated in the notice of the meeting or in a duly executed waiver of notice. A meeting of the Board may be held by electronic or telephonic means provided that:

- (a) each Director may hear and be heard by every other Director;
- (b) except for any portion of the meeting conducted in executive session:
 - (1) all Members in attendance at the meeting may hear all Directors;
and
 - (2) Members are allowed to listen using any electronic or telephonic communication method used or expected to be used by a Director to participate;
and
- (c) the notice of meeting provided in accordance with Section 7.6 below, includes instructions for Members to access any communication method required to be accessible under Subsection 7.1(b)(2).

7.2 **First Meeting.** The first meeting of each newly elected Board will be held at the time and place as fixed by the vote of the Board.

7.3 Annual Meetings of Board. Annual meetings of the Board will be held in Randall or Potter County, Texas, at such place and hour as may be fixed from time to time by resolution of the Board. Should the scheduled meeting date fall on a legal holiday, then that meeting will be held at the same time on the business day following the legal holiday. Written notice of annual meetings of the Board must be given to each Member in accordance with Section 7.6 below and to each Director at least 10 days before the date of the meeting.

7.4 Special Meetings. Special meetings of the Board will be held when called by the president or by any two Directors. Written notice of special meetings of the Board must be given to each Member in accordance with Section 7.6 below and to each Director at least three days before the date of the meeting.

7.5 Open Board Meetings. With the exception of action taken by the Board in accordance with Section 7.8 below, all Board Meetings shall be open to Members, subject to the right of the Board to adjourn a Board Meeting and reconvene in a closed executive session to consider actions involving personnel, pending or threatened litigation, contract negotiations, enforcement actions, confidential communications with the Association's attorney(s), matters involving the invasion of privacy of individual Members, or matter that are to remain confidential by the request of the affected parties and agreement of the Board. Following an executive session, any decision made in the executive session must be summarized orally and placed in the minutes, in general terms, without breaching the privacy of the individual Member, violating any privilege, or disclosing information that was to remain confidential at the request of the affected parties. The oral summary must include a general explanation of expenditures approved in the executive session.

7.6 Notice of Board Meetings to Members. With the exception of Board Meetings held in accordance with Section 7.7 or action taken by the Board in accordance with Section 7.8 below, 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 an executive session. The notice shall be:

- (a) Mailed to each Member not later than the 10th day or earlier than the 60th day before the date of the meeting; or
- (b) Provided at least 72 hours before the start of the meeting by:
 - (1) Posting a notice in a conspicuous manner reasonably designed to provide notice to Members: (i) in a place located on the Association's common areas, or (ii) on any Internet website maintained by the Association; and
 - (2) Sending the notice by email to each Member who has a registered email address with the Association. (It is each Member's duty to keep an updated email address registered with the Association.)

7.7 Recess of Board Meeting. If the Board recesses a Board Meeting to continue the following regular business day, the Board is not required to provide notice of the continued meeting if the recess is taken in good faith and not to circumvent the requirement of notice. If a Board Meeting is continued to the following regular business day, and on that following regular business day the Board continues the Board Meeting to another day, the Board shall give notice of the continuation in at least one manner prescribed by Section 7.6 within two hours after adjourning the Board Meeting being continued.

7.8 Certain Board Actions Not Requiring Notice to Members. With the exception of those matters listed in Section 7.9 below, the Board may take action outside of a meeting—including voting by electronic or telephonic means or by a written consent setting forth the action taken and signed by a majority of the Directors, one of which must be the Developer Director—without giving prior notice to Members under Section 7.6, if each Director is given a reasonable opportunity to express the Director’s opinion to all other Directors and to vote. Any action taken without notice to Members must be (i) summarized orally, including an explanation of any known or actual or estimated expenditures approved through such action, and (ii) documented in the minutes of the next regular or special Board meeting.

7.9 Certain Votes Requiring Notice to Members. The Board may not, unless done in an open meeting for which prior notice was given to Members in accordance with Section 7.6, consider or vote on:

- (a) fines;
- (b) damage assessments;
- (c) initiation of foreclosure actions;
- (d) initiation of enforcement actions, excluding temporary restraining orders or violations involving a threat to health or safety;
- (e) increases in assessments;
- (f) levying of special assessments;
- (g) appeals from a denial of architectural control approval;
- (h) a suspension of a right of a particular Member before that Member has an opportunity to attend a Board meeting to present such Member’s position including any defense on the issue;
- (i) lending or borrowing money;
- (j) the adoption of amendment of a dedicatory instrument;
- (k) the approval of an annual budget or the approval of an amendment of an annual budget that increases the budget by more than 10 percent;
- (l) the sale or purchase of real property;
- (m) the filling of a vacancy on the board;
- (n) the construction of capital improvements other than the repair, replacement, or enhancement of existing capital improvements; or
- (o) the election of an officer.

7.10 Quorum. A majority of the Directors will constitute a quorum for the transaction of business. The act of the majority of the Directors present at a meeting at which a quorum is present will be the act of the Board. If a quorum is not present at any meeting of the Board, the Directors present may

adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum is present.

7.11 No Compensation. The Directors of the Association will serve without compensation; however, Directors may be reimbursed for actual expenses reasonably incurred in the performance of their duties.

7.12 Meetings by Telecommunications. Directors may participate in and vote at any meeting of the Board through the use of a conference telephone, video conferencing system, or other communications equipment by means of which all persons participating in the meeting, including any Members in attendance at the Board Meeting, can hear and be heard by every other person participating in the meeting. Participation in such meetings shall constitute attendance and presence in person at the meeting of the person or persons so participating.

7.13 Voting Procedures. At Board Meetings, Directors may vote in elections for Officers, representatives to Committees and with respect to other matters brought before the Directors either by electronic ballot, in person, or via a telecommunication method set forth in Section 7.12. If voting is in person or via a telecommunication method set forth in Section 7.12, voting may be by voice unless the President shall order or any Director shall demand that voting be by ballot. Acceptance of votes shall be in accordance with the applicable provisions of this Article 7. For electronic ballots, the identity of the person submitting the ballot must be able to be confirmed, which may be in the form of an email response from the Director or other appointed officer or agent of the Director. Directors shall not use Association-sponsored forum communication vehicles or medium (e.g., the Association's web site) to solicit support for or pre-announce voting preferences on any matter to be voted on at a Board of Directors meeting or to transmit any part of a ballot except as may be specified in the voting instructions provided with each ballot.

Article 8.

NOTICES

8.1 Form of Notice. Except as otherwise provided herein, notices to Directors and Members must be in writing and delivered personally or mailed to the Directors or Members. Notice by mail will be deemed to be given when deposited in the United States Mail addressed to the Member or Director at his address as it appears on the books of the Association, with postage prepaid. Notice to Directors may also be given by telecopy and will be deemed to be given when electronic confirmation of transmittal of the telecopy is received.

8.2 Waiver of Notice. When any notice is required to be given to a Member or Director under the provisions of any statute or the Association Documents, a waiver thereof in writing signed by the person entitled to such notice, whether before or after the time stated therein, will be equivalent to the giving of such notice.

8.3 Attendance - Waiver. Attendance of any Member or Director at a meeting will constitute a waiver of notice of such meeting, except when a Director or Member attends a meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened.

Article 9. OFFICERS

9.1 **Officers.** The officers of the Association will consist of a president (*who must always be a member of the Board*), one or more vice presidents, a secretary, and a treasurer, each of whom must be elected by the Board. The offices of president and secretary may not be held by the same Person. To be an officer of the Association, a person must (i) be an Owner or (ii) have an ownership interest in an Owner, or (iii) be an officer of a corporate Owner.

9.2 **Election of Officers.** The Board shall elect the officers of the Association at its first meeting after each annual meeting of Members.

9.3 **Other Officers.** Other officers and assistant officers deemed necessary may be elected or appointed by the Board.

9.4 **No Compensation.** All officers of the Association will serve without compensation.

Article 10. MEETINGS OF MEMBERS

10.1 **Administration.** The Members will constitute the Association which has the responsibility of administering and enforcing the Association Documents. If there is a dispute or disagreement between any Members relating to the Property or a question of interpretation or application of the provisions of the Association Documents, such dispute, disagreement, or question will be submitted to the Board except as otherwise provided in the Master Declaration. The decision by the Board will be binding on all Members.

10.2 **Place of Meetings of Members.** Meetings of the Members will be held in Amarillo, Potter or Randall County, Texas, at such location as stated in the notice of the meeting or in a duly executed waiver of notice.

10.3 **Annual Meetings of Members.** Annual meetings of Members will be held in September or October at 7:00 p.m. on a weekday designated by the Board.

10.4 **Election.** At the annual meeting of the Members, the Directors who are up for election shall be elected by a Majority Vote of the Members and other business may be transacted as is properly brought before the meeting. The persons receiving the largest number of votes will be elected. Cumulative voting is not permitted.

10.5 **Mandatory Election Required If No Annual Meeting.** If the Annual Meeting of the Members is not held at the time set forth in Section 10.3, a Member may demand that a meeting of the Members be called not later than the thirtieth (30th) day after the date of the Member's demand. The Member's demand must be made in writing and sent by certified mail return receipt requested, to the registered agent of the Association and to the Association at the address for the Association according to the most recently filed management certificate. A copy of the notice must be sent to each Member. If the Board does not call a meeting of the Association on or before the thirtieth (30th) day after the date of a demand, three or more Members may form an election committee. The election committee shall file written notice of the committee's formation with the county clerk of each county in which the Property is located. A notice filed by an election committee must contain: (1) a statement that an election committee has been formed to call a meeting of the Association for the sole purpose of electing Board members; (2) the name and residential address of each committee member; and (3) the name of the Property over which

the Association has jurisdiction. Each committee member must sign and acknowledge the notice before a notary or other official authorized to take acknowledgments. The county clerk shall enter on the notice the date the notice is filed and record the notice in the county's real property records. Only one committee in the Association may operate under this section at one time. If more than one committee in the Association files a notice, the first committee that files a notice, after having complied with all other requirements of this section, is the committee with the power to act under this section. A committee that does not hold or conduct a successful election within four (4) months after the date the notice is filed with the county clerk is dissolved by operation of law. An election held or conducted by a dissolved committee is ineffective for any purpose under this section. The election committee may call meetings of the Members of the Association for the sole purpose of electing Board members. Notice, quorum, and voting provisions contained in these Bylaws apply to any meeting called by the election committee.

10.6 Special Meetings. Special meetings of the Members may be called by the president or the Board and shall be called by the secretary upon written request of Members entitled to cast one-fourth of all the aggregate votes of the Members.

10.7 Notice of Meetings. Written notice to each Member stating the place, day, and hour of all meetings and the purpose for which the meeting is called shall be delivered not less than 10 nor more than 60 days before the day of meeting, either personally, by mail or by electronic media, by or at the direction of the president, the secretary, or the officer or person calling the meeting.

10.8 Purpose of Special Meetings. Business transacted at any special meeting of the Members must be confined to the purposes stated in the notice thereof.

10.9 No Cumulative Voting. There will be no cumulative voting.

10.10 Eligibility to Vote in Board Elections and at Meetings of the Members. The rights of Members to vote in Board elections and for other matters brought before the Association, shall be as set forth in Article 2 of the Master Declaration.

10.11 Quorum. A quorum of the Members shall be as set forth in Section 2.3 of the Colonies Master Declaration.

10.12 List of Members. The officer or agent having charge of the corporate books will make, at least 50 days before each meeting of Members, a complete list of the Members entitled to vote at such meeting or any adjournment thereof, arranged in alphabetical order, with the address of each. The list will be available at the offices of the Association for inspection by each Member at least five days before such meeting. Such list will also be produced and kept open at the time and place of the meeting and will be subject to the inspection of any Member during the whole time of the meeting.

10.13 Record Date. The Board may fix in advance a date, not exceeding 50 days before the date of any meeting of Members, as a record date for the determination of the Members entitled to notice of and to vote at any meeting and any adjournment thereof. Only the Members who are Members of record on the date so fixed will be entitled to notice. Only Members may vote at the meeting and at any meeting after adjournment thereof, notwithstanding any change of membership on the books of the Association after the record date.

10.14 Consent Without Meeting. Any action required by statute to be taken at a meeting of the Members or any action which may be taken at a meeting of the Members may be taken without a meeting if a written consent setting forth the action to be taken is signed by at least 75.0% of the Members required to vote affirmatively with respect to the subject matter thereof. To be effective, (1) all

Members shall be given notice of the election or vote under consideration not later than the 20th day before the latest date on which a written consent may be submitted to be counted, (2) the written consent must include the date of each Member's signature and must be delivered to the Association within sixty days from the date of the earliest signature, and (3) within 30 days of the receipt of a written consent, the Association must notify each Member who did not sign the written consent of the action that is the subject of the written consent. Such consent will have the same force as the required affirmative vote of Members.

10.15 Order of Business. The order of business at all meetings of the Members will be as follows:

- (a) roll call and certifying proxies;
- (b) announcement of a quorum;
- (c) proof of notice of meeting or waiver of notice;
- (d) reading, or waiver thereof, and approval of the minutes of the previous meeting;
- (e) reports of officers;
- (f) reports of committees;
- (g) election of Directors;
- (h) unfinished business;
- (i) new business; and
- (j) adjournment.

10.16 Solicitation of Votes. Members shall not use Association-sponsored forum communication vehicles or medium (e.g., the Association's website) to solicit support for or preannounce voting preferences on any matter to be voted on at a meeting or to transmit any part of a ballot except as may be specified in the voting instructions provided with each ballot.

Article 11. GENERAL PROVISIONS

11.1 Nominations. The Nomination Committee (*as defined in Section 2.2*) shall meet before the annual meeting of the Members to nominate Directors for election to serve on the Board. Nominations may also be made from the floor at the annual meeting. The Nomination Committee shall make as many nominations for election to the Board as it shall in its discretion determine but not less than the number of vacancies that are to be filled. Such nominations must be made from among Members.

11.2 Fiscal Year. The fiscal year of the Association will coincide with the annual budget periods of the PID and each 12-month period will constitute a fiscal year of the Association. If there is no annual PID budget period, the fiscal year of the Association will be a calendar year.

11.3 Owner Information. Except for those Owners who purchase Lots from Developer, any Person, on becoming an Owner of a Lot, must furnish to the Association a true and correct copy of the original of the recorded instrument vesting that Person with an interest or ownership in the Lot. A Person

will not be deemed to be a Member or be entitled to vote at any annual or special meeting of Members unless this requirement is first met. Each Owner must furnish to the Association written notice of a mailing address and an email address for receiving notices pursuant to the Association Documents. Each Owner must notify the Association in writing of the name and address of all Persons occupying any Lot in which the Owner has an interest. It is the responsibility of the Owner and any occupant of a Lot to keep the required information current and to advise the Association of any changes. Absent any other written notice, notices to an Owner may be sent to the street address of the Lot owned by such Owner.

11.4 Abatement and Enjoinment of Violations by Owners. The breach of any provision in the Association Documents will give the Board and its agents the right, in addition to any other rights set forth in the Association Documents:

- (a) to enter the Lot in which, or as to which, the violation or breach exists and to summarily abate and remove, at the expense of the defaulting Owner, any person, structure, thing, or condition that may exist contrary to the intent and meaning of the Association Documents, and the Board and its agents will not be deemed guilty in any manner of trespass; and to expel, remove, and put out, using such force as may be necessary in so doing without being liable to prosecution or any damages therefor; and
- (b) to enjoin, abate, or remedy by appropriate legal proceedings the continuance of any breach.

Article 12. BOOKS AND RECORDS

The Board has adopted a Records Production and Copying Policy, which is filed of record under Instrument No. 2015018679 of the Official Public Records of Randall County, Texas.

Article 13. CONFLICTING OR INVALID PROVISIONS; NO WAIVER OF RIGHTS

13.1 Conflicts. Notwithstanding anything contained herein to the contrary, should all or part of these Bylaws be in conflict with the Texas Nonprofit Corporation Act, the Texas Property Code, or any other Texas law, such Act or law will control. Should any part of these Bylaws be invalid or inoperative for any reason, the remaining parts, so far as is possible and is reasonable, will be valid and operative. Any conflict between these Bylaws and the Master Declaration will be resolved in favor of the provisions in the Master Declaration.

13.2 No Waiver of Rights. The omission or failure of the Association or any Member to enforce the Association Documents will not constitute or be deemed a waiver, modification, or release thereof, and the Association will have the right to enforce the same thereafter.

13.3 Nonprofit. The Association is a nonprofit corporation, without capital stock, organized solely for the purposes specified in Section 3.1. No part of the net income of the Association will inure to the benefit of any Member or individual and no dividend will be paid and no part of the income of the Association will be distributed to its Directors or officers. No Member, member of the Board, officer, or person from whom the Association may receive any property or funds will receive or will be lawfully entitled to receive any pecuniary profit from the operation thereof, and in no event will any part of the funds or assets for the Association be paid as salary or compensation to, or distributed to, or inure to the benefit of any member of the Board, officer, or Member; but:

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

13.4 **No Loans.** No loans will be made by the Association to its officers and Directors, and any Director voting for or assenting to the making of any loan, and any officer participating in the making thereof, will be jointly and severally liable to the Association for the amount of the loan until repayment thereof.

Article 14. AMENDMENTS

These Bylaws may be altered, amended, or repealed at any meeting of the Members by a Majority Vote of the Members, but until the Conversion Date, no alteration, amendment, or repeal of these Bylaws will be effective without the written approval of Declarant. If it is intended that these Bylaws be altered, amended, or repealed at a special meeting of the Members, notice of such proposed action must be contained in the notice of special meeting.

Article 15. COMMITTEES

15.1 **Establishment of Committees.** The Board may adopt a resolution establishing one or more committees delegating specified authority to a committee, and appointing or removing members of a committee. A committee shall include one or more Directors and may include persons who are not Directors. A committee shall consist of at least three (3) and no more than five (5) members. If the Board delegates any of its authority to a committee, the majority of the committee shall consist of Directors. The Board may establish qualifications for membership on a committee. The Board may delegate to the president its power to appoint and remove members of a committee that has not been delegated any authority of the Board. The establishment of a committee or the delegation of authority to it shall not relieve the Board, or any individual Director, of any responsibility imposed by the Bylaws or otherwise imposed by law. No committee shall have the authority of the Board to:

- (a) amend the articles of incorporation;
- (b) adopt a plan of merger or a plan of consolidation with another corporation;
- (c) authorize the sale, lease, exchange, or mortgage of all or substantially all of the property and assets of the Association;
- (d) authorize the voluntary dissolution of the Association;
- (e) revoke 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;
- (j) make a decision or take any action with respect to the those items listed in Section 7.9 above; or
- (k) take any action outside the scope of authority delegated to it by the Board.

15.2 Authorization of Specific Committees. There shall be the following committees, if established by the Board: Architectural Review, Bylaws, Deed Restriction Enforcement, Nominating, Neighborhood Action, and Website Development Committees. The Board shall define the activities and scope of authority of each committee by resolution.

15.3 Term of Office. Each member of a committee shall continue to serve on the committee until the next annual meeting of the members of the Association and until a successor is appointed. However, the term of a committee member may terminate earlier if the committee is terminated or if the member dies, ceases to qualify, resigns, or is removed as a member. 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.

15.4 Chair and Vice-Chair. 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 chair and vice-chair shall be appointed by the president of the Association. 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.

15.5 Notice of Meetings. Written or printed notice of a committee meeting shall be delivered to each member of a committee not less one (1) or more than ten (10) days before the date of the meeting. The notice shall state the place, day; and time of the meeting, and the purpose or purposes for which the meeting is called.

15.6 Notice of Meetings to Members. If a committee is granted the authority to take action without the approval of the Board, the committee must comply with the same notice and open meeting provisions that govern the Board set forth in Article 7 with respect to any decisions to be made by the committee.

15.7 Quorum. One half of the number of members of a committee shall constitute a quorum for the transaction of business at any meeting of the committee. The committee members present at a duly called or held meeting at which a quorum is present may continue to transact business even if enough committee members 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 committee members required to constitute a quorum. If a quorum is present at no time during a meeting, the chair may adjourn and reconvene the meeting one time without further notice.

15.8 Actions of Committees. Committees shall try to take action by consensus. However, the vote of a majority of committee members present and voting at a meeting at which a quorum is

present shall be sufficient to constitute the act of the committee unless the act of a greater number is required by law or the bylaws. A committee member who is present at a meeting and abstains from a vote is considered to be present and voting for the purpose of determining the act of the committee.

15.9 **Proxies.** A committee member may vote by proxy executed in writing by the committee member. No proxy shall be valid after two months from the date of its execution.

15.10 **Rules.** Each committee may adopt rules for its own operation not inconsistent with the bylaws, the Colonies Master Declaration, Texas law or with rules adopted by the Board.


15.11 **Meetings by Telecommunications.** Committee members may participate in and vote at any meeting of the Committee through the use of a conference telephone, video conferencing system, emails to the chair or vice-chair or other communications equipment by means of which all persons participating in the meeting can communicate with each other. Participation in such meetings shall constitute attendance and presence in person at the meeting of the person or persons so participating.

15.12 **Voting Procedures.** Voting in elections for any matters brought before the Committee may be by electronic ballot, by mail or in person. If voting by electronic ballot or mail, voting may be initiated at any time and must be concluded by the date set forth in the motion. If voting is in-person, voting may be by voice unless the chair or vice-chair shall order or any committee member shall demand that voting be by ballot. Acceptance of votes shall be in accordance with the applicable provisions of this Article 15, and for electronic voting; the signatory requirement may be in the form of an email response from the committee member. Committee members shall not use Association-sponsored forum communication vehicles or medium (e.g., the Association's web site) to solicit support for or pre-announce voting preferences on any matter to be voted on at a meeting or to transmit any part of a ballot except as may be specified in the voting instructions provided with each ballot.

Dated the 6th day of October, 2015.

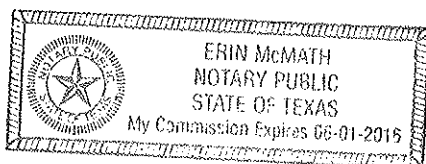
CERTIFICATE OF SECRETARY

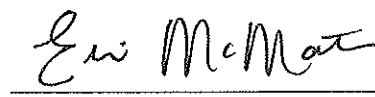
I certify that I am the duly elected and acting secretary of Colonies Master Association, Inc., and that these *Bylaws of Colonies Master Association, Inc.* (as amended October 6, 2015) were adopted at a meeting of the Members on October 6, 2015.


Lori L. Williams
Colonies Master Association, Inc. Secretary

THE STATE OF TEXAS §
 §
COUNTY OF Randall §

This instrument was acknowledged before me on this the 6 day of October 2015, by Lori L. Williams Secretary of COLONIES MASTER ASSOCIATION, INC., a Texas non-profit corporation, on behalf of said non-profit corporation.

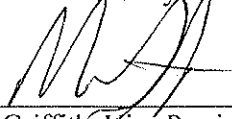



Erin McMATH
Notary Public

APPROVAL BY DECLARANT

Declarant, Rockrose Development, LLC, successor of Rockrose Development, Inc. by conversion, approves of the foregoing *Bylaws of Colonies Master Association, Inc.* (as amended October 6, 2015).

ROCKROSE DEVELOPMENT, LLC,
a Texas limited liability company

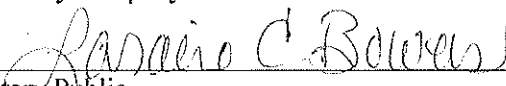
By: 
Matt Griffith, Vice President
and Authorized Representative

THE STATE OF TEXAS

COUNTY OF Randall

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This instrument was acknowledged before me on this the 23 day of October, 2015, by Matt Griffith, Vice President and Authorized Representative of Rockrose Development, LLC, a Texas limited liability company, on behalf of said limited liability company.


Notary Public

