

Mary Louise Nicholson
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COUNTY CLERK

BYLAWS

FW TRINITY GROVE OWNERS ASSOCIATION, INC.

ARTICLE 1 GENERAL

The FW Trinity Grove Owners Association, Inc., a Texas non-profit corporation (the "**Association**"), is the Association described in the Declaration of Covenants, Conditions, Easements and Restrictions (as from time to time amended the "**Declaration**") pertaining to the property described in the Declaration (as from time to time amended). The Declaration is recorded as Instrument No. D224211705 in the Official Real Property Records of Tarrant County, Texas and currently covers Lots 17-22 and Lot X1, Block 2, Lots 17-25 and Lot X1, Block 3, Lots 23 and 24 and Lot X2, Block 2, and Lots 26-40 and Lot X2, Block 3, Deavers Addition, an addition to the City of Fort Worth, Tarrant County, Texas, according to the Plats recorded as Document Nos. 224026209 and D222213743 in the Official Real Property Records of Tarrant County, Texas. For convenience, several of the provisions of the Declaration will be repeated or summarized within these Bylaws. The remaining terms and provisions of these Bylaws are intended to complement and supplement the Declaration. In the event of any conflict or ambiguity between the Declaration and these Bylaws and unless otherwise required by law, the terms and conditions of the Declaration shall control and govern.

ARTICLE 2 NAME, DEFINITIONS, MEMBERSHIP AND VOTING RIGHTS

Section 2.1 **Name.** The name of the Association shall be FW Trinity Grove Owners Association, Inc. The Association is a Texas non-profit corporation.

Section 2.2 **Definitions.** Certain words used in these Bylaws shall have the same meaning as set forth in the Declaration, some of which are set forth below either in their entirety or in an abridged format:

"**Board**" means the Board of Directors of the Association.

"**Bylaws**" mean these Bylaws of the Association, as adopted and amended from time to time in accordance with the provisions of the Code, the Certificate and the Declaration.

"**Certificate**" means the Certificate of Formation of the Association (together with any amendments and restatements) on file in the Office of the Texas Secretary of State.

"**Code**" means the Texas Business Organizations Code, as it may be amended from time to time.

"**Common Area**" means any and all areas of land within the Property which are known, described or designated as common areas on the Plat, in the Declaration, or otherwise, which are intended for or devoted to the common use and enjoyment of the Members of the Association, together with any and all improvements that are now or that may hereafter be constructed thereon, or which are the Association's responsibility to maintain according to the Plat.

"**Declarant**" means Village Homes, L.P., a Texas limited partnership, and its successor(s) and assign(s). No person or entity shall be considered a "Declarant" merely by purchasing one or more Lots from Village Homes, L.P. in the ordinary course of business.

“Declaration” means the Declaration of Covenants, Conditions, Easements and Restrictions for the Property, together with any and all amendments or supplements thereto.

“Design Guidelines” means the standards, restrictions, guidelines, recommendations, and specifications applicable to aspects of construction, placement, location, alteration, maintenance, and design of any improvements to or within the Development provided in the Declaration, or in the Association documents, as they may be amended or supplemented from time to time. “Design Guidelines” shall also mean any additional standards, restrictions, guidelines, recommendations, and specifications applicable to aspects of construction of Residences on the Property that are adopted by the Board or any Architectural Control Committee appointed by the Board.

“Development Period” means a period commencing on the date of the recording of the Declaration in the Real Property Records of Tarrant County, Texas, and continuing thereafter until and ending fifteen (15) days after the earlier to occur of (i) the date that Declarant no longer owns any Lot; or (ii) the date Declarant records in the Real Property Records of Tarrant County, Texas an instrument specifying the end of the Development Period; or (iii) the maximum period specified in Texas Property Code Section 209.00591.

“Fiscal Year” means each twelve (12) month period commencing on the first day of January and ending on the last day of the following December, unless the Board shall otherwise select an alternative twelve month period.

“Lot” means each and every lot within the Property which is not designated a portion of the Common Area.

“Member” means each Owner in the capacity as a member of the Association.

“Owner” means the holder(s) of record title to the fee simple interest of any Lot whether or not such holder(s) actually reside(s) on any part of the Lot. There shall be only one Owner for each Lot.

“Property” means all of the land covered by the Declaration, as may from time to time be amended by Declarant to add additional real property.

“Residence” means any building or portion of a building situated upon the Property which is designed and intended for use and occupancy as a residence by a single person, a couple, a family or a permitted family size group of persons.

“Restrictions” means all covenants, conditions, easements, restrictions, charges and liens set forth in the Declaration.

“Resident” means: (a) each Owner of the fee simple title to any Lot within the Property; (b) each person residing on any part of the Property who is a bona-fide lessee pursuant to a written lease agreement with an Owner; and (c) each individual lawfully domiciled in a Residence other than an Owner or bona-fide lessee.

Section 2.3 Membership. Each and every Owner of each and every Lot within the Property shall automatically be, and must at all times remain, a Member of the Association.

Section 2.4 Voting Rights. The Owner of each Lot (other than Declarant) shall be entitled to one (1) vote per Lot owned by such Owner. Declarant shall be entitled to ten (10) votes for each Lot owned by Declarant.

Section 2.5 Good Standing. Any Owner, Resident or Member shall not be in "good standing" if that person or entity is: (a) in violation of any portion of the Restrictions, the Design Standards, or any rule or regulation promulgated by the Board; (b) delinquent in the full, complete and timely payment of any Assessment or any other fee, charge or fine which is levied, payable or collectible pursuant to the provisions of the Declaration, these Bylaws or any rule or regulation promulgated by the Board. The Board may make rules and regulations, consistent with the terms of the Declaration and these Bylaws, as it deems advisable for: any meeting of Members; proof of membership in the Association; the status of good standing; evidence of right to vote; the appointment and duties of examiners and inspectors of votes; the procedures for actual voting in person or by proxy; registration of Members for voting purposes; and any other matters concerning the conduct of meetings and voting as the Board shall deem fit. The Board may not, however, abridge or deny the right of any Member, regardless of good standing, to vote in an election of Directors or on any matter concerning the rights or responsibilities of Members.

ARTICLE 3

MEMBERS: MEETINGS, QUORUM, VOTING, PROXIES

Section 3.1 Place of Meetings. Meetings of the Association shall be at the principal office of the Association or at any other suitable place convenient to the Members as may be designated by the Board of Directors, either within Tarrant County, Texas, or as convenient thereto as is possible and practical.

Section 3.2 Annual Meetings. The first meeting of the Members, whether a regular or special meeting, shall be held within one (1) year from the date of formation of the Association and not later than eighteen (18) months after the closing of the sale of the first Residence. The next annual meeting shall be set by the Board so as to occur within forty-five (45) days after the close of the Association's fiscal year. Subsequent regular annual meetings of the Members shall be held within forty-five (45) days of the same day of the same month of each year thereafter, at a specific date and hour set by the Board.

Section 3.3 Special Meeting. The President may call special meetings. In addition, it shall be the duty of the President to call a special meeting of the Association if so directed by resolution of a majority of a quorum of the Board of Directors or upon a petition signed by persons or entities having the right to vote at least twenty-five percent (25%) of the total votes of the Association. The notice of any special meeting shall state the date, time, and place of the meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice.

Section 3.4 Notice of Meetings. It shall be the duty of the Secretary to cause notices to be prepared concerning each annual or special meeting of the Association, stating the purpose of the special meeting, as well as the time and place where it is to be held. Quorum, notice and voting requirements of and pertaining to the Association shall be in accordance with permitted Texas law, including, specifically, Section 209.0056 of the Texas Property Code.

Section 3.5 Waiver of Notice. Waiver of notice of any meeting of the Members shall be deemed the equivalent of proper notice. Any Member may, in writing, waive notice of any meeting of the Members, either before or after the meeting. Attendance at a meeting by a Member, whether in person or by proxy, shall be deemed waiver by that Member of notice of the time, date, and place thereof, unless the Member specifically objects to lack of proper notice at the time the meeting is called to order. Attendance at a special meeting shall also be deemed waiver of notice of all business transacted at that meeting unless objection to the calling or convening of the meeting, of which proper notice was not given, is raised before the business is put to a vote.

Section 3.6 Adjournment of Meetings. If any meetings of the Association cannot be held because a quorum is not present, a majority of the Members who are present at the meeting, either in person or by proxy, may adjourn the meeting to a time not less than five (5) nor more than thirty (30) days from the time the original meeting was called. At the adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted. If a time and place for the adjourned meeting is not fixed by those in attendance at the original meeting, or if for any reason a new date is fixed for the adjourned meeting after adjournment, notice of the time and place of the adjourned meeting shall be given to Members in the manner prescribed for regular meetings. The Members present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal of enough Members to leave less than a quorum, provided that any action taken shall be approved by at least a majority of the Members required to constitute a quorum.

Section 3.7 Voting. The voting rights of the Members shall be as set forth in the Declaration and as provided above.

Section 3.8 Proxies. At all meetings of Members, each Member may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary before the appointed time of each meeting. Every proxy shall be revocable and shall automatically cease upon loss of good standing by that Member or upon receipt of notice by the Secretary of the Board of the death or judicially declared incompetence of a Member or upon the expiration of eleven (11) months from the date of the proxy. A form of proxy or written ballot may provide an opportunity to specify approval or disapproval with respect to any proposal.

Section 3.9 Majority. As used in these Bylaws, the term majority shall mean those votes totaling more than fifty (50%) percent of the total number of votes cast by voting Members in good standing (including the Declarant) attending any meeting (or represented by proxy) of the Association.

Section 3.10 Quorum. Except as otherwise provided in these Bylaws or in the Declaration, the presence in person or by proxy of a Member or Members entitled to cast at least twenty percent (20%) of the total votes of all Members shall constitute a quorum at all meetings of the Association.

Section 3.11 Conduct of Meetings. The President (or, in the absence of the President, a Vice President) shall preside over all meetings of the Association, and the Secretary or an Assistant Secretary shall keep the minutes of the meeting and record in a minute book all resolutions adopted at the meeting, as well as a record of all transactions occurring at the meeting.

Section 3.12 Action Without a Meeting. Any action which may be taken by the vote of the voting Members at a regular or special meeting may be taken without a meeting as and to the extent permitted by applicable Texas law.

ARTICLE 4

BOARD OF DIRECTORS: NUMBER, ELECTION, POWERS, MEETINGS

Section 4.1 Governing Body; Composition. The affairs of the Association shall be governed by a Board of Directors. Except as provided in Section 4.2, the Directors shall be Members or spouses of Members.

Section 4.2 Directors During Development Period. During the Development Period, Directors need not be Members. During the Development Period, the Declarant shall have the sole right to select, remove and replace the Directors of the Association, subject however, to the requirements specified in Texas Property Code Section 209.00591.

Section 4.3 Number of Directors. The affairs of the Association shall be managed initially by a board of three (3) individuals selected by Declarant. After the end of the Development Period, the number of directors of the Association may be changed by the vote of the Members, as may be required under Texas Property Code Section 209.00591.

Section 4.4 Nomination of Directors. Prior to each annual meeting of Members after the end of the Development Period, the Board shall prescribe: (a) the opening date and the closing date of a reasonable filing period in which each and every Member who has a bona-fide interest in serving as a Director may file as a candidate for that position; (b) that each and every Member who has properly filed shall be included within the ballot; (c) that where three (3) or more candidates are vying for one position election may occur by a plurality (rather than a simple majority) of the votes cast; (d) any other rules and regulations which may then be appropriate to conduct the nomination and election of directors in a fair, efficient and cost-effective manner. Each candidate shall be given a reasonable, uniform opportunity to communicate their qualifications to the Members and to solicit votes.

Section 4.5 Election and Term of Office. After the end of the Development Period, the election process for directors shall occur by secret ballot not less than twenty (20) days before the annual meeting of the Members, in accordance with any reasonable procedure approved (from time to time) by the Board, so that the tabulated results can be announced at the annual meeting. Except as provided below, Directors shall be elected for two (2) year terms of office and shall serve until their respective successors are elected and qualified. At the first election after the end of the Development Period, one directorship shall have an initial term of one (1) year to provide for staggered terms of office.

Section 4.6 Removal of Directors. This Section applies with respect to those Directors elected by Members after the end of the Development Period. At any regular or special meeting or special voting process (in lieu of a meeting) by secret written ballot of the Association duly called, where the bona-fide signatures of at least 20% of the Members appear on an appropriate petition, any one or more of the Directors may be removed, with or without cause, by a majority vote of those Members voting in person or by proxy, and a successor may then and there be elected to fill the vacancy thus created. A Director whose removal has been proposed by the Members shall be given at least five (5) days notice of the calling of the meeting or the special voting process (in lieu of a meeting) and the purpose thereof and shall be given an opportunity to be heard at the meeting or to communicate his or her position in connection with the special voting process in lieu of a meeting. Additionally, any Director who has three (3) consecutive unexcused absences from Board meetings or who is delinquent in the payment of an assessment for more than sixty (60) days may be removed by a majority vote of the remaining Directors at a regular or special Board meeting. In the event of death or resignation of a Director, his or her successor shall be a Member selected by a majority of the remaining directors on the Board and shall serve for the unexpired term of the predecessor.

Section 4.7 Removal of Directors by Declarant. This Section applies with respect to those Directors elected or appointed by Declarant. The Declarant may, at any time and from time to time, remove any Director previously selected or appointed by Declarant. In the event of the death, removal or resignation of a Director selected or appointed by Declarant, his or her successor shall be selected by Declarant and shall serve for the unexpired term of the predecessor.

Section 4.8 Organization Meetings. The first meeting of the members of the Board of Directors following each annual meeting of the Membership shall be held within ninety (90) days thereafter at the time and place as shall be fixed by the Board.

Section 4.9 Regular Meetings. Regular meetings of the Board of Directors may be held at the time and place as shall be determined from time to time by a majority of the Directors, but at least one (1) regular

meeting shall be held during each Fiscal Year. Notice of the time and place of the meeting shall be communicated to Directors not less than four (4) days prior to the meeting; provided, however, notice of a meeting need not be given to any Director who has signed a waiver of notice or a written consent to holding of the meeting. Advance notice of the meeting(s) at which the annual budget and/or the Annual Assessment are likely to be discussed shall be reasonably publicized.

Section 4.10 Special Meetings. Special meetings of the Board of Directors shall be held when called by written notice signed by the President, Vice President, or Secretary of the Association, or by any two (2) Directors. The notice shall specify the time and place of the meeting and the nature of any special business to be considered. The notice shall be given to each Director by one of the following methods: (a) by personal delivery; (b) written notice by first class mail, postage prepaid; (c) by telephone communication, either directly to the Director or to a person at the Director's office or home who would reasonably be expected to communicate that notice promptly to the Director; or (d) by telecopy. All notices shall be given or sent to the Director's business office and/or home address or telephone number(s) as shown on the records of the Association. Notices sent by first class mail shall be deposited into a United States mailbox at least seven (7) days before the time set for the meeting. Notices given by personal delivery, telephone, or telecopy shall be delivered, telephoned, or faxed at least seventy-two (72) hours before the time set for the meeting. Notices should be posted at a prominent place within the Property not less than seventy-two (72) hours prior to the scheduled time for the meeting.

Section 4.11 Waiver of Notice. The transactions of any meeting of the Board of Directors, however called and noticed or wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice if (a) a quorum is present, and (b) either before or after the meeting each of the Directors not present signs a written waiver of notice, a consent to holding the meeting, or an approval of the minutes. The waiver of notice or consent needs to specify the purpose of the meeting. Notice of a meeting shall also be deemed given to any Director who attends the meeting without protesting before or at its commencement about the lack of adequate notice.

Section 4.12 Quorum of Board of Directors. At all meetings of the Board of Directors, a majority of the Directors shall constitute a quorum for the transaction of business, and the votes of a majority of the Directors present at a meeting at which a quorum is present shall constitute the decision of the Board of Directors. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of Directors, if any action taken is approved by at least a majority of the required quorum for that meeting. At an adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.

Section 4.13 Compensation. Unless otherwise approved in advance by a majority vote of those Members present (or represented by proxy) at a regular or special meeting of the Association, no Director shall receive any compensation from the Association for acting as a Director.

Section 4.14 Conduct of Meetings. The President (or, in the President's absence, a Vice President) shall preside over all meetings of the Board of Directors, and the Secretary or an Assistant Secretary shall keep a minute book of the Board of Directors, recording in the minute book all resolutions adopted by the Board of Directors and a record of all transactions and proceedings occurring at those meetings.

Section 4.15 Open Meetings. All meetings of the Board (excluding workshop meetings and meetings to discuss personnel, litigation and other similar confidential matters) shall to the extent possible be open to all Members, but Members other than Directors may not participate in any discussion or deliberation except as follows in accordance with a format approved by the Directors from time to time: (a) the Directors shall publish a meeting agenda and permit Members a reasonable opportunity to express their opinions concerning those agenda matters prior to taking any formal action; and (b) the Directors shall allow an

“open” or “new business” portion of the meeting in which any Member can express his/her opinion concerning any new or previously non-discussed matter. The Directors shall at all times have the right to reasonably limit the number of speakers, the time limit for each presentation and speaker, and to adopt other rules of efficiency and decorum.

Section 4.16 Executive Session and Workshops. The Board may, with approval of a majority of a quorum, adjourn a meeting and reconvene in executive session to discuss and vote upon personnel matters, litigation in which the Association is or may become involved and other business of a similar confidential nature. The nature of any and all business to be considered in executive session shall first be announced in open session. The Board may also attend “workshop” meetings or sessions to discuss long-range concepts, receive educational assistance and training and the like, provided no official action of any sort is taken.

Section 4.17 Action Without a Formal Meeting. Subject to the limitations contained in Texas Property Code Section 209.0051, any action to be taken at a meeting of the Directors or any action that may be taken at a meeting of the Directors may be taken without a meeting if consent in writing, setting forth the action so taken, shall be signed by all the Directors. An explanation of the action taken shall be summarized orally at the next open session.

Section 4.18 Powers. The Board of Directors shall be responsible for the affairs of the Association and shall have all the powers and duties necessary for the administration of the Association's affairs and, as provided by law, may do all acts and things as are not by the Declaration, Certificate, or these Bylaws directed to be done and exercised exclusively by the Members. The Board of Directors may delegate to one or more of its members the authority to act on behalf of the Board of Directors on all matters relating to the duties of, and/or matters directly or indirectly pertaining to the Managing Agent (defined below), if any, which might arise between meetings of the Board of Directors. In addition to the duties imposed by these Bylaws or by any resolution of the Association that may be hereafter adopted, the Board of Directors shall have the power to and be responsible for the following, in way of explanation, but not limitation: (a) preparation and adoption of an annual budget in which there shall be established the Annual Assessment rate charge; (b) making assessments to defray the common expenses, establishing the means and methods of collecting those assessments, and establishing the period of any installment payments of the Annual Assessment; (c) providing for the operation, care, upkeep, and maintenance of all the Common Areas; (d) designating, hiring, and dismissing the personnel necessary for the maintenance, operation, repair, and replacement of the Association, its property, and the Common Areas and, where appropriate, providing for the compensation of that personnel and for the purchase of equipment, supplies, and material to be used by that personnel in the performance of their duties; (e) collecting the assessments, depositing the proceeds thereof in a depository which it shall approve, and using the proceeds to administer the Association; (f) making and amending rules and regulations; (g) opening bank accounts and/or banking-type accounts on behalf of the Association and designating the signatories required; (h) making or contracting for the making of repairs, additions, and improvements to or alterations of the Common Areas in accordance with the other provisions of the Declaration and these Bylaws after damage or destruction by fire or other casualty; (i) enforcing by legal means the provisions of the Declaration, these Bylaws, and the rules and regulations adopted by it and bringing any proceedings which may be instituted on behalf of or against the Members concerning the Association; (j) obtaining and carrying insurance against casualties and liabilities, as provided in the Declaration, and paying the premium cost thereof; (k) paying the cost of all services rendered to the Association or its Members; and (l) keeping books with reasonably detailed accounts of the receipts and expenditures affecting the Association and its administration, specifying the maintenance and repair expenses and any other expenses incurred [the books and vouchers accrediting the entries thereupon shall be available for examination by the Members and bona-fide mortgagees, their respective duly authorized agents, accountants, or attorneys, during general business hours on working days at the time and in a manner that shall be set and announced by the Board of Directors for the general knowledge of the Members]; (m) filing all requisite forms, documents and information with taxing authorities; and (n)

permitting utility suppliers to use portions of the Common Area reasonably necessary to the ongoing development or operation of the Property and individual Lots.

Section 4.19 Management Agent. The Board of Directors may employ for the Association a professional management agent(s) or executive manager (each and all of whom will be sometimes referred to in these Bylaws as the "Managing Agent") at a compensation established by the Board of Directors to perform the duties and services as the Board of Directors shall authorize. The Managing Agent shall provide the Board and the officers with reasonable reports, prepared not less than once a month, concerning the affairs of the Association. The Managing Agent shall provide the Board with quarterly reports regarding the financial data discussed in Section 4.20(f) below. The Board may delegate to the Managing Agent some of the powers granted to the Board for the routine operation of the Association. While the Managing Agent may formulate data and make recommendations to the Board, the final powers envisioned by subparagraphs (a), (b), (f), (g) and (i) in Section 4.18 shall be exclusively exercised by the Board. The Declarant, or an affiliate of the Declarant, may be employed as Managing Agent. No management contract may have a term in excess of three (3) years and, where the Declarant or an affiliate of the Declarant is the Managing Agent, must permit termination by either party without cause and without any materially adverse termination fee upon at least ninety (90) days advance written notice of termination.

Section 4.20 Accounts and Reports. The following management standards of performance will be followed unless the Board by resolution specifically determines otherwise: (a) cash or accrual accounting (as determined by the Board from time to time) shall be employed; (b) accounting and controls should generally conform with established American Institute of Certified Public Accountants (AICPA) guidelines and principles (a segregation of accounting duties should be maintained, and disbursements by check shall require at least one (1) signature); (c) cash accounts of the Association shall not be commingled with any other accounts; (d) excluding the regular business activities of the Declarant, no remuneration shall be accepted by the Managing Agent from vendors, independent contractors, or others providing goods or services to the Association, whether in the form of commissions, finder's fees, service fees, prizes, gifts, or otherwise; any thing of value received shall benefit the Association; (e) any financial or other interest which the Managing Agent (excluding the Declarant and its affiliates) may have in any firm providing goods or services to the Association shall be disclosed promptly to the Board of Directors; and (f) commencing at the end of the Fiscal Year in which the first Residence is sold and closed, annual financial reports shall be prepared for the Association containing: (i) an Income Statement reflecting all income and expense activity for the preceding twelve (12) months on a cash or accrual basis, as the Board may prescribe; (ii) an Expense and Disbursement Statement reflecting all receipt and disbursement activity for the preceding twelve (12) months on a cash or accrual basis, as the Board may prescribe; (iii) an Account Status Report reflecting the status of all accounts in an actual versus approved budget format with a Budget Report reflecting any actual or pending obligations which are in excess of budgeted amounts by an amount exceeding the operating reserves or ten (10%) percent of a major budget category (as distinct from a specific line item in an expanded chart of accounts); (iv) a Balance Sheet as of the last day of the Association's Fiscal Year and an Operating Statement for that Fiscal Year which shall be made available for distribution within ninety (90) days after the close of a Fiscal Year; and (v) a Delinquency Report listing all Members who have been delinquent during the preceding twelve (12) month period in paying the assessments and who remain delinquent at the time of the report and describing the status of any action to collect such amounts which remain delinquent. The Managing Agent shall prepare quarterly reports, generally containing the data and information described above, for submission to the Board.

Section 4.21 Borrowing. The Board of Directors shall have the power to borrow money, without the specific approval of the Members of the Association, for the purpose(s) of: (a) operations, capital improvements, repair, replacement or restoration of Common Areas where the proposed borrowing has been previously reflected in an annual budget of the Association; and (b) modifying, improving or adding

amenities, where the total amount of the borrowing would not exceed twenty-five percent (25%) of the budgeted gross expenses of the Association for that Fiscal Year.

Section 4.22 Rights of the Association. With respect to the Common Areas, and in accordance with the Declaration and to the maximum extent permitted by applicable law, the Association shall have the right to contract with any person for the performance of various duties and functions.

Section 4.23 Hearing Procedure. The Board shall, from time to time, and at times, have the right to prescribe the procedures for the conduct of a hearing and other similar "due process" matters. Until and unless further amended, modified, revised, clarified or repealed and replaced by the Board, the following provisions shall be applicable. The Board shall not impose a fine, suspend membership rights, initiate a legal proceeding (unless extraordinary circumstances exist) or infringe upon any other rights of a Member or Resident for violations of rules unless and until the following procedure is followed.

(a) Demand. Written demand to cease and desist from an alleged violation be given to the alleged violator specifying: (i) the alleged violation; (ii) the action required to abate the violation and or the amount of any fine or penalty; and (iii) a time period, not less than five (5) days, during which the violation must be abated or cured without incurring further sanctions, if the violation is a continuing one, or a statement that any further violation of the same rule may result in the imposition of a sanction if the violation is not a continuing one. Such demand must be given by verified mail to the Member at the Member's last known address shown on the Association's records and must inform the Member that the Member may request a hearing under and in accordance with Section 209.007 of the Texas Property Code and that the Member may have special rights or relief under Federal law, including the Service Members Civil Relief Act if the Member is serving on active military duty.

(b) Notice. At any time within twelve (12) months of that demand, if the violation continues past the period allowed in the demand for abatement without penalty or if the same rule is subsequently violated, the Board or its delegate shall furnish the violator with written notice via certified mail of a hearing to be held by the Board (in executive session) or its delegate. The notice shall contain: (i) the nature of the alleged violation; (ii) the time and place of the hearing, which time shall not be less than thirty (30) days from the giving of the notice; (iii) an invitation to attend the hearing and produce any statement, evidence, or witness on behalf of the alleged violator; and (iv) the proposed sanction to be imposed.

(c) Hearing. The hearing shall be held in executive session pursuant to notice and afford the Member or Resident a reasonable opportunity to be heard. Prior to the effectiveness of any sanction, proof of notice and the invitation to be heard shall be placed in the minutes of the meeting. That proof shall be deemed adequate if a copy of the notice, together with a statement of the date and manner of delivery, is entered by the officer, Director, or agent who delivered that notice. The notice requirement shall be deemed satisfied if the alleged violator appears at the meeting. The minutes of the meeting shall contain a written statement of the results of the hearing and the sanction, if any, imposed.

ARTICLE 5 OFFICERS

Section 5.1 Officers. The officers of the Association shall include a President and a Secretary and may include one or more Vice Presidents, a Treasurer and such other officers, including one or more Assistant Secretaries and one or more Assistant Treasurers, as the Board shall deem desirable, those officers to have the authority and to perform the duties prescribed from time to time by the Board of Directors.

Any two or more offices may be held by the same person, excepting the offices of President and Secretary. Any member of the Board, or partner, officer, employee or agent of the Managing Agent or of the Declarant may serve as an officer of the Association.

Section 5.2 Election, Term of Office, and Vacancies. The officers of the Association shall be elected annually by the Board of Directors at the first meeting of the Board of Directors following each annual meeting of the Members. A vacancy in any office arising because of death, resignation, removal, or otherwise may be filled by the Board of Directors for the unexpired portion of the term.

Section 5.3 Removal. Any officer may be removed by the affirmative vote on a majority of the Board of Directors whenever in their sole judgment the best interest of the Association will be served thereby.

Section 5.4 Powers and Duties. The officers of the Association shall each have the powers and duties as generally pertain to their respective offices, as well as the powers and duties as may from time to time be specifically conferred or imposed by the Board of Directors. The President shall be the chief executive officer of the Association. The Treasurer shall have primary responsibility for the preparation of the annual budget as provided for in these Bylaws and may delegate all or part of the preparation and notification duties to a finance committee, the Managing Agent, or both.

Section 5.5 Resignation. Any officer may resign at any time by giving written notice to the Board of Directors, the President, or the Secretary. That resignation shall take effect on the date of the receipt of the notice or at any later time specified in the notice, and unless otherwise specified in the notice, the acceptance of the resignation shall not be necessary to make it effective.

Section 5.6 Agreements, Contracts, Deeds, Leases, Checks. All agreements, contracts, deeds, leases, checks, and other instruments of the Association shall be executed by at least one (1) officer or by any other person or persons as may be designated by resolution of the Board of Directors.

ARTICLE 6 COMMITTEES

Section 6.1 General. Committees to perform any tasks and to serve for any periods as may be designated by a resolution adopted by a majority of the Directors present at a meeting at which a quorum is present are hereby authorized. Those committees shall perform the duties and have the powers as may be provided in the resolution. Each committee shall operate in accordance with the terms of the resolution of the Board of Directors designating the committee or with rules adopted by the Board of Directors. The Board shall appoint the chairperson for each committee who shall preside at its meetings and who shall be responsible for transmitting any and all communications to the Board of Directors.

ARTICLE 7 MISCELLANEOUS

Section 7.1 Parliamentary Rules. Except as may be modified by Board resolution establishing modified procedures, Robert's Rules of Order (current edition) shall govern the conduct of the Association proceedings when not in conflict with Texas law, the Certificate of Formation, the Declaration, or these Bylaws.

Section 7.2 Conflicts. If there are conflicts or inconsistencies between the provisions of Texas law, the Certificate of Formation, the Declaration, the these Bylaws, then the provisions of Texas law, the Declaration, the Certificate of Formation, and the Bylaws (in that order) shall prevail.

Section 7.3 Books and Records.

(a) Inspection by Members. The membership register, books of account, and minutes of meetings of the Members, the Board, and committees shall be made available for inspection and copying by any Member of the Association or by his or her duly appointed representative at any reasonable time and for a proper purpose reasonably related to his or her interest as a Member at the office of the Association or at any other place as the Board shall prescribe.

(b) Rules for Inspection. The Board may establish reasonable rules with respect to: (i) notice to be given to the custodian of the records by the Member desiring to make the inspection; (ii) hours and days of the week when an inspection may be made; (iii) payment (or prepayment) of the cost of reproducing copies of documents requested by a Member; and (iv) maintenance of confidentiality with respect to records.

(c) Inspection by Directors. Every Director shall have the absolute right at any reasonable time to inspect all books, records, and documents of the Association and the physical properties owned or controlled by the Association. The right of inspection by a Director includes the right to make reasonable extracts and copies of documents at the expense of the Association.

Section 7.5 Amendments. The power and authority to alter, amend or repeal the Bylaws, or to adopt new Bylaws, has been delegated by the Members to the Board of Directors.

The undersigned Directors of FW Stonegate Owners Association, Inc., adopt these Bylaws as the Bylaws of the Association to be effective as of May 1, 2024.

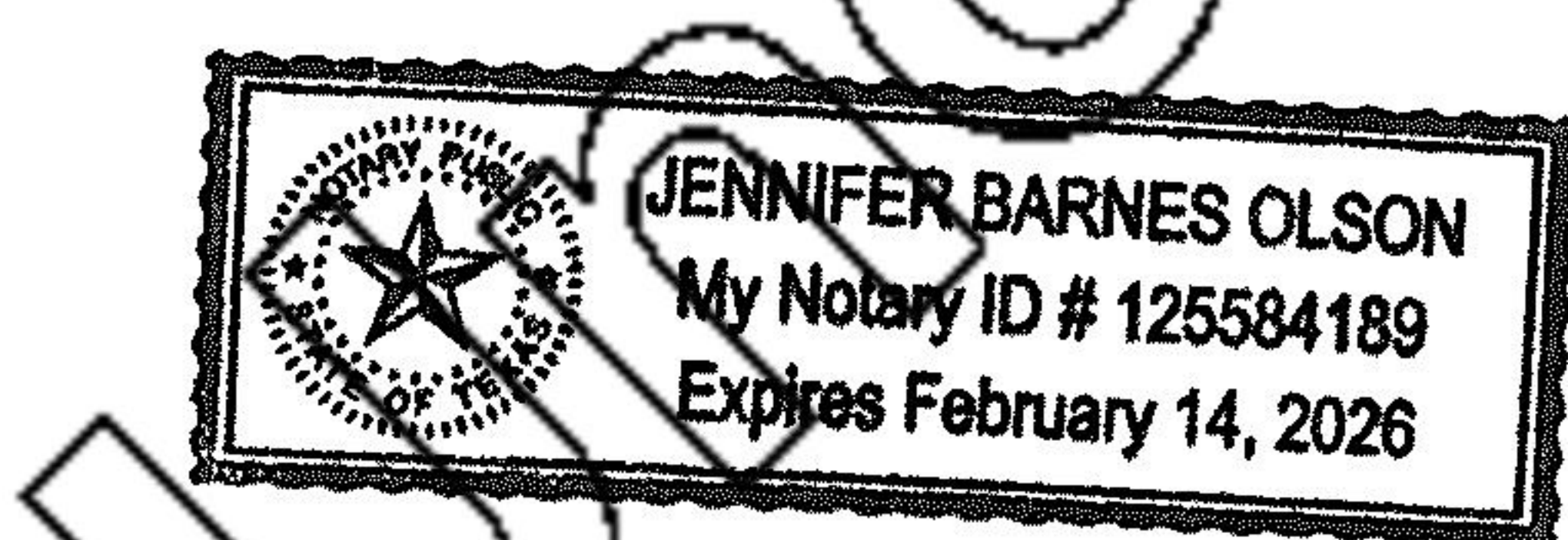
DIRECTORS:




MICHAEL DIKE

THE STATE OF TEXAS
COUNTY OF TARRANT

This instrument was acknowledged before me on Novemberf 22, 2024, by Michael Dike, as a Director of and on behalf of FW Stonegate Owners Association, Inc.





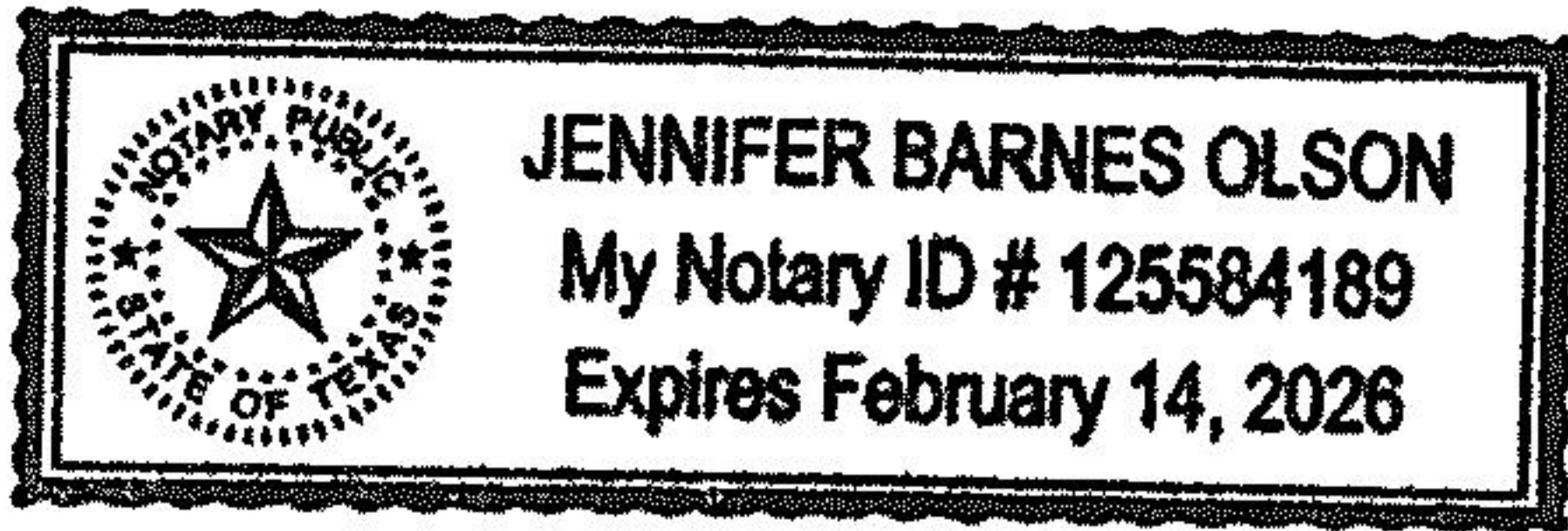
Notary Public, State of Texas

Stephanie Dike
STEPHANIE DIKE

THE STATE OF TEXAS §


COUNTY OF TARRANT §

This instrument was acknowledged before me on November 22, 2024, by Stephanie Dike, as a Director of and on behalf of FW Stonegate Owners Association, Inc.



Jennifer Olson
Notary Public, State of Texas

Unofficial Copy

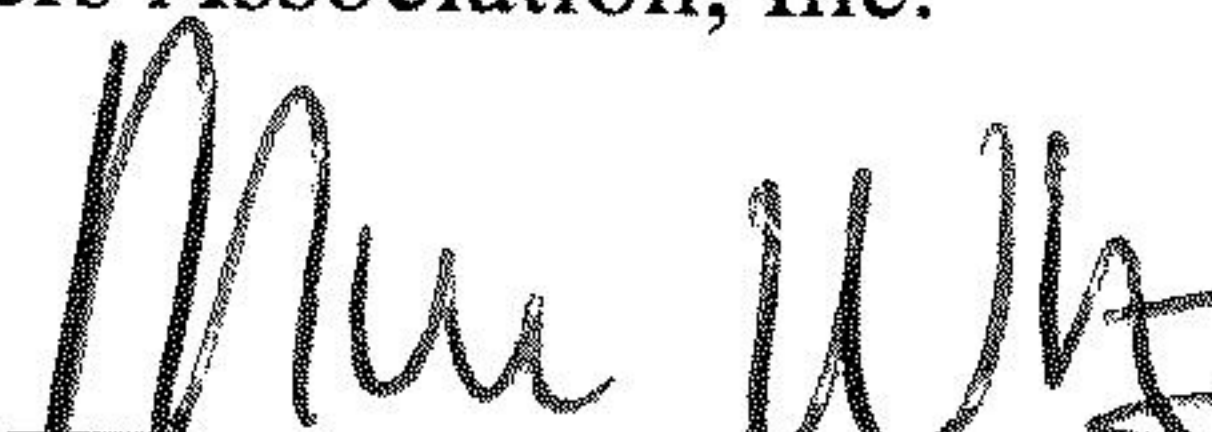


JAMES R. HARRIS

THE STATE OF Texas §
COUNTY OF Tarrant §

This instrument was acknowledged before me on November 22nd, 2024, by James R. Harris, as a Director of and on behalf of FW Stonegate Owners Association, Inc.





Notary Public, State of TEXAS

After Recording, Please Return to:
FW Trinity Grove Owners Association, Inc.
2817W. 5th Street, Suite B
Fort Worth, TX 76107

UNOFFICIAL COPY

**POLICIES AND GUIDELINES OF
FW TRINITY GROVE OWNERS ASSOCIATION, INC.**

These Policies and Guidelines contain provisions for the regulation and management of the affairs of FW Trinity Grove Owners Association, Inc., a Texas non-profit corporation (the “*Association*”). The Association was formed in connection with the development of a subdivision located in Fort Worth, Tarrant County, Texas (the “*Development*”), and is the “*Association*” as defined in the Declaration of Covenants, Conditions, and Restrictions pertaining to the Development (as may be amended from time to time, the “*Declaration*”).


These Policies and Guidelines are intended to complement the Association’s Bylaws and the Declaration. Unless otherwise defined in these Policies and Guidelines, all initially-capitalized terms will have the same meaning as defined in the Declaration.

The Policies and Guidelines include the following:


1. Dedicatory Instrument Policy
2. Record Retention Policy
3. Record Inspection Policy
4. Member Voting Policy
5. Payment Policy
6. Enforcement Action Hearing Policy
7. Conflict of Interest Screening Policy

The initial directors of FW Trinity Grove Owners Association, Inc., adopt these Policies and Guidelines as the Policies and Guidelines of the Association to be effective as of May 1, 2024.

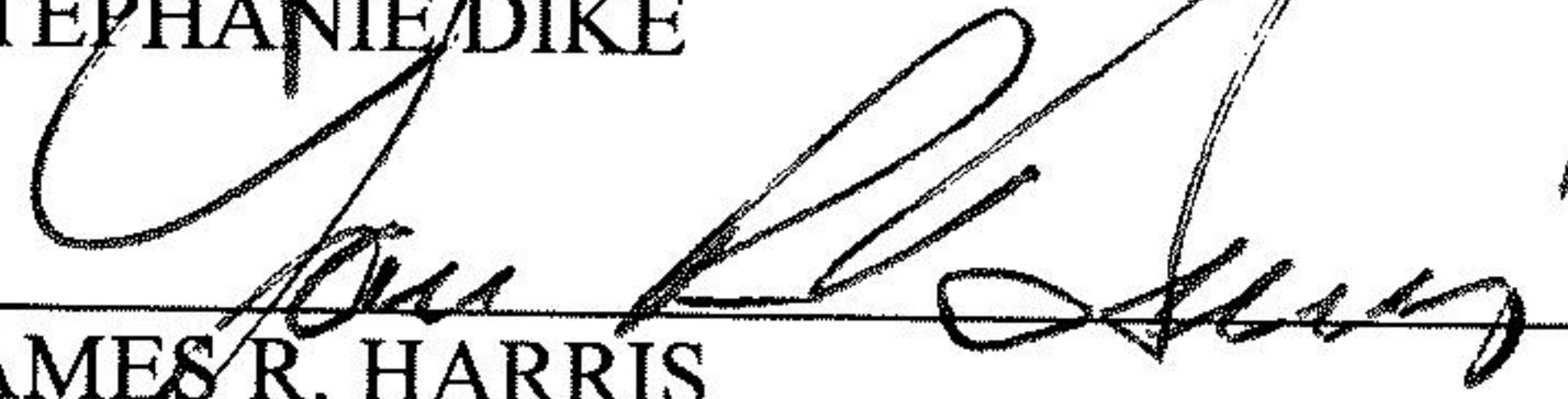
INITIAL DIRECTORS:



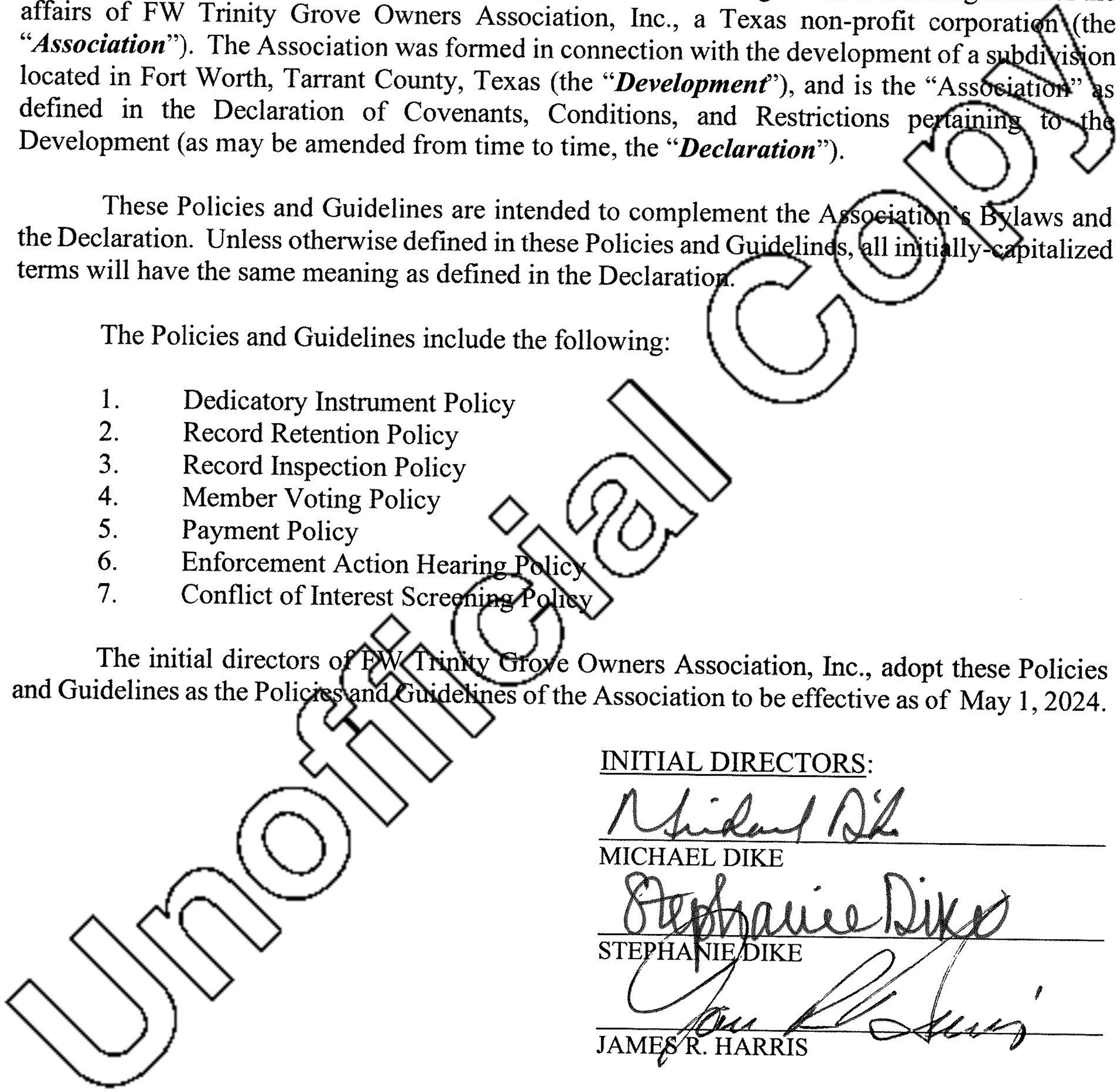
 MICHAEL DIKE



 STEPHANIE DIKE



 JAMES R. HARRIS



DEDICATORY INSTRUMENT POLICY

1. Filing in County Records. The Association will file in the Real Property Records of the County a management certificate that is signed and acknowledged by an officer of the Association, and which states: (a) the name of the Development; (b) the name of the Association; (c) recording data of the Development; (d) recording data of this Declaration; and (e) the name and mailing address of the Association. The Association will also attach as an exhibit to the management certificate all dedicatory instruments relating to the Property, including by not limited to the Articles of Incorporation, the Declaration, the Bylaws, and these Policies and Guidelines (the "*Dedicatory Instruments*").
2. Publication on Website. In accordance with Texas Property Code Section 207.006, the Association will make the above referenced information available on its website.
3. Delivery to Certain Parties. An Owner or an Owner's agent, a purchaser of a Lot or the purchaser's agent, or a title insurance company or its agent acting on behalf of an Owner or purchaser may submit a request for current copies of: (a) the Declaration; (b) the Bylaws; (c) these Policies and Guidelines; and (d) a resale certificate which conforms to the requirements set forth in Texas Property Code Section 207.003. All requests must be in writing and sent by certified mail, return receipt requested, to the Association's principal office. The Association will deliver the requested information by regular U.S. first-class mail within ten (10) business days after receipt of the written request. The Association hereby retains the right to require a purchaser of a Lot or the purchaser's agent to provide reasonable evidence that the purchaser has a contractual or other right to acquire the Lot before delivering the requested information. A party submitting a request for copies under this Section is subject to the provisions of the Record Inspection Policy below.

RECORD RETENTION POLICY

1. Specific Records to Retain. The following records, whether in paper or electronic form, will be retained at the Association's principal office for the durations listed below:

(a) the Articles of Incorporation, the Declaration, the Bylaws, these Policies and Guidelines, and all amendments to the same will be retained permanently;

(b) financial books and records, tax returns, and audit records will be retained for seven (7) years;

(c) decisions of the Architectural Control Committee regarding plans and specifications, variances, waivers, and related matters associated with individual Lots will be retained for a period of seven (7) years.

(d) minutes of annual and special meetings of the Members, and minutes of regular and special meetings of the Board of Directors will be retained for seven (7) years;

(e) account records of current Owners will be retained for five (5) years; and

(f) contracts with a term of one (1) year or more entered into by, or on behalf of, the Association will be retained for a period of four (4) years after the expiration of the contract term.

2. Other Records. Records not specifically mentioned above will be retained for the period of time as those to which the unmentioned records most closely relate.

3. Destruction. Upon expiration of the applicable retention period, records may be destroyed, discarded, deleted, purged, or otherwise eliminated as the Association deems appropriate. The Association's custodian of records will be responsible for the ongoing maintenance and destruction of all records identified by this Policy.

RECORD INSPECTION POLICY

1. Available Records. The Association will make its books and records, including financial records, open and reasonably available for examination by a Member, or a person designated in a writing signed by a Member as that Member's agent, attorney, or certified public accountant. Except as otherwise required by law, the Association is not required to make available any books or records that identify an Owner's: (a) violation history of the Restrictions; (b) personal financial information, including records of payment or non-payment of amounts due the Association; or (c) personal contact information other than the Owner's mailing address. Files and records in possession of the Association's legal counsel are also not subject to inspection under this Policy.

2. Procedure.

(a) A Member, or a Member's authorized representative described above, must submit a written request for access to the Association's books and records. The written request must be sent by certified mail, return receipt requested, to the Association's principal office and must: (a) describe with sufficient detail which books and records are requested; and (b) contain an election to either [i] inspect the books and records before obtaining copies, or [ii] to have the Association forward copies of the requested books and records.

(b) If an inspection is requested, the Association will provide within ten (10) business days after receipt of the written request:

[i] written notice of the dates on which the Member may inspect the requested books and records to the extent those books and records are in the possession, custody, or control of the Association. Inspections must take place at a mutually agreed time during normal business hours at the Association's principal office;

[ii] written notice that the request for inspection does not contain sufficient information to specify the books and records desired; or

[iii] written notice that the requested books and records cannot be produced within ten (10) business days but will be available within fifteen (15) additional business days from the date the Member receives the notice.

(c) If copies of identified books and records are requested, the Association will produce within ten (10) business days after receipt of the written request:

[i] the requested books and records to the extent those books and records are in the possession, custody, or control of the Association;

[ii] written notice that the request for copying does not contain sufficient information to specify the books and records desired; or

[iii] written notice that the requested books and records cannot be produced within ten (10) business days but will be produced within fifteen (15) additional business days from the date the Member receives the notice.

3. Production and Copying Costs. A Member requesting access to the Association's books and records is responsible for all associated costs, including but not limited to copies, postage, supplies, labor, overhead, and third-party fees (such as archive document retrieval fees from off-site storage locations) as listed below:

- (a) black and white 8.5" X 11" single sided copies – \$0.10 each
- (b) black and white 8.5" X 11" double sided copies – \$0.20 each
- (c) color 8.5" X 11" single sided copies – \$0.50 each
- (d) color 8.5" X 11" double sided copies – \$1.00 each
- (e) PDF images of documents – \$0.10 per page
- (f) compact disk – \$1.00 each
- (g) labor and overhead – \$18.00 per hour
- (h) mailing supplies – at cost
- (i) other supplies – at cost
- (j) third-party fees – at cost

Payment for all costs associated with a books and records request must be submitted with the Member's written request for access. A Member who makes a request but subsequently declines to accept delivery remains liable for costs under this Policy. If the estimated costs are lesser or greater than the actual costs, the Association will submit a final invoice to the Member on or before the thirtieth (30th) day after the books and records are delivered. The Member will pay any additional amount due the Association within thirty (30) days after the date the books and records are made available or produced, as applicable, and any unpaid balance will accrue interest as an Assessment in accordance with the provisions of the Declaration.

MEMBER VOTING POLICY

1. Notice of Election or Vote. The Secretary, not later than the tenth (10th) nor earlier than the sixtieth (60th) day before the election or vote is to take place, will cause notices to be prepared and sent to [i] each Owner in the Association, for purposes of an Association-wide election or vote or [ii] each Owner in the Association entitled to vote under the Dedicatory Instruments to vote in a particular representative election, for purposes of a vote that involves election of representatives of the Association who are vested under the Dedicatory Instruments with the authority to elect or appoint board members of the Association. For an election or vote of Owners not taken at a meeting, the Association shall give notice of the election or vote to all Owners entitled to vote on any matter under consideration not later than the twentieth (20th) day before the latest date on which a ballot may be submitted or counted. Notice may be sent by regular U.S. first-class mail, facsimile, or e-mail. All notices will be sent to the Member's mailing address, facsimile number(s), or e-mail address as shown on the records of the Association.

2. Voting Instrument Requirement. All votes cast in an election or vote of the Association must be in writing and signed by the casting Member. The Association has the sole authority to promulgate the ballots, absentee ballots, proxy forms, or other instruments (collectively, "***Voting Instruments***") to be used in an election or vote. The Association will include copies of the Voting Instruments to be used in an upcoming election or vote in the notice of the same. Any Voting Instrument not in the form specified by the Association is void and will not be accepted.

3. Casting Votes. A Member may return a Voting Instrument: (a) in person or by proxy at the meeting to which the vote pertains prior to the close of voting; (b) by absentee ballot mailed to the address provided on the Voting Instrument and received not later than one (1) business day prior to the meeting to which the vote pertains; or (c) by electronic ballot submitted either by e-mail or facsimile to the e-mail address or fax number provided on the Voting Instrument and received not later than one (1) business day prior to the meeting to which the vote pertains. Electronic ballots constitute written and signed ballots.

The Association will be responsible for ensuring that all ballots, including, without limitation, absentee and electronic ballots, conform to the requirements of Texas Property Code Section 209.0058 and Section 209.00592 prior to each election or vote.

4. Tabulation and Recount of Votes. No Member who is either a candidate or related to a candidate within the third degree by consanguinity or affinity may tabulate or otherwise be given access to the Voting Instruments cast in the election or vote to which the Voting Instruments pertain. Any Member not disqualified by the preceding sentence may tabulate the Voting Instruments, but may not disclose to any other person how an individual voted.

Any Member may demand a recount of votes not later than the fifteenth (15th) day after the date of the announcement of the results of the election or vote. Demands for a recount must be in a signed writing and sent by certified mail, return receipt requested, to the Association's principal office or delivered in person at the address to which absentee and proxy ballots are mailed. Upon receipt, the Association will perform the recount at the expense of the demanding Member and in accordance with the provisions of Texas Property Code Section 209.0057.

PAYMENT POLICY

1. Application. This Policy will apply to all Assessments and fines imposed or levied by the Association in accordance with the provisions of the Declaration.
2. Due Dates; Record Address. Annual Assessments are payable on an annual basis and will be due on or before January 7th of each year. On or before December 1st of each preceding year, the Board of Directors will provide each Owner with an invoice statement of the appropriate amount due. Special Assessments are due and payable on the date fixed in the resolution authorizing the Assessment. Member Charges will be due and payable within thirty (30) days after the Owner was served the notice of the Member Charge; provided, however that if the Owner requests a hearing in accordance with the Enforcement Action Hearing Policy below, the Member Charge will be due and payable within five (5) days of the conclusion of the hearing.

All invoice statements, resolutions, notices, or other documents pertaining to Assessments or fines will be sent by regular U.S. first-class mail to the Owner's mailing address as shown in the records of the Association. Non-receipt of an invoice statement, resolution, or notice will in no way relieve an Owner of the obligation to pay the amount due by the applicable due date. It is the responsibility of each Owner to ensure and verify that payments are received by the Association on or before such due date, and the Association is not responsible for any delay by mail or any other form of delivery.

3. Interest, Late Charge, and Costs of Collection. Any Assessment or fine not paid in full within thirty (30) days after the applicable due date will bear interest from the due date until paid at the lesser of eighteen percent (18%) per annum or the maximum permitted by law. The Board of Directors, in its discretion, may also assess a late charge in the amount of \$25.00 (the "**Late Charge**") for any Assessment or fine not paid within five (5) days after the due date to defray some of the expenses of the Association resulting from the delinquency. In addition, each Owner will be obligated to pay to the Association all actual costs of collection incurred by the Association, including reasonable attorney's fees and costs of court. Nothing in this Policy is intended or will be construed to allow for the contracting, charging, or collection of interest at a rate in excess of the highest rate permitted by applicable law.

4. Alternative Payment Plan.

(a) Eligibility. Except as provided below, any Owner may submit a written request to enter into an alternative payment plan (hereinafter "**Payment Plan**") whereby the Owner is allowed to make partial payments to the Association for delinquent Assessments or fines without accruing additional monetary penalties. An Owner who has defaulted under a previous Payment Plan is ineligible to re-apply for a Payment Plan for a period of two (2) years from the date of the Owner's default. The Board of Directors, in its sole discretion, may approve or deny an Owner's written request to enter a Payment Plan.

(b) Form and Effective Date. Payment Plans must be in writing and in the form provided and approved by the Board of Directors. A Payment Plan becomes effective and is

designated as “active” upon the Association’s receipt of (a) a fully completed and signed Payment Plan form, and (b) the first payment required under the Payment Plan.

(c) Terms and Conditions; Payments. Payment Plans will have a minimum term of three (3) months and will not extend more than eighteen (18) months from the date of the Owner’s written request. A Payment Plan must include sequential monthly payments, and the Association may charge an Owner \$25.00 as the reasonable cost associated with administering the Payment Plan (the “*Administrative Fee*”). The Association may require an Owner to make a good-faith payment of not more than twenty-five percent (25%) of the total outstanding balance prior to commencing a Payment Plan. Interest on an Owner’s total outstanding balance will continue to accrue during the term of a Payment Plan at lesser of eighteen percent (18%) per annum or the maximum permitted by law.

All required monthly payments will be due on or before the date(s) specified in the Payment Plan. The total of all proposed payments in a Payment Plan must equal the sum of the Owner’s current outstanding balance, the estimated interest, the Administrative Fee, and any Assessments that will accrue during the term of the Payment Plan.

(d) Default. The following will result in an Owner’s immediate default of a Payment Plan: (a) failure to submit a required monthly payment by the specified due date; (b) submitting less than the full amount of a required monthly payment by the specified due date; or (c) failure to comply with any other obligation or requirement set forth the Payment Plan. An Owner in default of a Payment Plan will remain in default until the Owner’s entire account balance is brought current. The Association is not required to provide notice of any default, and Owners are not entitled to any opportunity to cure a default.

5. Application of Payments. Except as provided for below, payments received by the Association from an Owner will be applied to the Owner’s debt in the following order of priority:

- (1) delinquent Assessments;
- (2) current Assessments;
- (3) attorney’s fees or third-party collection costs incurred by the Association associated solely with Assessments or any other charge that could provide the basis for foreclosure;
- (4) attorney’s fees incurred by the Association that are not subject to subdivision;
- (5) fines assessed by the Association; and
- (6) other amounts owed to the Association.

Payments received by the Association from an Owner in default under a Payment Plan are not subject to the foregoing order of priority; provided, however, that in applying the payment, a Member Charge, Late Charge, or other fine imposed by the Association may not be given priority over any other amount owed to the Association.

ENFORCEMENT ACTION HEARING POLICY

1. Application. The Board of Directors may not: (a) suspend an Owner's right to use the Common Areas; (b) file suit against an Owner other than a suit to collect Assessments or foreclose under a CCR Lien; (c) fine an Owner for property damage; (d) levy a Member Charge; or (e) enter any part of the Property to remedy a breach or violation, unless and until the provisions of this Policy are satisfied.
2. Establishment of Violation. Any condition, use, activity, or improvement that does not comply with the provisions of the Declaration will constitute a violation under this Policy.
3. Report of Violation. The existence of a violation will be verified by a filed observation conducted by the Board of Directors or the Architectural Control Committee. A timely written report will be prepared by the field observer for each violation, which will identify: (a) the nature and description of the violation; (b) the Owner of the Lot on which the violation exists; and (c) the name of the director or committee member making the observation and the date upon which it took place.
4. Notice of Violation. After the field observation report is prepared, the Board of Directors will send written notice demanding that the Owner cease and desist the alleged violation. Notice must be sent by certified mail to the Owner's mailing address as shown on the records of the Association, and must also:
 - (a) describe the violation or property damage that is the basis for the suspension action, fine, or Member Charge;
 - (b) state the sanction to be imposed, including the amount of the Member Charge or the amount claimed to be due from the Owner for property damage;
 - (c) inform the Owner that if the violation is corrected within five (5) days that a fine or Member Charge will not be assessed and that no further action will be taken; provided, however that this subdivision will not apply to an Owner who was given notice and an opportunity to cure a similar violation within the preceding six (6) months;
 - (d) inform the Owner of their right to submit within thirty (30) days of the date of the notice a written request to discuss and verify the facts and resolve the matter before the Board of Directors; and
 - (e) inform the Owner that they may have special rights of relief related to the enforcement action under federal law, including the Service Members Civil Relief Act if the Owner is serving on active military duty.
5. Request for a Hearing; Procedure. Requests for a hearing in accordance with Section 4(d) above must be in a signed writing and sent by certified mail, return receipt requested, to the Association's principal office. All hearings will be held in executive session of the Board of Directors and will afford an Owner a reasonable opportunity to be heard. Hearings will be held

within thirty (30) days after the date on which the Board receives the Owner's written request, and the Board will notify the Owner of the date, time, and place of the hearing not later than the tenth (10th) day before the hearing is to take place. Prior to the effectiveness of any sanction imposed, proof of proper notice of the hearing will be placed in the minutes of the hearing. Such proof will be deemed adequate if a copy of the notice, together with a statement of the date and manner of delivery, is entered by the director who delivered said notice. The notice requirement will be deemed satisfied if the Owner appears at the hearing. The minutes of the hearing will contain a written statement of the decision reached and the suspension action, fine, or Member Charge, if any, imposed.

6. Notice of Sanction and Enforcement. If an Owner fails to correct the violation and fails to request a hearing within the time periods specified in Sections 4(c) and 4(d) above, the Board of Directors will send written notice by certified mail, return receipt requested, informing the Owner (a) of the sanction imposed, including the amount of the Member Charge or the amount claimed to be due from the Owner for property damage; and (b) that the Board will pursue all appropriate Acts of Enforcement to compel compliance with the Declaration. The Board, in its sole discretion, may refer the violation to legal counsel for appropriate action. In accordance with the provisions of the Declaration, the costs of exercising such Acts of Enforcement (including collection costs, attorney's fees, and interest calculated at the lesser of eighteen percent (18%) per annum or the maximum permitted by law) will be the personal obligation of each Owner and a continuing Enforcement Lien upon the Owner's Lot.

Unofficial

CONFLICT OF INTEREST SCREENING POLICY

1. Application. This Policy does not apply to a contract or transaction entered into by, or on behalf of, the Association during the Development Period.
2. Establishment of Conflict of Interest. “Conflict of Interest” will mean any contract, transaction, or other action taken in the course of the Association’s ordinary course of business that benefits, either directly or indirectly: (a) a current member of the Board of Directors (hereinafter a “*director*”); (b) a person related to a current director within the third degree by consanguinity or affinity; (c) a company in which a current director has a financial interest in at least fifty-one percent (51%) of profits; or (d) a company in which a person related to a current director within the third degree by consanguinity or affinity has a financial interest in at least fifty-one percent (51%) of profits.
3. Enforceable Contracts or Transactions. The Association may enter into a contract or transaction that creates a Conflict of Interest only if the following conditions are satisfied:
 - (a) the current director, relative, or company bids on the proposed contract or transaction and the Association has received at least two (2) other bids for the contract or transaction from persons not associated with the current director, relative, or company, if reasonably available in the community;
 - (b) the current director is not given access to the other bids, does not participate in any Board discussions, and does not vote on the award of the contract or transaction;
 - (c) the material facts regarding the relationship or interest with respect to the proposed contract or transaction are disclosed to or known by the Board of Directors, and the Board in good faith and with ordinary care authorizes the contract or transaction by an affirmative vote of the majority of directors who do not have a Conflict of Interest; and
 - (d) the Board of Directors certifies that all requirements of this Policy have been satisfied by a resolution approved by an affirmative vote of the majority of directors who do not have a Conflict of Interest.

Conflicts or transactions entered into in violation of this Policy are void *ab initio* and unenforceable.

**ORGANIZATIONAL CONSENT OF
FW TRINITY GROVE OWNERS ASSOCIATION, INC.**

The undersigned Directors of FW Trinity Grove Owners Association, Inc., a Texas nonprofit corporation (the “**Association**”), waive notice of and consent to the following actions taken by them without a meeting to be effective as of the Date of Formation (defined below):

1. Acceptance of Certificate of Formation. The Board of Directors of the Association (the “**Board**”) approves the Certificate of Formation of the Association which was filed with the office of the Texas Secretary of State. The Texas Secretary of State accepted the Certificate of Formation and issued a Certificate of Filing effective as of April 30, 2024 (the “**Date of Formation**”).

2. Bylaws. The Board has reviewed the proposed form of Bylaws which have been prepared for the regulation and management of the affairs of the Association. The Board adopts the proposed form of Bylaws as the official Bylaws of the Association.

3. Officers. The Board has reviewed the provisions of the Certificate of Formation and the Bylaws regarding the required and permitted offices of the Association. The Board directs that the Association shall have the following offices and the following persons are hereby elected to serve as officers of the Association in the following offices:

<u>Name</u>	<u>Office</u>
Michael Dike	President
James R. Harris	Secretary
Michael Dike	Treasurer

4. Banking Activities. The Board acknowledges the fact that, in order to place the Association’s business in order, it may be necessary and appropriate that the Association open one or more bank accounts and designate the person(s) permitted to sign checks on the account(s). The Board: (i) authorizes the opening of a corporate bank account or accounts at a bank or other financial institution (the “**Bank**”); (ii) authorizes and directs the individuals named as officers above, or any one of them, to write checks on those accounts on behalf of the Association; and (iii) authorizes and directs the appropriate officers of the Association to execute any form of resolution required by the Bank for the opening or maintenance of the account(s) and to designate the person(s) authorized to write checks on the account(s) on behalf of the Association; and (iv) directs that any additional resolutions regarding the bank account(s) be evidenced in the Minute Book of the Association by insertion of properly completed portions of the form required by the Bank.

5. Fiscal Year. The Board deems it is in the best interest of the Association to adopt a fiscal year. The Board elects that the fiscal year of the Association shall commence on January 1 of each calendar year and end on the succeeding December 31, except for the first fiscal year of the Association which shall begin on the Date of Formation and end on the succeeding December 31.

6. Policies and Guidelines. The Board has reviewed the proposed form of Policies and Guidelines. The Board adopts the proposed form of Policies and Guidelines as the official Policies and Guidelines of the Association.

7. Management Certificate. The Board has reviewed the proposed form of Management Certificate which has been prepared in accordance with Section 209.004 of the Texas Property Code. The Board adopts the proposed form of Management Certificate as an acceptable form of Management Certificate for the Association. The Board authorizes any officer of the Association and any Managing Agent engaged by the Association to complete, execute, and deliver a Management Certificate (in the approved form or in another form that meets the requirements of applicable law) as necessary or desirable from time to time. A copy of the Management Certificate will be maintained in the records of the Association.

8. Minute Book. After reviewing the proposed form of Minute Book, the Board: (i) adopts and approves the Minute Book; and (ii) instructs the Secretary of the Association (as designated above) to retain custody of the Minute Book and to insert in the Minute Book a copy of the Certificate of Formation, the Certificate of Filing, the Bylaws, the Policies and Guidelines, the Management Certificate, this Organizational Consent, and records of any other proceedings of the members and the Board.

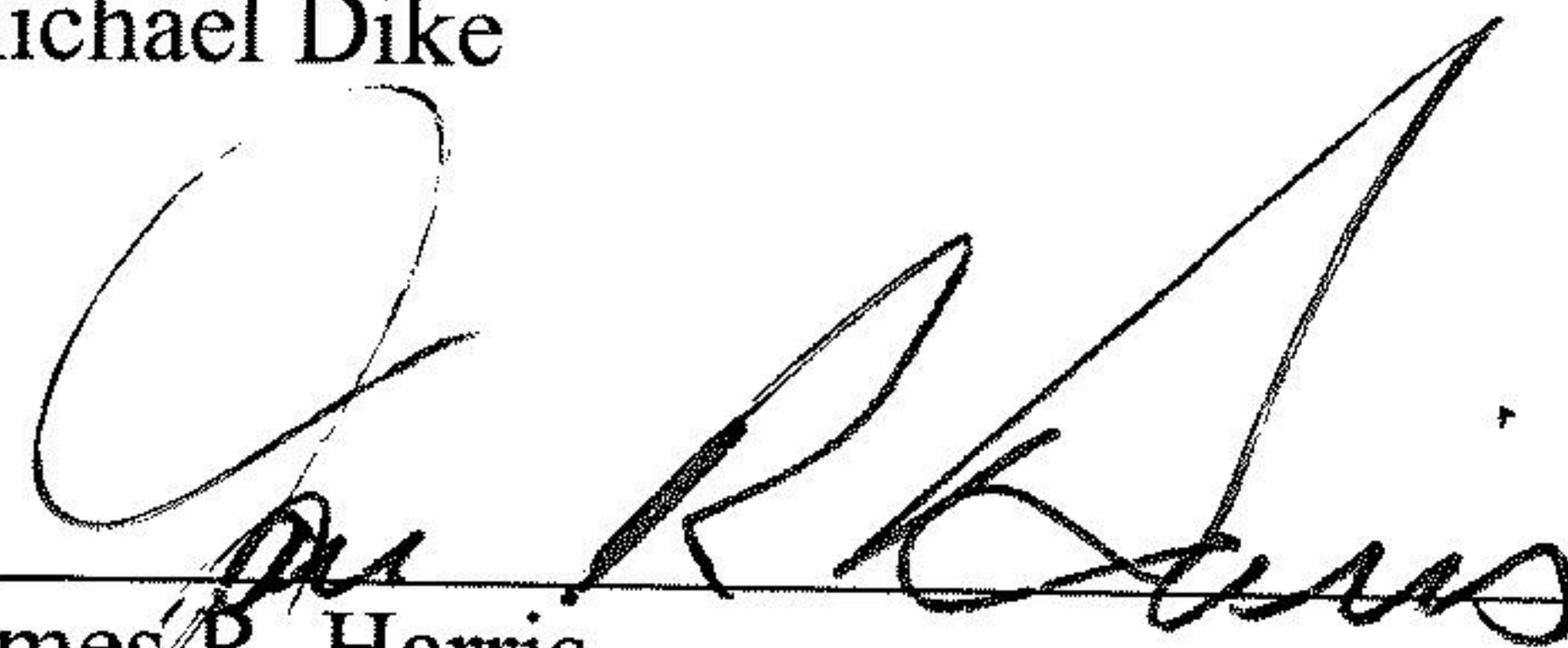
9. General Authorization. The Board authorizes, empowers and directs the officers of the Association to execute and deliver all documents, instruments, and other agreements, to waive any and all conditions and to do all things necessary and helpful to carry out the purposes of the foregoing resolutions. The Board ratifies, approves, and adopts as the act and deed of the Association all acts and deeds of the officers and agents of the Association which are consistent with the purpose and intent of the above resolutions.

This Organizational Consent is signed by each of the Directors to be effective as of the Date of Formation.

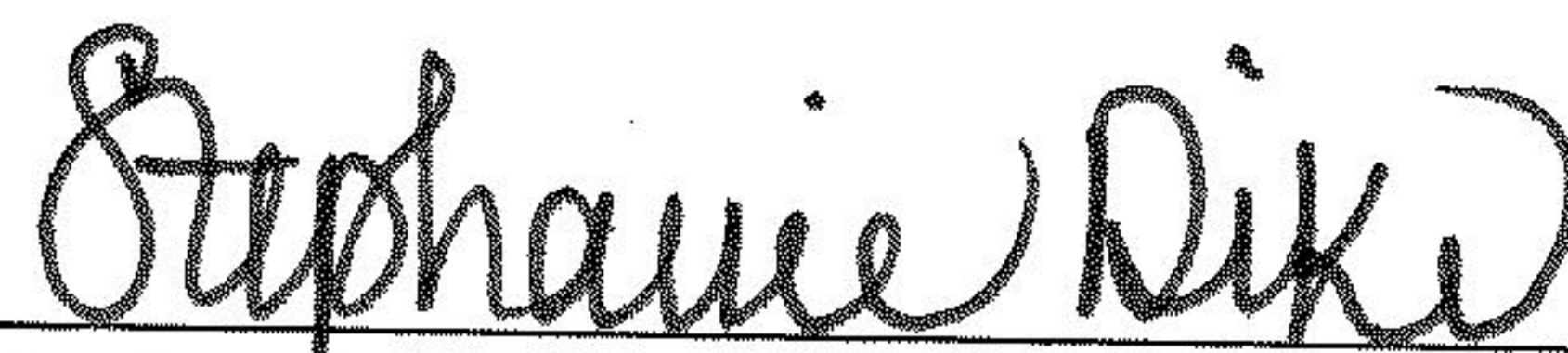
DIRECTORS:



Michael Dike



James R. Harris



Stephanie Dike