

BYLAWS
OF
PARK WEST OFFICE CONDOMINIUM OWNERS' ASSOCIATION, INC.

(A Texas Nonprofit Corporation)

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Prepared by:

GLENN K. WEICHERT
Glenn K. Weichert P.C.
1120 Capital of Texas Hwy So.
Building III, Suite 200
Austin, Texas 78746
(512) 328-8262

BYLAWS

OF

PARK WEST OFFICE CONDOMINIUM OWNERS' ASSOCIATION, INC.
(A Texas Nonprofit Corporation)

ARTICLE 1

INTRODUCTION

1.1. PURPOSE OF BYLAWS. These bylaws provide for the governance of the condominium known as Park West Office Condominium, located in the City of Round Rock, Williamson County, Texas, subject to and more fully described in the Declaration of Condominium Regime for Park West Office Condominium, recorded as Document No. 2001032647 Official Records of Williamson County, Texas and as amended from time to time (the "**Declaration**").

1.2. PARTIES TO BYLAWS. All present or future unit owners and all other persons who use or occupy the condominium established pursuant to the Declaration in any manner are subject to these bylaws and the other governing documents as defined below. The mere acquisition or occupancy of a unit will signify that these bylaws are accepted, ratified, and will be strictly followed.

1.3. DEFINITIONS. Words and phrases defined in the Declaration shall have the same meanings when used in these Bylaws. Unless defined otherwise in the Declaration or in these Bylaws, words and phrases used in these bylaws shall have the same meaning as defined in Section 82.003 of the Texas Uniform Condominium Act ("**TUCA**"). The following words and phrases shall have specified meanings when used in these Bylaws and shall supplement TUCA Section 82.003.

- a. "**Act**" means the Texas Non-Profit Corporation Act, codified as Article 1396-1.01 et seq. of the Texas Business and Commerce Code.
- b. "**Association**" means Park West Office Condominium Owners' Association, Inc., a Texas non-profit corporation, reorganized pursuant to Section 82.101 of TUCA.
- c. "**Board**" means the Board of Directors of the Association.

- d. **"Declarant"** means Gavurnik Homes, L.P., a Texas Limited Partnership and any person or entity succeeding to the Declarant's right pursuant to Section 82.104 of TUCA.
- e. **"Director"** means a director of the Association.
- f. **"Governing Documents"** means, collectively, the Declaration, these Bylaws, the Articles of Incorporation of the Association, and the Community Rules of the Association, as any of these may be amended from time to time.
- g. **"Majority"** means more than fifty (50) percent.
- h. **"Member"** means a member of the Association, each member being a unit owner, unless the context indicates that member means a member of the board of directors or a member of a committee of the Association.
- i. **"Occupant"** means the occupant of a unit, whether or not such occupant is a unit owner.
- j. **"Officer"** means an officer of the Association, which shall include a "President," a "Secretary," a "Treasurer," and one or more "Vice-Presidents".
- k. **"TUCA"** means the Texas Uniform Condominium Act codified as chapter 82 of the Texas Property Code.

1.4. **NONPROFIT PURPOSE.** The Association is not organized for profit. [TUCA §82.101]

1.5. **COMPENSATION.** A Director, Officer, Member, or Occupant shall not be entitled to receive any pecuniary profit from the operation of the Association, and no funds or assets of the Association may be paid as a salary or as compensation to, or be distributed to, or inure to the benefit of a Director, Officer, Member, or Occupant; provided, however that pursuant to Section 1396-2.24.A. of the Act:

- a. a reasonable compensation may be paid to a Director, Officer, Member, or Occupant for services rendered to the Association;
- b. a Director, Officer, Member, owner or Occupant may, from time to time, be reimbursed for his actual and reasonable expenses incurred on behalf of the Association in connection with the administration of Association affairs, provided such expense has been approved or ratified by the Board; and

- c. this provision does not apply to distributions to unit owners permitted or required by the Declaration or TUCA.

1.6. GENERAL POWERS AND DUTIES. The Association, acting through its Board of directors, shall have the powers and duties necessary for the administration of the affairs of the Association and for the operation and maintenance of the condominium as may be required or permitted by the Governing Documents and the law of the State of Texas. The Association may do any and all things that are lawful and which are necessary, proper, or desirable to operate for the best interests of its Members, subject only to the limitations upon the exercise of such powers as are expressly set forth in the Governing Documents.

ARTICLE 2

BOARD OF DIRECTORS

2.1. NUMBER AND TERM OF OFFICE. The Board shall consist of three persons. One of the three initial Board Members shall serve until the sooner to occur of (a) the 120th day after the conveyance of 50% of the units in the condominium to persons or entities other than the Declarant and (b) the third anniversary date of the conveyance of the first Unit to a person other than the Declarant. The remaining two initial Board Members shall serve until the sooner to occur of (a) the 120th day after the conveyance of 75% of the units in the condominium to persons or entities other than the Declarant or (b) the third anniversary date of the conveyance of the first Unit to a person other than the Declarant. Thereafter, upon election, each Director shall serve a term of two years. Two Directors shall be elected in odd-numbered years. One Director shall be elected in even-numbered years. A Director takes office upon the adjournment of the meeting or balloting at which he is elected or appointed and, absent death, ineligibility, resignation, or removal, will hold office until his successor is elected or appointed. The number of Directors may be changed by amendment of these bylaws, but shall not be less than three. [TUCA §82.103 (c), (d) and (e), §82.106 (a) (1) + (3), Act 1396-2.15.A. + B].

2.2. QUALIFICATION. During the period of time that the Association is controlled by the Declarant, any person 18 years or older shall be eligible for election or appointment to the Board. Once the Members, other than the Declarant, begin electing Board Members and at all times after the Declarant's control period ends, no person shall be eligible for election or appointment to the Board unless such person is a Occupant Member. [TUCA §82.106.(a) (3), Act 1396-2.15.A.]

2.2.1. Entity Member. If a unit is owned by a legal entity, such as a partnership or corporation, any Occupant Officer, Occupant partner, or Occupant employee of that entity member shall be eligible to serve as a Director and shall be deemed to be a Member for the purposes of this section. If the relationship between the entity member and the Director representing it terminates, that Directorship shall be deemed vacant.

2.2.2. Co-Owners. Co-owners of a single unit may not serve on the Board at the same time. Co-Owners of more than one unit may serve on the Board at the same time, provided the number of co-owners serving at one time does not exceed the number of units they co-own.

2.2.3. Delinquency. No Member may be elected or appointed as a Director if any assessment against the Member or his unit is delinquent at the time of the election or appointment. No Member may continue to serve as a Director if any assessment against the Member or his unit is more than 45 days' delinquent.

2.3. ELECTION. Directors shall be elected by the Members. The election of Directors shall be conducted at the annual meeting of the Association, at any special meeting called for that purpose, or by mail, facsimile transmission, or a combination of mail and facsimile transmission, but subject to the open meeting requirements of TUCA. [TUCA §82.106 (a) (3) and §82.108 (b), Act 1396-2.13.B.]

2.4. VACANCIES. Vacancies on the Board caused by any reason, except the removal of a Director by a vote of the Association, shall be filled by a vote of the Majority of the remaining Directors, even though less than a quorum, at any meeting of the Board. Each Director so elected shall serve out the remaining term of his predecessor. [TUCA §82.106.(a)(3), TUCA §82.103.(b), Act 1396-2.16.A.]

2.5. REMOVAL OF DIRECTORS. At any annual meeting or special meeting of the Association, any one or more of the Directors may be removed with or without cause by Members representing at least two-thirds of the votes present in person or by proxy at such meeting, and a successor shall then and there be elected to fill the vacancy thus created. Any Director whose removal has been proposed by the Members shall be given an opportunity to be heard at the meeting. A Director who is delinquent in the payment of assessments for more than 45 days may be removed by action of the other Directors who then shall fill the vacancy as provided in Section 2.4. above. [TUCA §82.106.(a)(3), Act 1396-2.15.D.]

2.6. MEETINGS OF THE BOARD.

2.6.1. Organizational Meeting of the Board. Within 60 days after the issuance of the Association's certificate of incorporation, the initial Directors shall convene an organizational meeting for the purpose of electing Officers. The time and place of such meeting shall be determined by either the incorporator or any two of the initial Directors by delivery of at least 3 days prior written notice to the other Directors of the time and place of the meeting. [Act 1396-3.05.A.]

- 2.6.2. Regular Meetings of the Board. Regular meetings of the Board may be held at such time and place as shall be determined, from time to time, by the Board, but at least one such meeting shall be held each calendar quarter and not more than one such meeting shall be held per month. Notice of regular meetings of the Board shall be given to each Director, personally or by telephone or written communication, at least three days prior to the date of such meeting.
- 2.6.3. Special Meetings of the Board. Special meetings of the Board may be called by the President or, if he is absent or refuses to act, the Secretary, or by any two Directors. At least three days notice shall be given to each Director, personally or by telephone or written communication, which notice shall state the place, time, and purpose of such meeting. Such meetings shall be open to attendance by unit owners to the extent required by TUCA section 82.108. [TUCA §82.108.]
- 2.6.4. Conduct of Meetings. The President shall preside over all meetings of the Board and the Secretary shall keep, or cause to be kept, a record of all resolutions adopted by the Board and a record of all transactions and proceedings occurring at such meetings. When not in conflict with the law or the Governing Documents, the then current edition of Robert's Rules of Order shall govern the conduct of the meetings of the Board.
- 2.6.5. Quorum. At all meetings of the Board, a Majority of Directors shall constitute a quorum for the transaction of business, and the acts of the Majority of the Directors present at a meeting at which a quorum is present shall be the acts of the Board. If less than a quorum is present at any meeting from time to time, the Majority of those present may adjourn the meeting from time to time. At any such reconvened meeting at which a quorum is present, any business which might have been transacted at the meeting as originally called may be transacted without further notice. [Note: A Director's proxy may not be used to meet the quorum requirement. Act 1396 -2.17.B.]
- 2.6.6. Open Meetings. Regular and special meetings of the Board shall be open to Members of the Association; provided that Members who are not Directors may not participate in any deliberations or discussions unless the Board expressly so authorizes at the meeting. The Board may adjourn any meeting and reconvene in executive session to discuss and vote upon personnel matters, litigation in which the Association is or may become involved, and orders of business of a similar or sensitive nature. The nature of any and all business to be considered in executive session shall first be announced in open session. [TUCA §82.108.]

2.6.7. Telephone Meetings. Members of the Board or any committee of the Association may participate in and hold meetings of the Board or committee by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear and speak to each other. Participation in such meeting shall constitute presence in person at the meeting, except where a person participates in the 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. [TUCA §82.108.(c)(1), Act 1396-9.11]

2.6.8. Action Without a Meeting. Any action required or permitted to be taken by the Board at a meeting may be taken without a meeting, if all of the Directors individually or collectively consent in writing to such action. The written consent shall be filed with the minutes of the Board. Action by written consent shall have the same forth and effect as a unanimous vote. [TUCA §82.108.(c)(2), Act 1396-9.10]

2.7. LIABILITIES AND STANDARD OF CARE. In performing their duties, the Directors are required to exercise certain standards of care and are subject to certain liabilities, including but not limited to the following provisions of the laws of the State of Texas:

Act 1396-2.25	prohibiting loans to Directors;
Act 1396-2.26	voting for improper distribution of assets under certain circumstances;
Act 1396-2.28	setting forth a Director's general standards of care;
Act 1396-2.29	limited circumstances under which investment authority may be delegated;
Act 1396-2.30	pertaining to contracts between a Director and the Association;
TUCA §82.103(a)	stating that a Director is a fiduciary, who must act reasonably and exercise good faith judgement; and
TUCA §82.103.(f)	regarding breaches of fiduciary duty, improper benefit, acting in bad faith.

2.8. POWERS AND DUTIES. The Board shall have all powers and duties necessary for the administration of the Association and for the operation and maintenance of the condominium. The Board may do all such acts and things except those which, by law or the Governing Documents are reserved to the Members and may not be delegated to the Board. Without prejudice to the general and specific powers and duties set forth in laws or the governing documents, or such powers and duties as may hereafter be imposed on the Board by resolution of the Association, the powers and duties of the Board shall include, but shall not be limited to, the following:

2.8.1. Delegation / Appointment of Committees. The Board, by resolution, may from time to time designate standing or ad hoc committees to advise or assist

the Board with its responsibilities. The resolution shall establish the purposes and powers of each committee created, provide for the appointment of its Members, as well as a chairman, and shall provide for reports, termination, and other administrative matters deemed appropriate by the Board. Committee members shall be appointed from among the owners and Occupants.

2.8.2. Manager. The Board may employ a manager or managing agent for the Association, at a compensation established by the Board, to perform all ministerial duties and services authorized by the Board, including the following:

a. Fiscal Management.

- (1) Prepare an annual operating budget detailed to reflect expected operations for each month, reserves, and contingencies to cover repairs, replacements and betterments to the Common Elements of the Condominium. This budget is established to show expected recurring receipts and operating disbursements. It is further used for comparison with actual monthly income and expenditures;
- (2) Prepare monthly or quarterly operating and cash position statements;
- (3) Collect monthly Assessments and periodic Special Assessments; deposit them in checking, savings or other accounts on behalf of the Association and maintain comprehensive records thereof.
- (4) Mail notices of delinquency to any Owner in arrears, and exert reasonable efforts to collect delinquent accounts;
- (5) Examine all expense invoices for accuracy and pay all bills in accordance with the terms of the property management agreement; and
- (6) Prepare a year-end statement of operations.

b. Physical Management.

- (1) Assume full responsibility for maintenance and control of Common Elements, improvements and equipment. Maintain the Condominium regime (subject to the limitations set forth

in the Declaration) in constant repair to reflect Member pride and to insure high property values in accordance with the provisions of the operating budget, as approved by the Board of Directors;

- (2) Enter into contracts and supervise services for lawn care, refuse hauling, pump maintenance, etc., in accordance with the provisions of the operating budget, as approved by the Board of Directors;
- (3) Compile, assemble and analyze data, and prepare specifications and calls for bids for major improvement projects as needed. Analyze and compare bids, issue contracts and coordinate the work on improvement projects; maintain close and constant inspection of such work to insure that such work is performed according to specifications; and
- (4) Perform any other projects with diligence and economy in the best interests of the Association.

c. Administrative Management.

- (1) Inspect contractual services for satisfactory performance. Prepare any necessary compliance letters to vendors.
- (2) Obtain and analyze bids for insurance coverage specified in the Declaration and these Bylaws or recommend additional coverage. Prepare claims when required and follow up on payment; act as a representative of the Board of Directors in negotiating settlement.

2.8.3. Fines. The Board may levy fines for each day or occurrence that a violation of the Governing Documents persists after notice and hearing as provided in the Community Rules, provided the amount of the fine does not exceed the amount reasonably necessary to ensure compliance with the Governing Documents.

2.8.4. Delinquent Accounts. The Board may establish, levy, and collect reasonable late charges for Members' delinquent accounts. The Board may also establish a rate of interest to be charged on Members' delinquent accounts, provided the rate of interest does not exceed 18 percent or the maximum rate permitted by the laws of the State of Texas, whichever is less.

- 2.8.5. Fidelity Bonds. The Board shall require that all Officers, agents, and employees of the Association handling or responsible for the Association funds shall furnish adequate fidelity bonds. The premiums on such bonds may be a common expense of the Association.
- 2.8.6. Ex-Officio Directors. The Board may, from time to time, designate one or more persons as ex-officio Members of the Board, pursuant to Article 1396-2.14. F. of the Act. An ex-officio Member is entitled to notice of and may attend Board meetings, but shall have no voting power.
- 2.8.7. Assessments. The Board shall fix, determine, assess, and collect, after approval by the Corporation, annual assessments from the Members and any special assessments authorized by the Members of the Corporation, which assessments shall be paid by the Members in monthly or quarter annual installments (as the Board may elect from time to time) and shall consist of each Member's prorata share of one-twelfth (1/12th) or one-fourth (1/4), as applicable, of the total annual estimated budget for each year, plus reasonable reserves and the initial installment for the working capital of the Association as provided in Section 4.1 of the Declaration. The estimated budget shall be prepared annually by the Board and shall take into account the estimated common expenses for the year, including but not limited to, salaries, wages, ad valorem taxes, other than those on the individual units, payroll, taxes, supplies, materials, parts, services, maintenance, repairs, replacements, landscaping, insurance on Common Elements, vehicles, bonds, management fees, and other expenses. Any surplus or deficit with regard to previous budget shall also be considered. The Board shall also establish a reserve for replacement of the Common Elements. Copies of the estimated annual budget shall be furnished to each Unit owner not later than thirty (30) days after the beginning of each calendar year. [TUCA §82.106 (a)(3), §82.106 (a)(4), §82.102.(a)].
- 2.8.8. Other Reserved Powers. The Association, acting through its Board shall have the powers set forth in TUCA §82.102 and §82.105.

ARTICLE 3

OFFICERS

3.1. DESIGNATION. The principal Officers of the Association shall be the President, the Secretary, and the treasurer. The Board may appoint one or more Vice-Presidents and such other Officers and assistant Officers as it deems necessary. The President and Secretary shall be Directors. Other Officers may, but need not, be Members or Directors. Any two offices may be held by the same person, except the offices of President and Secretary. If an Officer is absent or unable to act,

the Board may appoint a Director to perform the duties of that Officer and to act in place of that Officer, on an interim basis. [TUCA §82.106 (a)(1), Act 1396-2.20.A.+B.]

3.2. TERM AND ELECTION OF OFFICERS. The initial Officers shall be elected by the Board at its organizational meeting and shall hold office at the pleasure of the Board for such term as the Board may elect, except that the term shall not to exceed 3 years in any event. The terms of the initial officers may be staggered so that in succeeding years less than all of the incumbent officers shall be up for re-appointment or replacement. Successor Officers shall be elected by the Board and shall hold office at the pleasure of the Board for a term of one (1) year. Except for resignation or removal, Officers shall hold office until their respective successors have been designated by the Board. [TUCA §82.106 (a)(2), Act 1396-2.20.A.]

3.3. REMOVAL AND RESIGNATION OF OFFICERS. A Majority of Directors may remove any Officer, with or without cause, at any regular meeting of the Board or at any special meeting of the Board called for that purpose. A successor may be elected at any regular or special meeting of the Board called for that purpose. An Officer may resign at any time by giving written notice to the Board. Unless the notice of resignation states otherwise, it is effective when received by the Board and does not require acceptance by the Board. The resignation or removal of an Officer who is also a Director does not constitute resignation or removal from the Board. [Act 1396-2.21]

3.4. STANDARD OF CARE. In performing their duties, the Officers are required to abide by and exercise the standards of care provided by:

- TUCA §82.103 (a) pertaining to acting in good faith;
- TUCA §82.103 (f) pertaining to breaches of fiduciary duty, improper benefit, intentional misconduct; and
- Act 1396-2.20.D pertaining to reliance or information furnished by others.

3.5. DESCRIPTION OF PRINCIPAL OFFICES.

3.5.1. President. As the chief executive Officer of the Association, the President shall: (i) preside at all meetings of the Association and of the Board; (ii) have all the general powers and duties which are usually vested in the office of President of a non-profit corporation organized under the laws of the State of Texas; (iii) have general supervision, direction, and control of the business of the Association, subject to the control of the Board; and (iv) see that all orders and resolutions of the Board are carried into effect.

3.5.2. Secretary. The Secretary shall: (i) keep the minute book and the minutes of all meetings of the Board and of the Association; (ii) have charge of such books, papers, and records as the Board may direct; (iii) maintain a record of the names and addresses of the Members and their Mortgagees who request in writing to receive notices pertaining to Association matters; and (iv) in general, perform all duties incident to the office of Secretary.

3.5.3. Treasurer. The treasurer shall: (i) be responsible for Association funds; (ii) keep full and accurate financial records and books of account showing all receipts and disbursements; (iii) prepare all required financial data and tax returns; (iv) deposit all monies or other valuable effects in the name of the Association in such depositories as may from time to time be designated by the Board; (v) prepare the annual and supplemental budgets of the Association; (vi) review the accounts of the managing agent on a monthly basis in the event such managing agent is responsible for collecting and disbursing Association funds; and (vii) perform all the duties incident to the office of treasurer.

3.6. AUTHORIZED AGENTS. Except when the governing documents require execution of certain instruments by certain individuals, the Board may authorize any person to execute instruments on behalf of the Association. In the absence of Board designation, the President and the Secretary shall be the only persons authorized to execute instruments on behalf of the Association. [TUCA §82.103(a)]

ARTICLE 4

COMMITTEES

4.1 COMMITTEE OF DIRECTORS. The Board of Directors, by resolution adopted by a Majority of the Directors in office, may designate and appoint one or more committees, each of which shall consist of one or more Directors, which committees, to the extent provided in said resolution, shall have and exercise the authority of the Board of Directors in the management of the Association. However, no such committee shall have the authority of the Board of Directors in reference to amending, altering or repealing the Bylaws; electing, appointing or removing any Member of any such committee or any Director or Officer of the Association; authorizing the sale, lease, exchange or mortgage of all or substantially all of the property and assets of the Association; authorizing the voluntary dissolution of the Association or revoking proceedings therefor; adopting a plan for the distribution of the assets of the Association; or amending, altering or repealing any resolution of the Board of Directors which by its terms does not provide that it may be so altered or repealed by such committee. The designation and appointment of any such committee and the delegation thereto of authority shall not operate to relieve the Board of Directors, or any individual Director, of any responsibility imposed on it or him or her by law. Any action required or permitted to be taken at a meeting of any such committee may be taken without a meeting if a consent in writing, setting forth the action so taken, is signed by all the Members of the committee. Such written consents may be in one or more counterparts and facsimiles shall be deemed a counterpart original for all purposes under these Bylaws. Such consent shall have the same force and effect as a unanimous vote at a meeting of the committee. The signed consent shall be placed in the minute book of the Association. The open meeting provisions of Section 2.6.6 (and the proviso exclusions therein) of these Bylaws shall apply to the meetings of such committee.

4.2. OTHER COMMITTEES. Other committees not having and exercising the authority of the Board of Directors in the management of the Association may be designated by a resolution adopted by a Majority of the Directors present at a meeting at which a quorum is present. Except as otherwise provided in such resolution, members of each such committee shall be Members of the Association, and the President of the Association shall appoint the Members thereof. Any Members thereof may be removed by the person or persons authorized to appoint such Members whenever in their judgment the best interest of the Association shall be served by such removal. The open meeting provisions of Section 2.6.6 (and the proviso exclusions therein) of these Bylaws shall apply to the meetings of such committees.

4.3. TERM OF OFFICE. Each member of a committee shall continue as such until the next annual meeting of the Members of the Association and until his or her successor is appointed, unless the committee shall be sooner terminated, or unless such member be removed from such committee, or unless such member shall cease to qualify as a Member thereof.

4.4. CHAIRMAN. One member of each committee shall be appointed chairman by the person or persons authorized to appoint the members thereof.

4.5. VACANCIES. Vacancies in the membership of any committee may be filled by appointments made in the same manner as provided in the case of the original appointments.

4.6. QUORUM. Unless otherwise provided in the resolution of the Board of Directors designating a committee, a Majority of the whole committee shall constitute a quorum and the act of a Majority of the Members present at a meeting at which a quorum is present shall be the act of the committee.

4.7. RULES. Each committee may adopt rules for its own government not inconsistent with these Bylaws or with rules adopted by the Board of Directors.

ARTICLE 5

MEETINGS OF THE ASSOCIATION

5.1. ANNUAL MEETING. An annual meeting of the Association shall be held during the first 60 days of each calendar year. Unless the notice of the annual meeting provides otherwise, the annual meeting shall occur at the Association's registered office. At the annual meetings the Members shall elect Directors in accordance with these bylaws. The Members may also transact such other business of the Association as may properly come before them. [TUCA §82.108(a), Act 1396-2.10.A(2)].

5.2. SPECIAL MEETINGS. The President may call a special meeting of his or her own initiative. Further, it shall be the duty of the President to call a special meeting of the Association if directed to do so by a Majority of the Board or by a petition signed by Members representing at

least 20 percent of the votes in the Association. Such meeting shall be held not sooner than 20 nor more than 30 days after the Board resolution or receipt of petition. The notice of any special meeting shall state the time, place, and purpose of such meeting. No business, except the purpose stated in the notice of the meeting, shall be transacted at a special meeting. [See: TUCA §82.108(a), Act 1396-2.10.A(3)]

5.3. PLACE OF MEETINGS. Meetings of the Association shall be held at the condominium or at a suitable place convenient to the Members, as determined by the Board and as stated in the meeting notice or at the corporation's registered office if no place is specified. [Act 1396-2.10.A(1)]

5.4. NOTICE OF MEETINGS. At the direction of the Board, written notice of meetings of the Association shall be given to an owner of each unit and to each First Mortgagee entitled to vote at least 10 days (20 days minimum notice for the annual meeting) but no more than 60 days prior to such meeting. Notices of meetings shall state the date, time, and place such meeting is to be held. Notices shall identify the type of meeting as annual or special, and shall state the particular purpose of a special meeting. Notices may also set forth any other items of information deemed appropriate by the Board. [TUCA §§82.106 (a)(7) & 82.108 (a), Act 1396-2.11; See general notices provision above]

5.5. INELIGIBILITY. If a Member's financial account with the Association is in arrears on the record dates provided below, and if the Board has provided each ineligible Member with notice of the arrearage and an opportunity to become eligible and such delinquent Member has failed or refused to take the required action to become eligible, then Board shall be entitled to treat such member an and Ineligible Member. The Board shall not be required to deliver notices of meetings of the Association to Ineligible Members and the Board may preclude Ineligible Members from (i) voting at meetings of the Association, and/or (ii) being elected to serve as a Director or appointed to serve as an officer. The Board may specify the manner, place, and time for payment for purposes of restoring eligibility. All quorums, votes, and consents of the Members shall be based on "eligible votes" rather than total votes.

5.6. RECORD DATES.

5.6.1. Determining Notice Eligibility. The record date for determining the Members and any First Mortgagees entitled to notice of a meeting of the Association shall be the date which is 30 days prior to the date of that meeting. [Act §1396-2.11A. A, D & E]

5.6.2. Determining Voting Eligibility. The record date for determining the Members and any First Mortgagees entitled to vote at a meeting of the Association shall be the 30th day before the date of a meeting of the Association at which Members will vote. [Act §1396-2.11A.B&D]

5.6.3. Determining Rights Eligibility. The record date for determining the Members and any First Mortgagees entitled to exercise any rights other than those described in the preceding two paragraphs, shall be the 30th day before the date of action for which eligibility is required, such as nomination to the Board. [Act §1396-2.11A.C&D]

5.6.4. Adjournments. A determination of Members entitled to notice of or to vote at a meeting of the Association is effective for any adjournment of the meeting unless the Board fixes a new date for determining the right to notice or the right to vote. The Board must fix a new date for determining the right to notice or the right to vote if the meeting is adjourned to a date more than 90 days after the record date for determining Members entitled to notice of the original meeting. [Act §1396-2.11A.E.]

5.7. VOTING MEMBER LIST. The Board shall prepare and make available a list of the Association's voting Members in accordance with Art. 1396-2.11B of the Act.

5.8. QUORUM. At any meeting of the Association, the presence at the beginning of any meeting in person or by proxy of Members entitled to cast at least twenty percent (20%) of the eligible votes (but not less than 10% of the aggregate votes, including ineligible votes, in the Association) that may be cast for election of the Board shall constitute a quorum. Members present at a meeting at which a quorum is present may continue to transact business until adjournment, notwithstanding the withdrawal, during the course of the meeting, of Members constituting a quorum. [TUCA §82.109(a), Act 1396-2.12]

5.9. LACK OF QUORUM. If a quorum is not obtained, the meeting may be adjourned to a later date and time, not more than 90 days hence, for the purpose of obtaining a quorum.

5.10. VOTES. The vote of Members representing at least a Majority of the eligible votes (based on each member's undivided interest in the Common Elements) cast at any meeting at which a quorum is present shall be binding upon all Members for all purposes, except when a higher percentage is required by these bylaws, the Declaration, TUCA or any other applicable laws of the State of Texas. Cumulative voting is prohibited. Voting on any question (other than election of Directors) may be by voice vote, proxy, or show of hands unless the presiding Officer shall order, or any Member shall demand, that voting be by roll call or by written ballot. [TUCA §82.110 (b),(c)]

5.10.1. Co-Owned Units. If a unit is owned by more than one Member, the vote appurtenant to that unit shall be cast in accordance with Section 82.110(a) of TUCA.

5.10.2. Corporation-Owned Units. If a unit is owned by a corporation, the vote appurtenant to that unit may be cast by any Officer of the corporation in the absence of express written notice of the designation of a specific person by

the Board of Directors or bylaws of the owning corporation. The vote of a partnership may be cast by any general partner of the owning partnership in the absence of express written notice of the designation of a specific person by the owning partnership. The person presiding over a meeting or vote may require reasonable evidence that a person voting on behalf of a corporation of partnership is qualified to vote.

5.10.3. Association Owned Units. Units owned by the Association shall be voting but a unanimous decision of the Directors shall be required to cast the vote or votes for the Association owned unit.

5.11. PROXIES. Votes may be cast in person or by written proxy. To be valid, each proxy shall (i) be signed and dated by a Member or his attorney-in-fact; (ii) identify the unit to which the vote is appurtenant; (iii) name the person in favor of whom the proxy is granted, such person having agreed to exercise the proxy; (iv) identify the purpose or meeting for which the proxy is given; (v) not purport to be revocable without notice; and (vi) be delivered to the Secretary or to the person presiding over the Association meeting for which the proxy is designated. Unless the proxy specifies a shorter or longer time, it shall terminate 11 months after its date and if the proxy is irrevocable it shall terminate 11 months after its date unless it provides for a sooner termination date. [Note Act 1396-2.13.B, provides that irrevocable proxies may remain valid for not longer than 11 months.] To revoke a proxy, the granting Member must give actual written notice of revocation to the person presiding over the Association meeting for which the proxy is designated. Unless so revoked, any proxy designated for a meeting which is adjourned, recessed, or rescheduled shall be valid when such meeting reconvenes. Proxies may be delivered via facsimile to the Secretary or person presiding over the Association meeting. It shall be the duty of the person sending a proxy facsimile to confirm its actual receipt. [TUCA §82.110(b), Act 1396-2.13.B]

5.12. CONDUCT OF MEETINGS. The President, or any person designated by the Board, shall preside over meetings of the Association. The Secretary shall keep, or cause to be kept, the minutes of the meeting which shall record all resolutions adopted and all transactions occurring at the meeting, as well as a record of any votes taken at the meeting. The person presiding over the meeting may appoint a parliamentarian. The then current edition of Robert's Rules of Order shall govern the conduct of all meetings of the Association when not in conflict with the governing documents. Votes shall be tallied by tellers appointed by the person presiding over the meeting.

5.13. ORDER OF BUSINESS. Unless the notice of meeting states otherwise, the order of business at meetings of the Association shall be as follows:

- Determine votes present by roll call or sign-in
- Confirmation of quorum
- Proof of notice of meeting
- Reading and approval of minutes of preceding meeting
- Reports

- Election of Directors (when required)
- Unfinished or old business
- New business

5.14. ADJOURNMENT OF MEETING. At any meeting of the Association, a majority of the Members present at that meeting, either in person or by proxy, may adjourn the meeting to another time.

5.15. ACTION WITHOUT MEETING. Subject to Board approval, any action which may be taken by a vote of the Members at a meeting of the Association may also be taken without a meeting by written consents. The Board may permit Members to vote by ballots delivered by hand, mail, facsimile transmission, or any combination of these. Subject to the time limits of Section 1396-9.10.C. of the Act, written consents by Members required by the governing documents, shall constitute approval by written consent. This paragraph may not be used to avoid the requirement of an annual meeting. This paragraph shall not apply to the election of Directors. [Act 1396-2.13.B]

5.16. TELEPHONE MEETINGS. Members of the Association may participate in and hold meetings of the Association by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear and speak to each other. Participation in such meeting shall constitute presence in person at the meeting, except where a person participates in the 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. [TUCA §82.108(c)(1), Act 1396-9.11]

ARTICLE 6

RULES

6.1. RULES. The Board shall have the right to establish and amend, from time to time, reasonable community rules and regulations for: (i) the administration of the Association and the governing documents; (ii) the maintenance, management, operation, use, conservation, and beautification of the condominium; and (iii) the health, comfort, and general welfare of the Occupants; provided, however, that such rules may not be in conflict with law or the Governing documents and must affect the common elements or other units and further provided that to the extent the same constitute restrictions on use, occupancy, or alienation of any Unit, the rules so adopted may only be to implement the use, occupancy or alienation provisions that are set forth in the Declaration. The Board shall, at all times, maintain the then current and complete rules in a written form which can be copied and distributed to the Members. Rules need not be recorded in the county's real property records.

6.2. ADOPTION AND AMENDMENT. Any rule may be adopted, amended, or terminated by the Board, provided that the rule and the requisite Board approval are properly recorded as a resolution in the minutes of the meeting of the Board.

6.3. NOTICE AND COMMENT. The Board shall give written notice to an owner of each unit of any amendment, termination, or adoption of a rule, or shall publish same in a newsletter or similar publication which is circulated to the Members, at least 10 days before the rule's effective date. The Board may, but shall not be required, to give similar notice to Occupants who are not Members. Any Member or Occupant so notified shall have the right to comment orally or in writing to the Board on the proposed action.

6.4. DISTRIBUTION. Upon request from any Member or Occupant, the Board shall provide at no cost a current and complete copy of rules. Additionally, the Board shall, from time to time, distribute copies of the current and complete rules to an owner of each unit and, if the Board so chooses, to non-Member Occupants.

ARTICLE 7

ENFORCEMENT

The violation of any provision of the governing documents shall give the Board the right, after notice and hearing, except in case of an emergency, in addition to any other rights set forth in the governing documents:

- a. To enter the unit or limited common element 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 structure, thing, or condition (except for additions or alterations of a permanent nature that may exist in that unit) that is existing and creating a danger to the common elements contrary to the intent and meaning of the provisions of the governing documents. The Board shall not be deemed liable for any manner of trespass by this action; or
- b. To enjoin, abate, or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any breach. This includes the right to evict Occupants who are not owners and the right to cause any such Occupants to attorn to the Association for any owner who is delinquent in his dues or assessments to the Association.

ARTICLE 8

OBLIGATIONS OF THE OWNERS

8.1. NOTICE OF SALE. Any owner intending to sell his unit or any interest therein shall give written notice to the Board of such intention, together with (i) the address or legal description of the unit being conveyed, (ii) the name and address of the intended purchaser, (iii) the name, address, and phone number of the title company or attorney designated to close such transaction, (iv) names and phone numbers of real estate agents, if any, representing seller or purchaser, and (v) scheduled date of closing. An owner shall furnish this information to the Board no less than 10 working days before the date of conveyance of the unit or any interest therein.

8.2. PROOF OF OWNERSHIP AND OTHER INFORMATION WHICH MUST BE FURNISHED. Except for those owners who initially purchase a unit from Declarant, any person, on becoming an owner of a Unit, shall furnish to the Board (i) evidence of ownership in the Unit, including the Unit owner's name, mailing address and driver's license number and State of issuance, if any (ii) the name and address of any holder of the lien against the Unit and the loan number, if any, (iii) the name, address and telephone number of any person occupying the Unit other than the Unit owner, and (iv) the name, address and telephone number of any person managing the Unit as the agent of the Unit owner, all of which information shall remain in the files of the Association. Such information shall be so furnished by the Unit Owner within thirty (30) after the date on which record title becomes vested in such new owner and again within thirty (30) after the date on which the owner receives notice or becomes aware of any change in such information. A Member shall not be deemed to be in good standing nor be entitled to vote at any annual or special meeting of the Association unless these requirements are first met. These requirements may be satisfied by receipt of a Board-approved form that is completed and acknowledged by a title company or attorney at time of conveyance of the unit or any interest therein. [TUCA §82.114(e) + (f)]

8.3. OWNERS' ADDRESSES. The owner or the several co-owners of a unit shall register and maintain one mailing address to be used by the Association for mailing of monthly statements, notices, demands, and all other communications. The owner shall keep the Association informed of the Member's current mailing address. If an owner fails to provide or maintain a current mailing address with the Association, the address of that owner's unit shall be deemed to be his mailing address and such correspondence shall be directed to the "unit owner". [TUCA §82.114(a)(4),(e) + (f)]

8.4. REGISTRATION OF MORTGAGEES. An owner who mortgages his unit shall furnish the Board with the name and mailing address of his mortgagee and shall specifically identify whether such Mortgagee is a First Mortgagee.

8.5. ASSESSMENTS. All owners shall be obligated to pay assessments imposed by the Association to meet the common expenses as defined in the declaration. A Member shall be deemed to be in good standing and entitled to vote at any meeting of the Association if he is current in the assessments, fines and penalties made or levied against him and his unit and has furnished the information required under Article 8 of these Bylaws.

8.6. COMPLIANCE WITH DOCUMENTS. Each owner shall comply with the provisions and terms of the Governing documents, and any amendments thereto. Further, each owner shall always endeavor to observe and promote the cooperative purposes for which the condominium was established.

ARTICLE 9

ASSOCIATION RECORDS

9.1. RECORDS. The Association shall use its best efforts to keep the following records:

- a. Minutes or a similar record of the proceedings of meetings of the Association and the Board. A recitation in the minutes that notice of the meeting was properly given shall be sufficient evidence that such notice was given. [TUCA 82.114(a)(6)]
- b. A record of the notes, proxies and correspondence relating to amendments of the Declaration, Bylaws, or Community Rules. [TUCA 82.114(a)(5)]
- c. Names and mailing addresses of the Members, the currency and accuracy of the information being the responsibility of the Members. [TUCA 82.114(a)(4)]
- d. Names and mailing addresses of the mortgagees, including all registered First Mortgagees, the currency and accuracy of the information being the responsibility of the Members and their Mortgagees. [See TUCA 82.114(e)].
- e. Detailed financial records and books of account for the Association, kept in a manner consistent with generally accepted accounting principles. Such financial records shall be annually audited as provided in Section 82.114 (c) of TUCA. [TUCA 82.114(a)(1), (b), Act 1396-2.23.A.]
- f. A copy of the plans and specifications used to construct the condominium. **(NOTE: Buildings originally constructed on or after January 1, 1994 must have plans and specifications on file.)** [TUCA 82.114(a)(2)]
- g. A copy of the plans and specifications acquired by the Association over time for improvements to the condominium.
- h. Copies of income tax returns prepared for the Internal Revenue Service.
- i. The condominium information statement and all amendments thereto prepared under Section 82.152 of TUCA.
- j. Copies of the Governing documents and all amendments to any of these. Also, for at least three years, a record of all votes or written consents by which amendments to the Governing documents were approved.

9.2. INSPECTION OF BOOKS AND RECORDS. Books and records of the Association shall be made available for inspection and copying at the Association's registered office or principal office pursuant to Section 82.114(b) of TUCA and Act 1396-2.23.B.

9.3. RESALE CERTIFICATES. Any Officer may prepare or cause to be prepared, certify, and execute resale certificates in accordance with Section 82.157 of TUCA. The Association may

charge a reasonable fee for preparing resale certificates. The Association may not refuse to furnish resale certificates if the fee is not paid. Any unpaid fees shall be assessed against the Unit for which the certificate is furnished. [TUCA 82.102 (a)(15), 82.157 (b).]

9.4. RECORDS RETENTION. The Association records required by this Article 9 shall be kept for a minimum of 3 years after the close of the Association's fiscal year and in the case of 9.1. (a), (b), (f), and (g) until the Association is dissolved.

9.5. AMENDMENTS TO DECLARATION. To the extent that the Amendment of the Declaration is otherwise permitted pursuant to the Governing documents, the President and the Secretary acting together shall be authorized to prepare execute, certify and record amendments to the Declaration.

ARTICLE 10

NOTICES

10.1. CO-OWNERS. If a Unit is owned by more than one person, notice to any one co-owner shall be deemed notice to all co-owners.

10.2. DELIVERY OF NOTICES. Any written notice required or permitted by these bylaws may be given personally, by mail, or by facsimile transmission. If mailed, the notice is deemed delivered when deposited in the U.S. mail addressed to the Member, First Mortgagee or any other Mortgagee at the address shown on the Association's records. If transmitted by facsimile, the notice is deemed delivered on successful transmission of the facsimile. [Act §1396-2.11.A.]

10.3. WAIVER OF NOTICE. Whenever any notice is required to be given to an Owner, Member, Director, First Mortgagee or any other Mortgagee, a written waiver of the notice, signed by the person entitled to such notice, whether before or after the time stated in the notice, shall be equivalent to the giving of such notice. Attendance by a Member, Director, First Mortgagee or any other Mortgagee at any meeting of the Association or Board, respectively, shall constitute a waiver of notice by such Member, Director, First Mortgagee or any other Mortgagee of the time, place, and purpose of such meeting unless that Member, Director or Mortgagee appears for the sole purpose of contesting the lawful convention of such meeting. If all Members, Directors and First Mortgagee entitled to vote on the matter at hand are present at any meeting of the Association or Board, respectively, no notice shall be required and any business may be transacted at such meeting. [Act §1396-9.09]

ARTICLE 11

DECLARANT PROVISIONS

11.1. CONFLICT. The provisions of this Article 11 shall control any contrary or inconsistent provision in these bylaws.

11.2. BOARD OF DIRECTORS. The initial Directors shall be appointed by Declarant and need not be owners or Occupants. Except to satisfy TUCA §82.103(c) and (d), Directors appointed by Declarant may not be removed by the Members and may be removed by Declarant only. Declarant has the right to fill vacancies in any Directorship vacated by a Declarant appointee unless TUCA §82.103(c) or (d) is then applicable to the selection process.

11.3. ORGANIZATIONAL MEETING. Not later than the 31st day after the conveyance of 75% of the units in the Condominium to persons other than the Declarant, or sooner at Declarant's option, Declarant shall call an organizational meeting of the Members for the purpose of electing Directors, by ballot of Members. Notice of the Members' organizational meeting shall be given as if it were notice of an annual meeting. [TUCA §82.103 (e)]

ARTICLE 12

AMENDMENTS TO BYLAWS

12.1. PROPOSALS. These bylaws may be amended by the Members according to the terms of this Article. The Association shall provide an owner of each unit and any First Mortgagees entitled to vote thereon with exact wording of any proposed amendment. Such description shall be included in the notice of any annual or special meeting of the Association if such proposed amendment is to be considered at said meeting.

12.2. CONSENTS. An amendment shall be adopted by the vote, in person or by proxy, or written consent, or by mail, facsimile transmission or a combination of all of the above, of Members representing at least 50% of the eligible votes (and at least 25% of the total votes) of Members, in the Association based on each owner's percentage interest in the common elements, plus the requisite number of First Mortgagees who may be entitled to vote on such amendment (as determined by reference to the Declaration). [TUCA §82.106 (a) (b)].

12.3. EFFECTIVE. To be effective, each amendment must be in writing, reference the names of the condominium and the Association, be signed by at least the President and Secretary of the Association acknowledging the requisite approval of Members, and any required First Mortgagees and be delivered to an owner of each unit (and any First Mortgagees who were entitled to vote thereon) at least 10 days before the amendment's effective date. Further, if these bylaws are publicly recorded in Williamson County, the amendment must recite and recording data for the bylaws, be in a form suitable for recording as a real property record in Williamson County, and be recorded with the county clerk in the Official Records of Williamson County, Texas.

12.4. DECLARANT PROTECTION. As long as the Declarant owns a unit in the condominium, no amendment of these bylaws may affect the Declarant's rights herein without the

Declarant's written and acknowledged consent. Specifically, this section and Article 11 may not be amended without prior written approval of the Declarant, which approval must be set forth in the amendment instrument.

ARTICLE 13

GENERAL PROVISIONS

13.1. CONFLICTING PROVISIONS. If any provision of these bylaws conflicts with any provision of the laws of the State of Texas, such conflicting bylaws provision shall be null and void, but all other provisions of these bylaws shall remain in full force and effect. In the case of any conflict between the articles of incorporation of the Association and these bylaws, the articles shall control. In the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

13.2. SEVERABILITY. Invalidation of any provision of these bylaws, by judgement or court order, shall in no wise affect any other provision which shall remain in full force and effect. The effect of a general statement shall not be limited by the enumerations of specific matters similar to the general.

13.3. FISCAL YEAR. The fiscal year of the Association shall be set by resolution of the Board, and is subject to change from time to time as the Board shall determine. In the absence of a resolution by the Board, the fiscal year shall be the calendar year.

13.4. WAIVER. No restriction, condition, obligation, or covenant contained in these bylaws shall be deemed to have been abrogated or waived by reason of failure to enforce the same, irrespective of the number of violations or breaches thereof which may occur.

13.5. SEAL. A corporate seal may be adopted for use by the Corporation but shall not be required to be used by Corporation.

13.6. NOTICE OF INDEMNIFICATION OF OR ADVANCE OF EXPENSES. Any indemnification of or advance of expenses to an Officer, Director or other person in accordance with the Articles or these Bylaws shall be reported in writing to the Members with or before the notice or waiver of notice of the next Member's meeting or with or before the next submission to Members of a consent to action without a meeting pursuant to Section A of Article 1396-9.10, of the Act, as amended, and, in any case, within the 12-month period immediately following the date of the indemnification or advance.

CERTIFICATE

I HEREBY CERTIFY that the foregoing is a true, complete, and correct copy of the initial Bylaws of Park West Office Condominium Owners' Association, Inc., a Texas nonprofit corporation and condominium association, as adopted by the initial Board of Directors by Unanimous Written Consent of Directors In Lieu of Organization Meeting effective May 9, 2001.

Park West Office Condominium Owners'
Association, Inc.

By: Carolyn Gavurnik
Carolyn Gavurnik, Secretary

THE STATE OF TEXAS §
 §
COUNTY OF WILLIAMSON §

Before me, the undersigned authority, on this 9th day of May, 2001, personally appeared Carolyn Gavurnik, Secretary of Park West Office Condominium Owners' Association, Inc. known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that she executed the same on behalf of such corporation, and in the capacity so stated.

Rachelle L. Jones
Notary Public in and for the State of Texas

(INK STAMP NOTARY SEAL)

