

HILLTOP PLACE OWNER'S ASSOCIATION

BY-LAWS

ARTICLE I - MEMBERSHIP

Section 1 The membership of this organization shall be limited to owners of lots in Hilltop Place Section I & II, Hays County, Texas as presently platted (hereinafter referred to as "subdivisions"). Only qualified members in good standing may vote. The owner or owners in good standing of each lot or lots in the subdivisions shall have one vote per paid membership. Privileges such as offering motions, resolutions, and debating at meetings and participation in the affairs of the organization shall be limited to members in good standing. The use of the words he or his in these by-laws refers to both male and female.

Section 2 Members who fail to pay fees billed by the organization within sixty (60) days of receipt of a statement for such fees shall not be in good standing until such past due amount is paid in full.

Section 3 The control and management of this organization is vested in the membership, except as otherwise provided by these by-laws. The membership of the organization or its Board of Directors shall take no action which in any way supersedes or alters any valid property right or restriction which applies to any lot in the subdivisions.

Section 4 The officers and Board of Directors of this organization shall be elected at the annual meeting by a majority vote. Selection will be made from property owner members who are in good standing at the time and in the manner prescribed in these by-laws.

Article II - OFFICERS

Section 1 The officers of this organization shall be: President, Vice-President, Secretary, and Treasurer.

Section 2 Officers shall be elected at the annual meeting of members of the organization to serve a term of approximately one year and until his successor is elected and qualified. Election shall be by a majority vote of the qualified voting members in good standing present at the meeting.

Section 3 If any officer dies, resigns or ceases to be a member in good standing during his term of office, his office shall be automatically vacated and a successor shall be appointed for the unexpired term by a majority vote of the Board of Directors.

Section 4 The President shall preside at all meetings of the organization, and of the Board of Directors, preserve order, enforce the by-laws, and exercise supervision of its affairs generally. He shall decide all questions of procedure and order for the organization. He shall, with the advice and consent of the Board of Directors, appoint all committees and shall be an ex-officio member thereof. He shall perform such other and further duties as are customarily performed by such officer.

Section 5 The Vice-President shall assist the President in the discharge of his duties. In the absence of the President or in the event the office of President is vacant, he shall perform all the duties of the President. The Vice-President shall issue to members annually a Property Owners' directory containing the names, addresses, telephone

numbers and lots owned of the subdivision property owners.

Section 6 The Secretary shall keep a full, true and correct record of all proceedings of this organization, receive all communications, conduct all correspondence, have charge of all records, shall perform the same duties with respect to the Board of Directors, and shall perform such other duties as are customarily performed by such officer. The Secretary shall examine qualifications of all persons attending meetings and call to the attention of the presiding officer any disputes.

Section 7 The Treasurer shall receive fees and billing payments from members. He, or another so designated, shall receive all other money due the organization, or its members. All money shall be deposited in the bank designated by the Board of Directors and shall be withdrawn upon two signatures, the President and/or Treasurer, or another signatory to be designated by the President and Treasurer. He shall keep the books of account for the organization and shall also perform such other duties as are customarily performed by such officer.

The Treasurer, the President, and any other person signatory to funds of the organization shall give bond in the amount required by the Board of Directors, such bond to be issued by a bonding company approved by the Board of Directors. The cost of such bond shall be paid by the organization.

ARTICLE III - ELECTIONS

Section 1 At least thirty (30) days before the annual meeting of the members fixed by the by-laws, the President, with the advice of the Board of Directors, shall appoint a nominating

committee, which committee shall report its recommendation and nominations for each elective office at the annual meeting.

Section 2 The qualified property owner members in good standing shall then be privileged to make nominations from the floor.

Section 3 Election shall be by written ballot cast by qualified property owner members in good standing. If only one person for an office is nominated, a voice vote may be an official vote.

Section 4 The presiding officer shall declare the result of the ballot by declaring the member receiving a majority vote elected.

ARTICLE IV - BOARD OF DIRECTORS

Section 1 The Board of Directors shall consist of the duly elected officers of the Association with at least one representative from each of the subdivisions.

Section 2 Any vacancy upon the Board of Directors shall be filled by a majority vote of the Board of Directors for the unexpired term.

Section 3 The Board of Directors shall be the governing body of the organization with full rights and authority to outline, plan, determine and carry into execution all business, activities and policies of the organization; enter into and execute necessary agreements, together with the instruments or contracts in connection therewith, in the name of the organization, through the President or Vice-President in the absence of the President. The Board of Directors shall take no action which limits, interferes with or abridges the

property rights conveyed to the owners of lots in the subdivisions. Written minutes and records of all proceedings of the Board of Directors shall be kept by the Secretary of this organization and same shall be open to the inspection of the members in good standing at all reasonable times.

Section 4 The Board of Directors shall not authorize expenditure of funds in excess of the total amount on deposit in the treasury.

Section 5 All resolutions adopted, plans and projects accepted, and all other matters adopted or acted upon by the Board of Directors shall be submitted to the membership for its information at the next following meeting thereof or by newsletter.

Section 6 The Board of Directors shall at its meeting in April of each year make an estimate of the money required during the period remaining until the next annual meeting of members to provide security, preservation, maintenance of roads and to pay the administrative costs of conducting the affairs of the organization. Based upon this estimate the Board of Directors shall set the annual membership fee to be billed to each owner or owners of a lot or lots in the subdivisions to be used only for the purposes set forth above in this Article IV, Section 6. If the estimate or billing does not provide to the organization a sufficient sum to pay the cost of such activities, the Board of Directors may bill each owner or owners of lots an additional equal sum necessary to pay for such costs.

Section 7 The Secretary shall forthwith mail by January 15th a statement to the lot owners for the amount of the annual membership fee and any additional billings which shall be due and payable by February 28th of the same year.

ARTICLE V - MEETINGS

Section 1 The annual meeting of the membership of this organization shall be held at the time and place designated by the President in April of the year following the year of his election and at any other time deemed necessary to conduct regular business.

Section 2 A special meeting of the membership may be called by the President, or the Vice-President, or the Board of Directors or upon written call by ten percent (10%) of members in good standing, upon twenty-five days written notice to the members. Upon the presentation of a written call by ten percent of members in good standing to the President, or in his absence the Vice-President, he shall call such a special meeting. The written notice of special meetings to the members shall contain an agenda of matters to be considered.

Section 3 A regular meeting of the Board of Directors shall be held in April and quarterly thereafter each year at the time and place designated by said Board. Members of the organization in good standing may attend any meeting.

Section 4 Special meetings of the Board of Directors shall be held at the time and place designated upon call of the President, or the Vice-President in the absence of the President, or upon request of three members of the Board of Directors, or upon written request of a majority of the members in good standing of the organization. Such special meetings may be conducted by meeting in person or by exchange of letters or telephone calls.

ARTICLE VI - COMMITTEE

Section 1 The President, immediately following his qualifying for such office shall appoint a Road Committee.

Section 2 There may be appointed from time to time by the President, or in his absence the Vice-President, with the advice and consent of the Board of Directors, such other committees whose duties shall be established by the appointing authority. The President, or in his absence the Vice-President, shall be an ex-officio member of all committees.

Section 3 The duties of all standing committees shall be defined by the Board of Directors. Each committee shall report its activities and services performed at the annual meeting of members next following its appointment.

ARTICLE VII - PROCEDURE

Section 1 The Revised Edition of Robert's Rules of Order shall be authority for procedure in conducting all meetings of this organization, and its Board of Directors, when not in conflict with the by-laws of this organization.

Section 2 The following shall be the order of business for all meetings of the membership:

1. Registration of members in attendance
2. Roll call of officers
3. Introduction of visitors
4. Reading of minutes of preceding meeting
5. Reports of committees
6. Old business
7. New business
8. General discussion and suggestions

ARTICLE VIII - AMENDMENTS

Section 1 These By-laws may be revised, changed or amended at any meeting, regular or special, by a majority vote of the members present who are in good standing. However, a copy of the proposed revision, change or amendment, together with notification of the time and place of meeting at which same is to be considered, shall be delivered or mailed to each member in good standing at least twenty-five (25) days before the meeting at which same is to be submitted.

ARTICLE IX - IMPEACHMENT PROCEEDINGS

Section 1 Any officer or member of the Board of Directors may be impeached for misfeasance or malfeasance of office or for actions contrary to the interests of the organization by the vote of seventy-five percent (75%) of qualified members in good standing present at a meeting of the membership at which impeachment is considered.

ARTICLE X - FISCAL YEAR

Section 1 The first fiscal year of this organization shall be from the effective date of incorporation of the by-laws, through the 30th day of March, 1996. Thereafter the fiscal year shall be from the 31st day of March through the 30th of March of the following year.

ARTICLE XI - QUORUM

Section 1 Three (3) members of the Board of Directors shall constitute a quorum thereof for the purpose of any meeting and to transact business that may properly come before such meeting.

ARTICLE XII - AUDITING COMMITTEE

Section 1 Immediately upon election and qualifications, the President, with the advice and consent of the Board of Directors, may appoint an Auditing Committee, the number of members of which shall be not less than three nor more than five. The Auditing Committee shall supervise the keeping of records by the Treasurer. The Auditing Committee shall audit the books and records of the organization and make a detailed report thereon in writing to the Board of Directors within thirty (30) days after the close of the fiscal year. Such report, after being reviewed by the Board of Directors, shall be presented to the members at the next regular meeting together with the report of the Board of Directors.

ARTICLE XIII - ROAD NAMES

Section 1 The owners of a majority of the lots which face upon any subdivision road which is not named may select a name for such road and shall submit such name to the Board of Directors. At its next meeting the Board shall consider such name. If it approves by a majority vote, and is subsequently approved by County Officials having jurisdiction over road names, the road shall forthwith bear such name. The owners of lots upon said road may then erect a sign post which bears the name selected.

ARTICLE XIV - SURPLUS FUNDS

Section 1 If surplus funds remain in the organization's accounts at the end of a fiscal year, such funds shall be used during the next fiscal year for the same purpose or purposes for which they were collected.

ARTICLE XV - PRINCIPAL OFFICE

Section 1 The principal office of this corporation shall be the residence address of the President then serving.

HILLTOP PLACE OWNER'S ASSOCIATION

September 25, 2004

Proposed By-Laws Amendments

In accordance with By-Laws Article VIII – Amendments, this **proposed amendment** to the By-Laws is submitted to members of the Association in good standing at least twenty-five (25) days prior to the meeting at which it is submitted.

EXISTING ARTICLE IV – BOARD OF DIRECTORS

Section 1 The Board of Directors shall consist of the duly elected Officers of the Association with at least one representative From each of the subdivisions.

PROPOSED AMENDMENT:

Section 1 The Board of Directors shall consist of the duly elected Officers of the Association **and two additional Directors, One from each subdivision.**

REASON FOR AMENDMENT:

Currently two additional Directors are elected but no requirement exists for a director To represent a subdivision. This would insure representation of each subdivision in Matters that come before the Association.

EXISTING ARTICLE X – FISCAL YEAR

Section 1 The first fiscal year of this organization shall be from The effective date of incorporation of the by-laws, through The 30th day of March, 1996. Thereafter the fiscal year Shall be from the 31st day of March through the 30th of March of the following year.

PROPOSED AMENDMENT:

Section 1 The first fiscal year of this organization shall be from The effective date of incorporation of the by-laws, through The 30th day of March, 1996. Thereafter the fiscal year Shall be from the **1st day of January through the 31st Of December of the same year.**

REASON FOR AMENDMENT:

The revision will allow for payment of dues to follow the calendar year, which is more logical.

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ARTICLE XV - PRINCIPAL OFFICE

Section 1 The principal office of this corporation shall be the residence address of the President then serving.