

**AMENDED AND RESTATED
BYLAWS
OF
FAIRWAYS OF SHERRILL PARK
HOMEOWNERS ASSOCIATION, INC.**

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FAIRWAYS OF SHERRILL PARK
HOMEOWNERS ASSOCIATION, INC.

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**AMENDED AND RESTATED
BYLAWS
FAIRWAYS OF SHERRILL PARK HOMEOWNERS ASSOCIATION, INC.**

**ARTICLE I
NAME, LOCATION, PURPOSE AND PARTIES**

1. **Name and Location.** The name of the corporation is FAIRWAYS OF SHERRILL PARK HOMEOWNERS ASSOCIATION, INC., hereinafter referred to as the "Association". The principal office of the corporation shall be located in either Dallas or Collin County, Texas, and meetings of members and directors may be held at such places within the State of Texas, Counties of either Dallas or Collin, as may be designated by the Board of Directors.

2. **Purpose.** The purpose for which the Association is formed is to govern the residential subdivision, Fairways of Sherrill Park, formerly known as White Chapel Subdivision, situated in the County of Collin, State of Texas, which property is described in that certain Second Amended and Restated Declaration of Covenants, Easements and Restrictions for Fairways of Sherrill Park (formerly known as White Chapel Subdivision) ("Declaration") dated effective as of the 20th day of January, 1988, and filed in the Real Property Records of Collin County, Texas at Volume 2854, Page 186, et seq.

3. **Parties.** All present or future Owners, tenants, future tenants of any Lot, or any other person who might use in any manner the facilities of the Property are subject to the provisions and any regulations set forth in these Bylaws. The mere acquisition, lease or rental of any Lot or the mere act of occupancy of a Lot will signify that these Bylaws are accepted, approved, ratified, and will be complied with.

**ARTICLE II
DEFINITIONS**

The definitions contained in the Declaration are incorporated herein by reference.

**ARTICLE III
MEMBERSHIP, ORGANIZATION, VOTING RIGHTS**

1. **Membership.**

(a) Any Person on becoming an Owner of a Lot shall automatically become a Member of the Association. Such membership shall terminate without any formal Association action whenever such Person ceases to own a Lot, but such termination shall not relieve or release such Person from any liability or obligation incurred under or in any way connected with the Subdivision during the period of

such Person's ownership and membership, or impair any rights or remedies which the Board or others may have against such Person arising out of or in any way connected with such ownership and membership and the covenants and obligations incident thereto. No certificates of stock shall be issued by the Association, but the Board may, if it so elects, issue one (1) membership card to the Owner(s) of a Lot. Such membership card shall be surrendered to the Secretary of the Association whenever ownership of the Lot designated thereon shall terminate.

(b) Lot ownership shall entitle the Owner(s) to cast one (1) vote per Lot in the affairs of the Association. If multiple Owners of a Lot are not able to agree as to how to exercise their vote, they shall forfeit their vote as to the issue upon which they are unable to agree and their vote shall be deemed to be removed from the pool of eligible votes.

(c) During the Declarant Control Period, the provisions of Section 6.6 of the Declaration govern and control voting rights within the Association.

2. **Annual Meetings.** The annual meeting of the Members shall be held within ninety (90) days following the close of the Association's fiscal year. The Board of Directors shall set a date and time within the aforescribed 90-day period for the annual meeting.

3. **Special Meetings.** Special Meetings of the Members may be called at any time by the President or by the Board of Directors, or upon written request of the Members who are entitled to vote sixty percent (60%) of all the votes of the membership.

4. **Notice of Meetings.** Written notice of each meeting of the Members shall be given by, or at the direction of, the secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least ten (10) but not more than fifty (50) days before such meeting to each Member entitled to vote thereat, addressed to the Member's address last appearing on the books of the Association, or supplied by such Member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting.

5. **Quorum.**

Except as otherwise provided in the Articles of Incorporation, the Declaration or these Bylaws, the quorum required for any action shall be as follows:

At the initial meeting called, as hereinafter provided, the presence at the meeting of Members, or of proxies, entitled to cast ten percent (10%) of all of the votes of the Association shall constitute a quorum. If the required quorum is not present at the meeting, one additional meeting may be called, subject to the notice requirement

hereinabove set forth, and the required quorum at such second meeting shall be five percent (5%) of all of the votes of the Association; provided, however, that no such second meeting shall be held more than sixty (60) days following the first meeting.

6. **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. Every proxy shall be revocable and shall automatically cease upon conveyance by the Member of such Member's Lot.

7. **Action Without Meeting By Written Ballot.** Any action which may be taken by the vote of the Members at a regular or special meeting, other than the election of Directors, may be taken without a meeting if done in compliance with relevant provisions of the Texas Business Corporation Act, the Texas Non-Profit Corporation Act and the Texas Miscellaneous Corporation Laws Act. If an action is taken without a meeting, the Board shall distribute a written ballot to every Member entitled to vote on the matter. The ballot shall set forth the proposed action, provide any opportunity to specify approval or disapproval of any proposal, and provide a reasonable time within which to return the ballot to the Association. The action shall be taken upon the affirmative eligible votes of the required percentage of Members in accordance with the applicable provisions herein.

8. **Ineligible Votes.** When an Owner is not eligible to vote in the affairs of the Association for reasons stated under the terms of this Declaration (for instance but without limitation, failure among multiple Owners of a Lot to reach an agreement on how to cast their vote, failure to pay assessments within the prescribed period, etc.), such ineligible votes are deemed neither an affirmative nor a negative vote, but a nullity. Therefore, ineligible votes shall not be considered in determining the total pool of eligible votes. For example, if there are one hundred (100) Owners in the Association and two (2) of these Owners took action or failed to take action which rendered their votes ineligible under the terms of this Declaration, a majority vote of the Lot Owners would be fifty-one percent (51%) of the ninety-eight (98) eligible votes to be cast.

ARTICLE IV BOARD OF DIRECTORS: SELECTION, TERM OF OFFICE

1. **Number.** After the expiration of the Declarant Control Period, the affairs of this Association shall be managed by a Board of seven (7) directors, who need not be Members of the Association. Prior to the expiration of the Declarant Control Period, the affairs of the Association shall be managed by a Board of three (3) directors, who need not be a Member of the Association. During the Declarant Control Period, the three (3) Members of the Board may, by consent of the Board, appoint the new Board of seven (7) Directors who shall serve from and after the date of expiration of the Declarant Control Period until the first Annual Meeting of the Members conducted after expiration of the Declarant Control Period. The members of the initial Board of Directors, or their successors, shall serve until the first annual meeting of the Members conducted after expiration of the Declarant Control Period. In case of the resignation, death, or failure, incapacity, or refusal to serve of any of the said initial directors prior to said time, the remaining directors may appoint a

substitute director or directors to serve the remainder of said period. The judgment of the directors, whether the directors are the initial directors or substitute directors in the expenditure of funds of this Association shall be final and conclusive, so long as such judgment is exercised in good faith.

2. Term of Office. At the first annual meeting conducted after expiration of the Declarant Control Period, the Members shall elect four (4) director(s) for a term of one (1) year, and three (3) directors for a term of two (2) years; and at each annual meeting thereafter, the Members shall elect director(s) for a term of two (2) years as such preceding terms expire, thereby creating staggered terms of two (2) years for all subsequent directors. No director shall serve more than three (3) terms in succession. However, a director appointed to fulfill the unexpired term of his predecessor pursuant to Section 4.3 herein may subsequently be elected to serve two (2) terms in succession without regard to the prior partial term served.

3. Removal. Any director may be removed from the Board, with or without cause, by a majority of eligible votes of the Members of the Association. In the event of death, resignation or removal of a director, his successor shall be selected by the remaining members of the Board and shall serve for the unexpired term of his predecessor.

4. Compensation. No director shall receive compensation for any service such director may render to the Association. However, any director may be reimbursed for such director's actual expenses incurred in the performance of such director's duties.

5. Action Without Meeting and Telephonic Meetings. The directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the directors. Any action so approved shall have the same effect as though taken at a meeting of the directors. The Board may hold duly called meetings between Directors by telephone so long as such telephone meetings are in compliance with the terms of the Texas Non-Profit Corporation Act.

ARTICLE V NOMINATION AND ELECTION OF DIRECTORS

1. Nomination. Nominations for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two or more Members of the Association or representatives of the Declarant. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the Members, to serve from the close of such annual meeting until the close of the next annual meeting and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled.

2. **Election.** The initial Board of Directors, shall be set forth in the Articles of Incorporation of the Association. The first election of the Board shall be conducted at the first meeting of the Members of the Association after expiration of the Declarant Control Period. All positions on the Board shall be filled at that election. Election of the Board of Directors shall be by secret written ballot. The persons receiving the largest number of votes for each of the respective positions shall be elected. Cumulative voting is not permitted.

ARTICLE VI MEETINGS OF DIRECTORS

1. **Regular Meetings.** Regular meetings of the Board of Directors shall be held monthly without notice, at such place and hour as may be fixed from time to time by resolution of the Board. Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.

2. **Special Meetings.** Special meetings of the Board of Directors shall be held when called by the President of the Association, or by any two directors, after not less than three (3) days' notice to each director.

3. **Quorum.** A majority of the number of directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

ARTICLE VII GENERAL POWERS AND DUTIES OF THE BOARD OF DIRECTORS OF THE ASSOCIATION

Powers and Duties. In addition to any powers and duties enumerated in the Declaration and the Articles of Incorporation of the Association, or elsewhere provided for herein, and without limiting the generality thereof, the Board of Directors of the Association, for the mutual benefit of the Members of the Association, shall have the following powers and/or duties:

(a) To take any action if, as and when the Board of Directors of the Association, in its sole discretion, deems such actions necessary to enforce the terms and provisions of the Declaration, the Articles of Incorporation and these Bylaws of the Association by appropriate means and carry out the obligations of the Association hereunder, including without limitation, the expenditure of funds of the Association, the employment of legal counsel and accounting services, the commencement of legal causes of action, the promulgation and enforcement of the Association rules (herein so-called) which may include the establishment of a system of fines and/or penalties and to enjoin and/or seek legal damages from any Owner for violation of such provisions or rules;

(b) To acquire, maintain and otherwise, manage all of the Common Areas and all facilities, improvements and landscaping thereon, and all personal property acquired or owned by the Association;

(c) To execute all declarations of ownership for tax assessment purposes and to pay any and all real and personal property taxes and other charges or assessments assessed against the Common Areas, unless the same are separately assessed to all or any of the Owners;

(d) To obtain, for the benefit of the Common Areas, all water, gas and electric services, refuse collections, landscape maintenance services and other services, which in the opinion of the Board of Directors shall be necessary or proper;

(e) To make such dedications and grant such easements, licenses, franchises or other rights, which in its opinion are necessary for street, right-of-way, utility, sewer, drainage and other similar facilities or video services, cable television services, security services, communication services and other similar services over the Common Areas to serve the Areas or any other portions of the Property;

(f) To contract for and maintain such policy or policies of insurance as may be required by the Declaration or as the Board of Directors of the Association deems necessary or desirable in furthering the purposes of and protecting the interest of the Association and its Members;

(g) To borrow funds in the name of the Association from such lenders as it deems necessary and in the best interest of the Association and to give the Association's notes therefor, in such amounts, for such time and at such rate of interest as may be designated in such notes, and upon such terms and conditions it deems necessary and appropriate for the operation of the Association's business; such borrowed funds used to pay, for example and not limitation, costs of operation secured by assignment or pledge of its rights against Owners to the extent deemed advisable by the Board of Directors of the Association;

(h) To enter into contracts for legal and accounting services, maintain one or more bank accounts, and generally, to have the powers necessary or incidental to the operation and management of the Association and the Subdivision;

(i) To take action to protect or defend the Common Areas or other property of the Association from loss or damage by suit or otherwise if, as and when the Board of Directors of the Association, in its sole discretion, deems it necessary and the Board of Directors may, but shall not be obligated to, undertake such action;

(j) To, sue and defend in any court of law on behalf of the Association or one (1) or more Members thereof if, as and when the Board of Directors, in its sole discretion, deems it necessary and the Board of Directors may, but shall not be obligated to, undertake such action;

(k) To establish and maintain a working capital and/or contingency fund in an amount to be determined by the Board of Directors of the Association;

(l) To make reasonable rules and regulations for the operation and use of the Property and to amend same from time to time; provided, however, that any rule or regulation may be amended or repealed by an instrument in writing signed by a majority of the Members;

(m) To make available to each Owner within sixty (60) days after the end of each fiscal year, an unaudited annual report;

(n) To adjust the amount, collect and use any insurance proceeds to repair damage or replace lost property owned by the Association, and if the proceeds are insufficient to repair damage or replace lost property owned by the Association, to assess the Members in proportionate amounts to cover the deficiency; and

(o) To delegate its powers and duties to committees, officers or employees as provided in these Bylaws of the Association, employ a manager or other persons and contract with independent contractors or managing agents who have professional experience to perform all or any part of the duties and responsibilities of the Association.

ARTICLE VIII OFFICERS AND THEIR DUTIES

1. **Enumeration of Officers.** The officers of the Association shall be a president and vice president, who shall at all times be members of the Board of Directors, a secretary and a treasurer, and such other officers as the Board may from time to time by resolution create.

2. **Election of Officers.** At its organizational meeting following the incorporation of the Association, the Directors shall elect officers. Thereafter, the election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the Members.

3. **Term.** The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year unless such officer shall sooner resign, or shall be removed, or otherwise disqualified to serve.

4. **Special Appointments.** The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

5. **Resignation and Removal.** Any officer may be removed from office without cause by the Board. Any officer may resign at any time by giving written notice to the Board, the president or secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

6. **Vacancies.** A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

7. **Multiple Offices.** The offices of secretary and treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 4 of this Article.

8. **Duties.** The duties of the officers are as follows:

President

(a) The president shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments, except as may be otherwise approved by the Board of Directors; provided, however, that any duly authorized officer may sign checks and promissory notes.

Vice President

(b) The vice president shall act in the place and stead of the president in the event of the president's absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of the vice president by the Board.

Secretary

(c) The secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Board and of the Members; keep appropriate current records showing the Members of the Association together with their addresses and shall perform such other duties as required by the Board.

Treasurer

(d) The treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors, keep proper books of account, shall prepare an annual budget to be presented to the Board of Directors for approval and adoption, prepare a statement of income and expenditures to be presented to the membership at its regular annual meeting, and deliver a copy of the budget and the statement of income to the Members prior to the annual meeting.

ARTICLE IX COMMITTEES

The Declarant shall appoint an Architectural Control Committee, as provided in Section 8.1 of the Declaration. The Board of Directors shall appoint a Nominating Committee, as provided in these Bylaws and other committees as deemed appropriate in carrying out its purpose.

ARTICLE X INDEMNIFICATION

Subject to the provisions of Article 2.22A of the Texas Non-Profit Corporation Act, the corporation may indemnify directors, officers, agents and employees as follows:

1. **Permitted Persons.** The corporation acting through, and at the direction of, the Board of Directors may indemnify any person who (i) is or was a director, officer, employee, or agent of the corporation or (ii) while a director, officer, employee, or agent of the corporation, is or was serving at the request of the corporation as a director, officer, partner, venturer, proprietor, trustee, employee, agent, or similar functionary of another foreign or domestic corporation, partnership, joint venture, sole proprietorship, trust, employee benefit plan, or other enterprise, to the fullest extent that a corporation may or is required to grant indemnification to a director under the Texas Non-Profit Corporation Act. The corporation may indemnify any person to such further extent as permitted by law.

2. **Insurance.** The corporation may purchase and maintain insurance or another arrangement on behalf of any person who is or was a director, officer, employee, or agent of the corporation or who is or was serving at the request of the corporation as a director, officer, partner, venturer, proprietor, trustee, employee, agent, or similar functionary of another foreign or domestic corporation, partnership, joint venture, sole proprietorship, trust, employee benefit plan, or other enterprise against any liability asserted against him and incurred by him in such a capacity or arising out of his status as such a person, whether or not the corporation would have the power to indemnify him against that liability pursuant to the provisions of the Texas Non-Profit Corporation Act.

**ARTICLE XI
RECORDS**

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any Member. The Declaration, the Articles of Incorporation and the Bylaws of the Association shall be available for inspection by any Member at the principal office of the Association, where copies may be purchased at reasonable cost.

**ARTICLE XII
ASSESSMENTS**

The provisions of Article X of the Declaration specifically set forth rights, obligations and liabilities of the Association and its Members relative to the levy, collection and use of assessments and those provisions are incorporated herein by this reference for all purposes.

**ARTICLE XIII
CORPORATE SEAL**

The Association shall have a seal in circular form having within its circumference the words: FAIRWAYS OF SHERRILL PARK HOMEOWNERS ASSOCIATION, INC.

**ARTICLE XIV
AMENDMENTS**

The Bylaws or the Articles of Incorporation of this Association may be amended or altered at a regular or special meeting of the Members by a vote (in person or by proxy) of at least fifty-one percent (51%) of the outstanding eligible votes of the Association, in the aggregate.

**ARTICLE XV
MISCELLANEOUS**

1. **Fiscal Year.** The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

2. **Interpretation.** In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control; and in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control; provided, however, to the extent reasonably practical, the Articles of Incorporation, Bylaws and Declaration shall be construed and interpreted together as consistent and non-conflicting documents, such being the intent thereof.

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IN WITNESS WHEREOF, we, being all of the Directors of Fairways of Sherrill Park Homeowners Association, Inc., have hereunto set our hands effective as of the ___ day of _____, 1997; with the Amended and Restated Bylaws set forth herein being fully amended and restated as of the date hereof in full replacement of all previous revisions of the Bylaws of the Association.

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