

ARROWHEAD LAKE PROPERTY OWNERS, INC.

BYLAWS

AS AMENDED APRIL 10, 2010

ARTICLE I - MEMBERSHIP

SECTION 1 *The articles of Incorporation of Arrowhead Lake Property Owners, Inc. was filed with the Secretary of the State of Texas on February 15, 1967. Membership in Arrowhead Lake Property Owners, Inc., hereafter referred to as the Association, shall be composed exclusivity of all property owners in Arrowhead Lake Subdivision, hereafter referred to as the Subdivision, as defined by plat on record in: Section One, Volume 7, Page 55; Section Two, Volume 7, Page 59; Section Three, Volume 7, Page 85; Section Four, Volume 7, Page 97; Section Five, Volume 7, Page 117; Section Eight, Volume 9, Page 36; all of the map plat records of Montgomery County, Texas. Also Section Six, Volume 713, Page 896 and Section Seven, Volume 713, Page 897 of the Deed of Records, Montgomery County Texas. Membership shall not be transferred or assigned, except through transfer of property ownership as defined in Section 2 of this Article.*

SECTION 2 *A property owner is one who owns property in the Subdivision in fee simple, or who enters into a contract of sale, or who acquires property through deed of trust. Ownership of property must be proven by presentation of a recorded deed or recorded contract of sale. In lieu of such presentation, the volume and page reference (s) of the recorded deed or contract of sale will be sufficient. If the deed or contract of sale is not recorded, a copy must be provided, for the subdivision's records, to the Treasurer within ten (10) days of his/her request.*

SECTION 3 *Members in good standing, hereafter referred to as Association Members, shall be known as those members not delinquent in dues owed the Association and those members in compliance with the Deed Restrictions.*

SECTION 4 *Rights and privileges of Membership accrue only to the Association Members in good standing, including the use of any and all land areas and recreational facilities owned by the Association subject to the RULES governing the use of such facilities. However, unmarried children of Association Members, provided they are in residence with their parents, may also use land areas and recreational facilities subject to the RULES.*

Guest of Association members may also use land areas and recreational facilities subject to the RULES. Guests must be accompanied by the host member. In addition, guests may not number more than six persons per Association Member family, unless prior approval is obtained for the renting or use of such facilities as set forth in the RULES.

Persons renting property of an Association Member in the subdivision may use land areas and recreational facilities Subject to the RULES, provided that rent property dues as defined below are current. A married or unmarried child and/or relative of an Association Member will be considered a renter for the purpose of assessing rent property dues if they meet any one of the three following conditions:



ARTICLE I – SECTION 4 (CONT'D)

1. They rent a dwelling from the Association Member or,
2. They have rent-free use of a dwelling of the Association Member's and such dwelling is not the Association Member's principal place of residence; or,
3. They live in a dwelling located on the Association Member's property and such dwelling is not the principal place of residence of the Association Member.

Rent property dues are to be in an amount equal to the charge for maintenance assessment on one lot to an Association Member. However, the rent property dues are to be assessed from the beginning of any month in which such property is rented through the remainder of the year. No refunds or credits will be given to the Renter or Association Member should the property cease to be a rental property. The rent property dues are subject to the same due date and penalties as are the maintenance assessments. The dues paid for the rent property are not to be in lieu of the maintenance assessments paid by the Association Member. The Landlord member is responsible for the payment of rent dues. Failure of a property owner to pay rent property dues and penalties on each rental unit owned will constitute a lien on the property owned, same as the lien on a member's property as provided for in the restrictions and covenants of Arrowhead Lake Subdivision.

ARTICLE II – MAINTENANCE ASSESSMENTS

SECTION 1 Collection of maintenance assessments by the Association shall be carried out as authorized by the Bonanza Corporation, as provided for by written instrument dated September 27, 1984, property recorded as film code 300-01-1382, file 8447484, in Deed Records of Montgomery County, Texas. Further, the Board of Directors of the Association may from time to time formulate policy to carry out and enforce collection of maintenance assessments and rent property dues properly owed the Association.

SECTION 2 Maintenance assessments, ten dollars (\$10.00) per lot of land per month or twenty dollars (\$20.00) per two or more lots of land per month, shall be due annually in January of the year for which the assessment is levied. Notice of maintenance assessments and rent property dues shall be mailed out by December 1st of each year. Mailing of said notice to the Association Member's last known address on file with the Treasurer will constitute compliance with this required mailing. Assessments become delinquent on February 1st of the year for which the assessment is levied. Penalties of two dollars (\$2.00) per month as provided for in the restrictions and covenants of Arrowhead Lake Subdivision will be assessed for each month or part of month for which the maintenance assessment is delinquent. For purposes of assessing penalties and determining discounts, should the last day of the month fall on a weekend, mail postmarked by the U.S. Postal Service (Not metered mail) on the following Monday will be accepted as being received on the last day of the month.

ARTICLE II (CONT'D)

SECTION 3 *A discount may be taken if dues are paid in advance of the levy year. This discount will be 3% if paid in October, 2% if in November and 1% if paid in December*

SECTION 4 *The board of Directors shall make every and all efforts to collect delinquent maintenance assessments and rent property dues including the exhaustion of legal remedies as may exist or may be enacted.*

ARTICLE III – MEETINGS

SECTION 1 *Regular general membership meetings of the Association shall be held after each quarter of each year to conduct such business as may properly come before the Association Members. The quarterly meetings shall be held in the months of January, April, July, and October. The date, time and place of these meetings for each upcoming year will be designated by the Board of Directors.*

SECTION 2 *Notice of regular general membership meetings of the Association shall be given once a year in December along with the maintenance mail out. Notice of Special General Membership meetings shall be given not less than ten (10) days nor more than thirty (30) days before the date of the special meeting. Mailing of said notice to the Association Member's last known address on file with the Treasurer will constitute compliance with this section.*

SECTION 3 *Special general membership meetings of the Association may be held at a time and place called by a majority vote of the Board of Directors or by the President of the Association through privilege of office.*

SECTION 4 *Deleted Duplication of Section 2.*

SECTION 5 *A quorum shall exist at general and special membership meetings when the number of Association members present at said meetings are equal to or greater than fifteen (15). If a quorum does not appear for any regular or special general membership meeting properly called, then the meeting will be postponed from time to time until a quorum shall appear.*

SECTION 6 *All meetings shall be held using Robert's Rules of Order, Newly Revised as the procedural authority in conducting meetings except where they may be exempted by the Bylaws of the Association.*

SECTION 7 *Only Association Members in good standing may exercise rights to voice and vote on questions of business at any regular or special general membership meeting of the Association.*

SECTION 8 *Regular meetings of the Board of Directors shall be held each month of each year, provided a quorum is present. Special meetings of the Board of Directors may be held, provided a quorum is present, as called by a majority vote of the Board of Directors or by the President of the Association through privilege of office. A majority of active Board Members shall constitute a quorum for*

ARTICLE III SECTION 8 (CONT'D)

Board of Directors meetings. If a quorum does not appear for any regular or special Board of Directors meeting properly called, then the meeting will be postponed from time to time until a quorum shall appear. Board of Directors meetings will be open to attendance by general membership. However, the general membership so attending will not interfere or delay such meetings by voicing their opinion, unless recognized by the President. A member in good standing may bring matters before the Board of Directors at a board meeting, only if prior approval is obtained from the President and the President calls upon the member at such meetings.

ARTICLE IV – ELECTIONS

- SECTION 1** *A nomination committee of five (5) Association Members in good standing shall be elected by majority vote of the Association Members present each year at the April general membership meeting, with installations occurring at the same meeting. Said nomination committee shall select and submit a slate of candidates in good standing for offices of the Association and two (2) directorships. Further, said nominating committee, during the elected term shall select and submit candidates (s) in good standing to fill any and all vacancies as may occur among officers or directorships of the Association. Nominations for the October general election shall be made at the July general membership meeting. If a quorum is not present at the April general membership meeting, the current nominating committee will serve for an additional term.*
- SECTION 2** *Nominations for any and all offices and directorships eligible for vote may be made from the floor by an Association Member. Floor nominees shall be present when nominated.*
- SECTION 3** *Officers, except for the Treasurer who shall be appointed by a majority vote of the Board of Directors and directors of the Association shall be elected by a majority vote of Association Members present at a meeting to be held in October of each year, said officers and directors elected shall be installed at the following January general membership meeting. Should a vacancy occur by resignation, death or impeachment, that same vacancy shall be filled by a candidate in good standing selected by the nominating committee and elected by a majority vote of the Board of Directors at the next regular scheduled board meeting, with installation being made at that same meeting.*
- SECTION 4** *In any and all elections for officers and/or directors, as they occur, the use of the preferential ballot is required.*
- SECTION 5** *Any officers or directors of the Association may be impeached for cause by a two thirds (2/3) vote of the Board of Directors, thereafter declaring a vacancy to exist. Should any officer and/or director be absent without justifiable reason from any three (3) consecutive meetings of the Association and/or regular meetings of the Board of Directors a vacancy shall automatically exist. If a*

ARTICLE IV - SECTION 5 (CONT'D)

meeting of the Association and/or regular meeting of the Board of Directors is not held due to a lack of a quorum; those officers and/or directors not appearing for such meetings will be considered to have missed a meeting. If a regular meeting of the Board of Directors and a meeting of the Association are held on the same day and any officer or director is absent from both meetings these absences shall count as two missed meetings.

ARTICLE V – BOARD OF DIRECTORS

SECTION 1 The Board of Directors shall be composed of six (6) duly elected directors who shall each serve a term of three (3) years, the President, Vice President, Secretary and Treasurer of the Association. The immediate Past President and Past Treasurer shall sit as ex-officio members of the Board of Directors with equal voice and vote; however, they shall sit on the Board no longer than one year.

SECTION 2 The Board of Directors shall be the governing body of the Association with full rights, authority and responsibilities to plan and execute all business of the Association. The Board shall be empowered to enter into and execute all necessary agreements and instruments incident to their duties and to institute, to resolve, or to compromise any and all questions of law, remedies of law, or use of monies as may occur in the necessary enforcements of legal covenants, Bylaws of the Association, and/or restrictions of deed as they may apply to the Association or Subdivision. The Board of Directors shall serve as the sanctioned representative body of the Association.

ARTICLE VI – OFFICERS

SECTION 1 The President shall have general supervision of the affairs of the Association, incurring all rights, privileges, and responsibilities accruing thereto. He/she shall preside at all meetings of the Association and at all meetings of the Board of Directors; voting only in the event of a tie ballot. He/she shall act as the Agent of the Association and shall be so registered, using the address of the Association. He/she may serve if so elected, no longer than two (2) full consecutive terms without interruption.

SECTION 2 The Vice-President shall perform the duties and have the powers of the President in the event of the absence or disability of the President, and shall assist and perform duties as may be assigned by the President. He/she may serve, if so elected, no longer than two (2) full consecutive terms without interruption.

SECTION 3 The Secretary shall keep the minutes of the meetings of the Association and of the meetings of the Board of Directors, and shall attend to the giving and service of all requisite notices, and shall conduct any and all correspondence as may be required by the Board of Directors, singly or as a body, and shall be provide, upon request, a copy of the Bylaws and deed restrictions to any Association Member.

ARTICLE VI – (CONT'D)

SECTION 4 *The Treasurer shall give bond for the faithful discharge of his/her duties in such sum and with such surety or sureties, as the Board of Directors shall determine. He/she shall (a) have custody of and be responsible for all funds and securities of the Association, receive and give receipts for monies due and*

payable to the Association from any source whatsoever, and deposit all such monies in the name of the Association in such banks, trust companies, and/or other such depositories as shall be selected by the Board of Directors; (b) in general, perform all the duties incidents to the office of treasurer. All checks, drafts, or other orders for the payment of money, notes, or other evidences of indebtedness issued in the name of the Association, will be co-signed by such officer or officer and/or agent or agents of the Association in such manner as shall from time to time be determined by resolution of the Board of Directors. At the end of the Treasurer's term of office, he/she shall render a formal statement of the account of the Association at the date of expiration of his/her term, and inscribe thereon under oath before a Notary Public, that the foregoing statement is a true and correct accounting of the financial condition of the Association to the best of his/her knowledge. Treasurer's records shall be audited as least once each year by an audit committee consisting of three (3) Association Members.

ARTICLE VII – COMMITTEES

SECTION 1 *Committees, composed exclusively of Association Members in good standing, shall be created as necessary by the President of the Association, through privilege of office, or by a majority vote of the Board of Directors, or by majority vote of Association Members present at any regular or special meeting.*

SECTION 2 *Appointment (s) to committees, except for the nominating committee, shall be made solely by the President of the Association, who shall set duration of service for each committee member. No committee shall serve in perpetuity.*

SECTION 3 *A Rules Committee shall be appointed as necessary to formulate the establishment, amendment or complete revision of rules governing the use of land areas and/or recreational facilities owned by the Association, and to formulate the establishment, amendment or complete revision of policies and/or designation of authority that will provide for the enforcement of the rules. All such rules and policies shall be approved by the Board of Directors, read into the minutes of the next general meeting, posted at the large pavilion and at the areas affected. Copies to be provided, upon request, to any Association Member.*

ARTICLE VIII – AMENDMENT OF BYLAWS

SECTION 1 *These Bylaws may be altered or repealed by a two-thirds (2/3) vote of Association Members present at any regular or special general membership meeting of the Association provided notice of the proposed alteration or repeal*

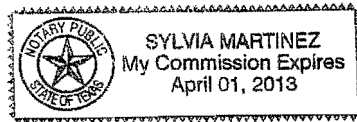
ARTICLE VIII – SECTION 1 (CONT'D)

be contained in a notice of the meeting for which the proposed Bylaw alteration will be voted upon. The notice shall be given by written instrument to each Association Member not less than ten (10) days nor more than thirty (30) days before the date of the meeting. Mailing of said notice to the Association Member's last known address on file with the Treasurer will constitute compliance with this section.

NOTE: These By-laws dated April 10, 2010 will supersede all previous By-Laws and amendments of the Association.

Subscribed and sworn to before me this the 30
day of August, 2010.

Sylvia Martinez
Notary Public, State
of TEXAS



Judy Price
Signature, Judy Price.

August 30, 2010

Ret. To:

Judy Price
Printed

157 Arrowhead Lakes
Homeowners Association
P.O. Box 866
Keller, TX 77378

FILED FOR RECORD

08/30/2010 11:12AM



COUNTY CLERK
MONTGOMERY COUNTY, TEXAS

STATE OF TEXAS
COUNTY OF MONTGOMERY

I hereby certify this instrument was filed in file number
sequence on the date and at the time stamped herein
by me and was duly RECORDED in the Official Public
Records of Montgomery County, Texas.

08/30/2010



County Clerk
Montgomery County, Texas