

BYLAWS
OF
VILLAGE AT MACARTHUR COMMONS
HOME OWNERS ASSOCIATION

RECITAL

JEFFERSON PROPERTIES, INC. ("Declarant"), a Texas corporation, has or will file in the Deed Records of Dallas County, Texas, a Declaration Of Restrictive Covenants And Home Owners Association For Village At Mac Arthur Commons (as amended, modified and supplemented from time to time herein referred to as the "Declaration"). All terms capitalized herein and not defined herein shall have the same meanings as in the Declaration, which is incorporated herein by this reference for such purpose. Article I, Section 1(c) of the Declaration defines certain of the improvements located on the Property as being Common Property. The Declaration contains provisions which govern the use, enjoyment, management and operation of the Common Property. The Association is the entity under the Declaration to administer said Common Property. The owners of lots on the Property and Declaration may sometimes be referred to herein as "members."

ARTICLE I

PURPOSE AND PARTIES

Section 1.1. Purpose. The purposes for which the Association is formed are set forth in the Articles of Incorporation for the Association and include the administration and operation of the Common Property in accordance with the provisions of the Declaration.

Section 1.2. Parties. All present and future owners and tenants of any lots on the Property or any portion thereof, and any other person who might use in any manner the Common Property or the Property, shall be subject to the provisions set forth in these Bylaws and the Declaration. The mere acquisition, lease, rental or purchase of any lot or portion thereof on the Property or the mere act of occupancy of improvements on any lot on the Property by any person or persons will signify that these Bylaws and the Declaration are accepted, approved, ratified and will be complied with by such person or persons.

ARTICLE II

MEMBERSHIP, VOTING, MAJORITY OF OWNERS, QUORUM. PROXIES

Section 2.1. Membership. The members of the Association shall be all the record owners of lots or any portion thereof on the Property as shown on the Plat. Membership in the Association shall be automatic upon attaining ownership of any lot or any portion of a lot within the Property and shall terminate automatically when such ownership status ceases, but such termination shall not relieve or release any such former member from any liability or obligation incurred under or in any way connected with the Association during the period of such membership in the Association, or impair any rights or remedies which the Association has against such former member, arising out of or in any way connected with membership in the Association and the covenants and obligations incident thereto or under the Declaration.

Section 2.2. Voting. Each designated member of the Association (section 2.9) shall have one (1) vote for each lot owned on the Property as shown on the original Plat filed in the Map Records, Dallas County, Texas.

Section 2.3. Majority of Members. As used in these Bylaws, the term "Majority of members" shall mean fifty-one percent (51%) of the members actually present, in person or by proxy, at any meeting of the members based on the votes held or represented by such members as set forth under the Declaration.

Section 2.4. Quorum. Except as otherwise provided in these Bylaws or required by law, the presence in person or by proxy of members holding or representing thirty-five percent (35%) of the votes entitled to be cast at a meeting shall constitute a quorum. In the event a quorum is not present at any meeting, then the meeting shall be adjourned, and notice shall be sent by mail or delivered in person of a new meeting for the same purposes within two (2) to four (4) weeks, at which meeting the number of members represented in person or by proxy shall be sufficient to constitute a quorum, except as otherwise required by the Declaration or by law. An affirmative vote of a Majority of members shall be required to transact the business of the meeting, unless the business is one upon which by express provision of any statute, the Articles of Incorporation of the Association or the Declaration a different vote is required, in which case such express provision shall govern and control the decision of such business. The members present at a duly organized meeting may continue to transact business until adjournment, notwithstanding the withdrawal of enough members to leave less than a quorum.

Section 2.5. Proxies. Votes may be cast in person or by written proxy. No proxy shall be valid after eleven (11) months from the date of its execution unless specifically provided in the proxy. All proxies must be filed with the Secretary or Assistant Secretary of the Association before the appointed time of each meeting. No person other than Declarant or an officer of the Association shall be entitled to cast votes as a proxy for more than one (1) lot not owned by such person.

Section 2.6. Cumulative Voting. No cumulative voting shall be permitted at any meeting of the members.

Section 2.7. Proof of Ownership. Except for Declarant and those owners who purchase a lot within the Property from Declarant, any person, on becoming a member, shall immediately furnish to the Board a true and correct copy of the original or a certified copy of the recorded instrument vesting that person with ownership of the lot. A member shall neither be deemed to be in good standing nor be entitled to vote at any annual or special meeting of the Association unless this requirement is first met.

Section 2.8. Registration of Mailing Address, Cellular Telephone Number or Email Address.

(a) The owner or owners of a lot on the Property shall have one and the same mailing address registered with the Association to be used by the Association for mailing of assessment statements, notices, demands and all other communications, as required by

law, and such registered address shall be the only mailing address of such owner(s) required to be used by the Association.

(b) Any communication not required by law to be sent via first class mail shall be sent through text message to a cellular telephone number or via email to the email address provided by the owner(s) to the Association.

(c) By providing the Association with a cellular telephone number capable of accepting text messages, the owner(s) agree any fees associated with the sending or receiving text messages from the Association are strictly the owner(s) responsibly to pay.

(d) Such registered address, cellular telephone number or email address shall be deemed the only mailing address, cellular telephone number or email address of the owner(s) of the lot unless notice of a different mailing address, cellular telephone number or email address is furnished by such owner(s) to the Board. Such notice of a different registered address, cellular telephone number or email address shall be in written form signed by all owner(s) of the applicable lot or by such person as are authorized by law to represent the interest of such owner(s).

Section 2.9. Designation of Representative. If a lot or any portion thereof on the Property is owned by one individual, his right to vote shall be established by the record title thereto. If title to a lot or any portion of the Property is held by more than one individual or by a firm, corporation, partnership, association, trust or other legal entity, or any combination thereof, such member shall execute and deliver to the Association a proxy appointing and authorizing one individual to attend all annual and special meetings of members and thereat to cast whatever vote the members themselves might collectively cast if they were personally present. Such proxy shall be effective and remain in force unless voluntarily revoked, amended or sooner terminated by operation of law; provided, however, that no proxy shall be valid after eleven (11) months from the date of execution unless specifically provided therein. Also, within ten (10) days after such revocation, amendment or termination, the members shall reappoint and authorize one individual to attend all annual and special meetings as provided by this Section 2.9. The requirements herein contained in this Section 2.9 must be met before such member(s) shall be deemed in good standing and entitled to vote at any annual or special meeting. The individual designated as provided above shall be the representative of such member(s) for the purpose of serving as an officer or Director of the Association. As to lots on the Property, such individual may, but need not, be the same individual designated as the occupant of any improvements on the lot.

ARTICLE III

ADMINISTRATION

Section 3.1. Association Responsibilities. The members will constitute the Association which will have the responsibility of administering the Common Property through its Board.

Section 3.2. Office. The office of the Association shall be located at the principal office of the Declarant while it has control and thereafter at such address as the Board may from time to time designate.

Section 3.3. Place of Meeting. Meetings of the Association shall be held at such suitable place convenient to the members as the Board may determine.

Section 3.4. Annual Meetings. The first annual meeting of the members of the Association shall be held within four (4) months of the earlier to occur of: (a) the applicable period specified by Article VII of the Declaration or (b) sooner at the option of the Declarant, such period prior to the first annual meeting being sometimes referred to as the "Declarant Control Period." Thereafter, subsequent annual meetings of the Association shall be held in each succeeding year during the month of March at such date and time as scheduled by the Board of Directors. At such meetings, the Board shall be elected by ballot of the members in accordance with the requirements of Section 4.4 hereof. The members may also transact such other business of the Association as may properly come before them. The control of the Association shall pass to the members at such first annual meeting; provided, Declarant shall continue to have the right to cast all votes allocable to the lots on the Property owned by it.

Section 3.5. Special Meetings. Unless otherwise prescribed by statute, it shall be the duty of the President to call a special meeting of the members as directed by resolution of the Board or upon a petition signed by members holding not less than ten percent (10%) of the votes in the Association being presented to the President of the Association. The notice of any special meeting shall state the time, place and purpose of such meeting. Any such meetings shall be called within thirty (30) days after receipt by the President of such resolution or petition. Matters transacted at all special meetings shall be confined to the items stated in the notice of such meeting.

Section 3.6. Notice of Meetings. Notice of any annual or special meeting shall be performed in conformity with Article IV, Section 4.3(d) of these Bylaws.

ARTICLE IV

BOARD OF DIRECTORS

Section 4.1. Number and Qualification. During the Declarant Control Period, the affairs of the Association shall be governed by an initial Board of Directors (the "Board") consisting of the three (3) persons named in the Articles of Incorporation of the Association. Declarant shall have the right to remove any of the initial directors at any time, with or without cause. If a vacancy occurs in the initial Board of Directors prior to the Record Date (as defined in the Declaration) and first annual meeting of the members of the Association, such vacancy shall be filled by a person designated and appointed by Declarant. At such first annual meeting, there shall be elected to the Board five (5) members who shall thereafter govern the affairs of the Association until their successors have been duly elected and qualified. All Directors except those appointed by Declarant must be members or designated representatives of members.

Section 4.2. Powers and Duties. The Board shall have all powers and duties necessary for the administration of the affairs of the Association and for the operation and maintenance of the Common Property. The Board may do all such acts and things except as by law, these Bylaws or the Declaration may not be delegated to the Board. Such powers and duties of the Board shall include, but shall not be limited to, the following, all of which shall be done for and on behalf of the members:

(a) To establish such reasonable Rules and Regulations as may be necessary for the operation and use of the Common Property and/or the rights of and uses by owners with respect to the Sideyard Easement (as defined in the Declaration) with the right to amend such Rules and Regulations from time to time. A copy of such Rules and Regulations shall be delivered or mailed to each member promptly upon the adoption thereof.

(b) To construct, reconstruct, manage, maintain and keep in good order, condition and repair all of the Common Property and all property owned or leased by the Association.

(c) To prepare an annual budget for the operation of the Common Property and the Association as provided in the Declaration.

(d) To determine the amount of assessments payable by the members to meet the expenses of operating the Common Property and to allocate and assess such amounts among the members according to the Declaration and these Bylaws; to decrease or increase the amount of the annual assessments; and to levy and collect special assessments whenever, in the opinion of the Board, it is necessary to do so in order to meet increased operating or maintenance expenses or costs, additional capital expenses, because of emergencies or for any other permitted purpose.

(e) To collect delinquent assessments by suit or otherwise and to enforce compliance with the provisions of the Declaration, these Bylaws and the Rules and Regulations applicable to the Common Property by appropriate means, including, without limitation, the expenditure of funds of the Association, the employment of attorneys and the commencement and prosecution of lawsuits. To provide for and collect interest on delinquent assessments at a rate (not to exceed the maximum rate allowed by law) set by the Board from time to time or authorized by the Declaration. The Board shall give each member notice of the rate of interest from time to time set by the Board. No late fee on an assessment may be levied for more than Twenty Five Dollars (\$25.00) per day. To levy and collect reasonable fines against members for violations of the provisions of these Bylaws and the Rules and Regulations applicable to the Common Property. No fine may be levied for more than Twenty Five Dollars (\$25.00) for any one violation; provided, each day a violation continues after notice is given to the member shall be a separate violation. If a member makes a written request to the Board for a hearing, the fining shall be suspended until the hearing is held. Fines shall be deemed special assessments and may be collected as such by the Association.

(f) To enter into contracts within the scope of its duties and powers.

(g) To establish a bank account or accounts for the common treasury and for all separate funds which are required or may be deemed advisable by the Board.

(h) To keep and maintain full and accurate books and records showing all of the receipts, expenses and disbursements of the Association in accordance with generally accepted accounting principles, consistently applied, and to permit examination of such

books and records (not more often than quarterly) by each of the members, any mortgagee of a lot and insurers of improvements on a lot at convenient hours on working days as set by the Board and announced for general knowledge. At the request of the President of the Association or a majority (51%) of the members of the Association, the Board shall cause a complete audit of the books and accounts of the Association, at the expense of the Association, by an outside certified or public accountant.

(i) To prepare and deliver annually to each member a statement showing receipts, expenses and disbursements of the Association since the last such statement.

(j) To designate, hire and dismiss the personnel necessary for the maintenance and operation of the Common Property, and, where appropriate, provide for the compensation of such personnel and for the purchase of equipment, supplies and materials to be used by such personnel in the performance of their duties, which supplies, equipment and materials shall be deemed part of the Common Property.

(k) To pay all charges for utilities or other services supplied to the Common Property.

(l) To prepare and file any necessary tax returns for the Association.

(m) To administer and enforce the provisions of the Declaration and all supplements and amendments thereto relating to the Common Property, or the Sideyard Easements, or the use of any lot, or the Property.

(n) In general, to carry on the administration of the Common Property and the Association and to do all those things necessary and reasonable in order to carry out the governing and the operation of the Common Property, perform the duties imposed upon the Association and exercise all rights granted to the Association under the Declaration.

Section Section 4.3 Board Meetings.

(a) Definition. A Board meeting means a deliberation between a quorum of the voting directors or between a quorum of the voting directors and another person, during which Association business is considered and the Board takes formal action. A Board meeting does not include the gathering of a quorum of the Board at a social function unrelated to the business of the Association or the attendance by a quorum of the Board at a regional, state, or national convention, ceremonial event, or press conference, if formal action is not taken and any discussion of Association business is incidental to the social function, convention, ceremonial event, or press conference.

(b) Open Board Meetings. Regular and special Board meetings must be open to the Members, subject to the right of the Board to adjourn a Board meeting and reconvene in closed executive session. Regarding all open meetings, Members other than directors may not participate in any discussion or deliberation unless permission to speak is requested on his or her behalf by a director. In such case, the President may limit the time any Member may speak. The Board may not, without prior notice to Members consider or vote on any of the following issues:

- (1) Fines;
- (2) Damage assessments;
- (3) Initiation of foreclosure actions;
- (4) Initiation of enforcement actions, excluding temporary restraining orders or violations involving a threat to health or safety;
- (5) Increases in assessments;
- (6) Levying of special assessments;
- (7) Appeals from a denial of architectural approval;
- (8) A suspension of a right of a particular Member before the Member has an opportunity to attend a Board meeting to present the Member's position, including any defense, on the issue.

(c) Executive Session. The Board may close a portion of its meetings for the purpose of discussing actions involving personnel, pending or threatened litigation, contract negotiations, enforcement actions, confidential communications with the Association's attorney, matters involving the invasion of privacy of individual Members, or matters that are to remain confidential by request of the affected parties and agreement of the Board. Following an executive session, any decision made in the executive session must be summarized orally and placed in the minutes, in general terms, without breaching the privacy of individual Members, violating any privilege, or disclosing information that was to remain confidential at the request of the affected parties. The oral summary must include a general explanation of expenditures approved in executive session.

(d) Notice of Meetings. Notice to the Members of the date, hour, place and general subject of regular or special Board meetings, including a general description of any matter to be brought up for deliberation in executive session, shall be:

- (1) mailed to each Member not later than 10th day or earlier than 60th day before the date of the meeting; or
- (2) provided at least 72 hours before start of the meeting by:
 1. posting in conspicuous manner reasonably designed to provide notice to the Members;
 2. in a place located on the Association's common property, or on Member's property with their consent, or other property within the subdivision;

3. on any internet website maintained by the Association or other internet media;
4. sending notice by text message to each Member who has registered a cellular telephone number with the Association; and
5. sending notice by e-mail to each Member who has registered an email address with the Association.

(3) it is the Member's duty to keep an updated cellular telephone number and email address registered with the Association.

(e) Recess. If the Board recesses to continue the following regular business day, the Board is not required to post notice of the continued meeting if the recess is taken in good faith and not to circumvent this provision. If the meeting is continued to the next business day, and the Board again continues the meeting to another day, the Board shall give notice of continuation in at least one of the manners described above, within two (2) hours after adjourning the meeting being continued.

(f) Meeting Process. The Board may meet by any method of communication, including electronic and telephonic, without prior notice to Members if:

(1) each director may hear and be heard by every other director; or

(2) the Board may take action by unanimous written consent to consider routine and administrative matters or reasonably unforeseen emergency or urgent necessity that requires immediate action by the Board.

(g) Meeting Minutes. Any action taken without notice to the Members must be summarized orally, including estimation of expenditures approved at the meeting, and documented in the minutes of the next regular/special Board meeting.

(h) Conduct of Meetings. The President, or his/her designee, shall preside over all meetings of the Board, and the Secretary, or his/her designee, shall keep a minute book of meetings of the Board, recording therein all resolutions adopted by the Board and all transactions and proceedings occurring at such meetings.

Section 4.4. Election and Term of Office. At the first annual meeting of the members of the Association, the term of office of the three (3) members receiving the most votes for Director shall be fixed at three (3) years and the term of office of the two (2) members receiving the next greatest amount of votes for Director shall be fixed at two (2) years. At the expiration of the initial term of office of each respective Director, his successor shall be elected to serve a term of three (3) years. The Directors shall hold office until their successors have been elected and attend their first meeting, except as is otherwise provided.

Section 4.5. Nominating Committee. Before each annual meeting of the members, the Board shall act as a nominating committee to nominate candidates for election to the Board. The names of the candidates shall be mailed to the members at least sixty (60) days before the

election. Members may submit names of candidates other than those nominated by the Board by petition to the Board at least thirty (30) days prior to the election. Such petitions must be signed by members holding at least ten percent (10%) of the votes eligible to be cast and must be signed by each nominee to indicate the willingness to serve as a Director. No person shall be elected whose name is not so submitted unless no nominations are made prior to the meeting, in which event the names of candidates shall be submitted by the owners at the meeting. Persons nominated at the meeting must either be present and consent to the nomination or have indicated in writing the willingness to serve.

Section 4.6. Vacancies. After the first annual meeting of the members of the Association, vacancies on the Board caused by any reason other than the removal of a Director by a vote of the members shall be filled by vote of the majority of the remaining Directors, even though they may constitute less than a quorum. Each person so elected shall be a Director for the remainder of the term of the replaced Director and until a successor is elected at the next annual meeting of the members of the Association after the end of each such replacement Director's Term.

Section 4.7. Removal of Directors. Prior to the Record Date and first annual meeting of the members of the Association, no Director shall be subject to removal by the members. Thereafter, at any regular or special meeting duly called for such purpose, any one or more of the Directors may be removed with or without cause by a Majority of members, and a successor may 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.

Section 4.8. Annual Meetings. The annual meetings of the Board shall be held following the annual meetings of the members; provided, during the Declarant Control Period such annual meetings shall be held at the times and places from time to time determined by the Directors. No notice shall be necessary to the Directors in order legally to constitute such meeting if a majority of the Board shall be present.

Section 4.9. Regular Meetings. Regular meetings of the Board may be held without notice at such time and place as shall be determined from time to time by the Directors. the first meeting of the Board shall be held within one (1) year after the date of the first conveyance by Declarant of a lot on the Property.

Section 4.10. Special Meetings. Special meetings of the Board may be called by the President on five (5) days' notice to each Director, given personally or by mail, telephone or email, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board shall be called by the President or Secretary or Assistant Secretary of the Association in like manner and on like notice on the written request of one or more Directors.

Section 4.11. Waiver of Notice. Before or after any meeting of the Board requiring notice, any Director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any meeting of the Board shall be a waiver of notice by him of the purpose, time and place thereof, except where a Director attends a meeting only for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called or convened. If all the Directors

are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

Section 4.12 Board Quorum. At all meetings of the Board, a majority of the 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, at any meeting of the Board, there be less than a quorum present, the majority of these present may adjourn the meeting from time to time.

Section 4.13. Compensation. No member of the Board shall receive any compensation for acting as such.

Section 4.14. General. Each Director shall exercise his powers and duties in good faith and with a view to the interests of the Association. No contract or other transaction between the Association and any of the Directors, or between the Association and any corporation, firm or association (including Declarant) in which any Director of the Association is peculiarly or otherwise interested, is either void or voidable because any such Director is present at the meeting of the Board which authorizes or approves the contract or transaction, or because his vote is counted for such purpose, if: (i) the fact of the common interest is disclosed or known to a majority of the Board or noted in the minutes and the Board authorizes, approves or ratifies such contract or transaction in good faith by a vote sufficient for the purpose; or (ii) the fact of the common interest is disclosed to at least a majority of the members and the members approve or ratify the contract or transaction in good faith by a vote sufficient for the purpose; or (iii) the contract or transaction is commercially reasonable to the Association at the time it is authorized, ratified, approved or executed. Any interested Director may be counted in determining the presence of a quorum of any meeting of the Board which authorizes, approves or ratifies any contract or transaction and may vote with like force and effect as if such Director was not so interested.

ARTICLE V

OFFICERS

Section 5.1. Designation. The officers of the Association shall be a President, one or more Vice Presidents, a Secretary and a Treasurer, all of whom shall be elected by the Board, and such assistant officers as the Board shall, from time to time, elect. Except for the President who shall be a Director, such officers need not be Directors, but each shall be either a member or, if the member is a firm, partnership, corporation, association or other legal entity, the authorized representative of such entity, or the Declarant or his representative(s). The offices of President and Treasurer may be held by the same person, and the offices of Vice President and Secretary or Assistant Secretary may be held by the same person. The offices of President and Secretary may not be held by the same person.

Section 5.2. Election of Officers and Term of Office. The officers of the Association shall be elected by the Board at its annual meeting and shall hold office for a term of one (1) year or until their successors are elected and qualified.

Section 5.3. Resignation and Removal of Officers. Upon an affirmative vote of a majority of the Board, any officer may be removed, either with or without cause, and his

successor elected at any regular or special meeting of the Board. Any officer may resign at any time by giving written notice to the Board, the President or the 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. Until the Record Date and first meeting of the members of the Association, Declarant may remove any officer at any time, with or without cause.

Section 5.4. Vacancies. A vacancy in any office because of the death, resignation, removal, disqualification or otherwise of the officer previously filling such office may be filled by the Board. The officer elected to fill such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 5.5. President. The President shall be the chief executive officer of the Association. He shall preside at all meetings of the Association and of the Board. He shall have all of the general powers and duties which are usually vested in the office of president of a nonprofit corporation, including, but not limited to, the power to appoint committees from among the members from time to time as he may in his discretion decide is appropriate to assist in the conduct of the affairs of the Association or as may be established by the Board or by the members at any regular or special meetings.

Section 5.6. Vice Presidents. Each Vice President shall have such powers and duties as may be assigned him by the Board. The Vice Presidents shall have all the powers and authority and perform all of the functions and duties of the President, in the absence of the President, or in the event the President is unable or fails for any reason to exercise such powers and functions or perform such duties, and also perform any duties they are directed to perform by the President.

Section 5.7. Secretary. The Secretary shall record the votes and keep all the minutes of the meetings of the Board and the Association; keep the corporate seal of the Association; serve notice of meetings in conformity with these bylaws; have charge of such books and papers as the Board may direct; and, in general, perform all the duties incident to the office of Secretary and as provided in the Declaration and the Bylaws.

The Secretary shall compile and keep up to date at the principal office of the Association a complete list of members and their last known addresses as shown on the records of the Association. Such list shall also show opposite each member's name the number or other appropriate designation of the owner's lot and residential mailing address. Such list shall be open to inspection by the members and other persons lawfully entitled to inspect the same at convenient times during regular business hours set by the Board and announced for general knowledge.

Section 5.8. Assistant Secretary. The Assistant Secretary, if any, shall have all the power and authority to perform all the functions and duties of the Secretary in the absence of the Secretary or in the event of the Secretary's inability or failure for any reason to exercise such powers and functions or to perform such duties, and also to perform any duties he is directed to perform by the Secretary.

Section 5.9. Treasurer. The Treasurer shall have responsibility for the Association funds and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Association. He shall be responsible for the deposit of

all monies and other valuable effects in the name and to the credit of the Association in such depositories as may from time to time be designated by the Board.

ARTICLE VI

ASSESSMENTS

Section 6.1. Duty to Pay Assessments. Declarant, for itself and on behalf of all owners of the lots on the Property, has covenanted, and each member by acceptance of title thereto, whether or not it shall be so expressed in the instrument conveying such title, has, as a part of the purchase money consideration for such conveyance, covenanted and agreed to pay to the Association regular annual assessments, special assessments and all other charges and fees provided to be paid to the Association herein and in the Declaration. No member may exempt himself from liability or the payment of assessments or any such other sum by waiver of the use or enjoyment of any of the Common Property or by the abandonment of his lot. The total amount of all assessments and other sums payable by each member pursuant to the Declaration shall be the personal debt of such member. If any lot or portion of the Property is owned by more than one (1) person, each such person shall be jointly and severally liable for the payment of all such assessments and other sums.

Section 6.2. Purpose of Assessments. Assessments, charges and fees levied by the Association shall be used for promoting the recreation, health, safety and welfare of the members, for the administration, improvement, maintenance, repair, operation and management of the Common Property for the common good of the members, for the administration of the Property, the Association, the Declaration and these Bylaws and any promulgated Rules and Regulations and for such other purposes as are authorized by the Declaration of these Bylaws.

Section 6.3. Date of Commencement of Regular Annual Assessments. The regular annual assessments provided for herein and in the Declaration shall commence on the date of the completed conveyance of the first lot with a completed residence as specified by the Declaration. All such assessments shall be prorated on a per diem basis for partial months.

ARTICLE VII

ABATEMENT AND CURE OF OWNERS' VIOLATIONS

After notice and an opportunity to be heard, if same is required by law, the Board shall have the power to impose reasonable fines, which shall constitute a lien upon the property of the violating Owner, and to suspend an Owner's right to use the Common Areas for violation of any duty imposed under the Declaration, these Bylaws, or any rules and regulations duly adopted by the Board; provided, however, nothing herein shall authorize the Association or the Board to limit ingress and egress to or from a lot. In addition, the Board shall be entitled to suspend any services provided by the Association to a lot in the event that the Owners of such lot is more than thirty (30) days delinquent in paying any assessment due to the Association. In the event that an occupant, guest or invitee of a lot Owner violates the Declaration, Bylaws, or a rule or regulation and a fine is imposed, the fine shall first be assessed against the occupant and/or Owner; provided, however, if the fine is not paid by the occupant within the time period set by the Board, the Owner shall pay the fine upon notice from the Association. The failure of the Board to

enforce any provision of the Declaration, Bylaws, or any rule or regulation shall not be deemed a waiver of the right of the Board to do so thereafter.

As provided in the Declaration, each Owner is obligated to pay to the Association certain charges and Assessments, including such charges and Assessments as may be included, from time to time, by amendment to the Declaration. All costs, expenses, and fees charged to, or paid by, the Association in collecting, or attempting to collect, such charges and Assessments, as well as interest as specified in the Declaration, shall be assessed against the Owner and the lot, and shall become part of the Assessments due on the lot. Likewise, all costs, expenses, and fees incurred by the Association in rectifying, or attempting to rectify, a violation of the Declaration, rules and regulations, the Guidelines, or Board policies, shall be assessed against the Owner and the lot, and shall become part of the Assessments due on the lot. Such costs, expenses, and fees include, but are not limited to:

- (a) actual expenses, including attorney fees and court costs;
- (b) a Late Processing Fee may be set annually by the Board, which may be assessed for any account that has an unpaid balance on or after thirty (30) days after due date, as an inducement to pay on time and to offset administrative costs and expenses incurred in the collection process;
- (c) a Dishonored-Check Processing Fee, set by the Board, which may be assessed for any payment check dishonored by the bank, to offset the additional processing cost incurred;
- (d) a Partial Payment Processing Fee, set by the Board, which may be assessed if any payment for less than the full amount due at the time payment is made, to offset the additional processing costs incurred;
- (e) an Administrative Fee which may be assessed for the transfer of ownership of any lot, including by foreclosure, to offset the administrative costs and expenses associated with (1) quoting, verbally or in writing, the status of the Assessments and other charges due on the lot, (2) tracking, researching, and determining or attempting to determine ownership, (3) updating the books and records of the Association to reflect the transfer, and (4) preparing and mailing introductory information regarding the Subdivision, the Association, and/or the covenants, conditions, restrictions, rules, and regulations applicable to the new Owner;
- (f) a Refinance Fee which may be assessed for the refinance of any lot, to offset the administrative costs and expenses associated with quoting the status of the Assessments and other charges due on the lot and updating the books and records of the Association; and
- (g) a reasonable fee to assemble, copy, deliver and update a Resale Certificate.

Any such Assessment or charge that is not paid when due shall be delinquent. All payments shall be applied pursuant to the Collection Policy and Payment Plan Guidelines adopted by the Board.

Notwithstanding anything to the contrary herein contained, the Association, acting through the Board, may elect to enforce any provision of the Declaration, these Bylaws, or the rules and regulations of the Association by Self Help (specifically including, but not limited to, the towing of vehicles that are in violation of parking rules and regulations and perform exterior maintenance) or by suit at law or in equity to enjoin any violation or to recover monetary damages or both without the necessity of compliance with the procedure set forth above. In any such action, to the maximum extent permissible, the Owner or occupant responsible for the violation of which abatement is sought shall pay all costs, fines, costs to repair, including reasonable attorneys' fees actually incurred.

ARTICLE VIII

TITLE TO COMMON PROPERTY

Section 8.1. Association having Full Authority. Subject at all times to the provisions of the Declaration, these Bylaws give the Association and its Board full and complete authority to deal with the Common Property in the event of any mortgage or lien being placed thereon, any casualty or the threat of any taking by any entity with the power of eminent domain or otherwise having the power to condemn all or any part of the Common Property. The Association shall be and is the holder of fee simple title to the Common Property and no member shall have any title or interest in or right to use the Common Property except as a member of the Association and as to the permitted uses prescribed by the Declaration, these Bylaws and any applicable Rules and Regulations issued by the Board.

Section 8.2. Board Empowered to obtain Assistance. In the event of any casualty, condemnation or any other event affecting the rights, title or use of the Common Property by the Association or its members, or in any conflict involving a Sideyard Easement, the Board is authorized to obtain and pay for any assistance from attorneys, appraisers, architects, engineers or other professional or expert help as the Board deems necessary to protect the interests of the Association and its members in and to the Common Property or as may be necessary in connection with any administrative or legal proceedings involving the Common Property or the Association or any Sideyard Easement.

ARTICLE IX

INDEMNIFICATION

Section 9.1. Indemnification. The Directors, officers, agents and employees of the Association shall not be liable to the Association for any mistake in judgment or negligence (except for breach of fiduciary duty or intentional misconduct) in the performance of their duties. The Association shall indemnify any officer, Director, agent or employee thereof or any former officer, Director, agent or employee who was or is a party, or is threatened to be made a party, to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (whether or not by or in the right of the Association) by reason of the fact that such person is or was a Director, officer, agent or employee of the Association, against expenses (including, but not limited to, attorneys' fees and costs of the proceeding),

judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with or in defense of such action, suit or proceeding if such person acted in good faith and in a manner which such person reasonably believed to be in or not opposed to the best interests of the Association; provided that with respect to: (1) any criminal action or proceeding, such person had no reasonable cause to believe that his conduct was unlawful; or (2) any civil claim, issue or matter, such person was not guilty of breach of fiduciary duty, gross negligence or willful misconduct in the performance of his duties to the Association. Termination of any action, suit or proceeding by judgment, order, settlement or conviction or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that such person had reasonable cause to believe that his conduct was unlawful, that such person did not act in good faith or in a manner which he reasonably believed to be in or not opposed to the best interests of the Association, or that such person was guilty of gross negligence or willful misconduct in the performance of his duties to the Association, all such matters being determined solely and exclusively by the Board for the purpose of indemnification as herein provided.

Indemnification under the preceding paragraph shall be made by the Association only as authorized in each specific case upon the determination that indemnification of such person is proper in the circumstances because such person has met the applicable standards of conduct as set forth herein. Such determination shall be made by the Board by a majority vote of Directors who were not parties to such action, suit or proceeding whether or not a quorum. Indemnification so determined may be paid, in part, before the termination of such action, suit or proceeding upon the receipt by the Association of an undertaking by or on behalf of the person claiming such indemnification to repay all sums so advanced if it is subsequently determined that he is not entitled thereto as provided in this Article IX.

To the extent that any such person has been successful on the merits or otherwise in the defense of any action, suit or proceeding, whether civil or criminal, such person shall be indemnified against expenses (including costs and attorneys' fees) actually and reasonably incurred by him in connection therewith.

The indemnification provided herein shall be exclusive of any and all other rights and claims to which those indemnified may be entitled as against the Association, and every Director, officer, agent or employee thereof under any provisions of these Bylaws, resolution, agreement or law and any request for payment hereunder shall be deemed a waiver of all such other rights, claims or demands as against the Association and each Director, officer, agent and employee thereof. The indemnification provided herein shall inure to the benefit of the heirs, executors, administrators and successors of any person entitled thereto under the provisions of this Article IX.

The Association shall, to the extent reasonably available, purchase and maintain insurance on behalf of any person who is or was a Director, officer, employee or agent of the Association against any liability asserted against him and incurred by him in any such capacity, or arising out of his status as such, whether or not the Association would have the power to indemnify him against such liability under the provisions of this Article IX.

All liabilities, losses, damages, costs and expenses incurred or suffered by the Association by reason or relating out of or in connection with the foregoing indemnification

provisions shall be treated and handled by the Association as expenses; provided, however, that nothing contained in this Article IX shall be deemed to obligate the Association to indemnify any member who is or has been a Director, officer, agent or employee of the Association with respect to any duties or obligations assumed or liabilities incurred by him under and by virtue of the Declaration and these Bylaws that were assumed or incurred outside of his conduct specifically related to the fulfillment of his duties as an officer, Director, agent or employee of the Association.

Section 9.2. Other. The Board and the officers of the Association shall enter into contracts or other commitments as agents for the Association, and they shall have no personal liability for any such contract or commitment and the Association shall indemnify and hold them harmless from and against any and all liability to others on account of such contracts or other commitments.

ARTICLE X

FISCAL MANAGEMENT

Section 10.1. Accounts. The funds and expenditures of the members by and through the Association shall be credited and charged to accounts under the following classifications as shall be appropriate, all of which expenditures shall be expenses:

- (a) Current expenses, which shall include all funds and expenditures within the Fiscal Year for which the funds are budgeted, including a reasonable allowance for contingencies and working funds, except expenditures chargeable to reserve funds and to additional improvements.
- (b) Reserve funds for deferred maintenance which shall include funds for maintenance items which occur less frequently than annually.
- (c) Reserve fund or replacement (sinking fund), which shall include funds for repair or replacement required because of damage, wear or obsolescence.

Section 10.2. Fiscal Year. The fiscal year of the Association shall be the calendar year as specified in the Declaration.

ARTICLE XI

AMENDMENTS TO BYLAWS

These Bylaws may be amended only by the affirmative vote or written consent, or any combination thereof, of a majority of the Board. Notwithstanding the above, the percentage of votes or other approval necessary to amend a specific clause shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that clause, unless otherwise specified in the Declaration or by law.

ARTICLE XII

NON-PROFIT ASSOCIATION

The Association is not organized for profit. No member, Director, officer or person from whom the Association may receive any property or funds shall receive or shall be lawfully entitled to receive any pecuniary profit from the operation thereof, and in no event shall any part of the funds or assets of the Association be paid as salary or compensation to, or distributed to, or inure to the benefit of any Director, officer or member; provided, however, always (1) that reasonable compensation may be paid to any member, Director or officer while acting as an agent or employee of the Association for services rendered in effecting one or more of the purposes of the Association, and (2) that any member, Director or officer may, from time to time, be reimbursed for his actual and reasonable expenses incurred in connection with the administration of the affairs of the Association.

ARTICLE XIII

CONFLICTING OR INVALID PROVISIONS

Notwithstanding anything contained herein to the contrary, should all or part of these Bylaws be in conflict with the provisions of the Texas Non-Profit Corporation Act, as amended, supplemented or replaced, such Act shall control; and should any part of these Bylaws be invalid or inoperative for any reason, the remaining parts, so far as is possible and is reasonable, shall be valid and operative.

ARTICLE XIV

NOTICES

Unless otherwise provided in these Bylaws, all notices, demands, bills, statements, or other communications under these Bylaws as required by law shall be in writing and shall be deemed to have been duly given if delivered personally or if sent by United States Mail, first-class postage pre-paid:

- (a) if to a Member, at the address that the Member has designated in writing and filed with the Secretary or, if no such address has been designated, at the address of the Lot of such Member; or
- (b) if to the Association, to the Board, or to the managing agent, at the principal office of the Association or the managing agent, if any, or at such other address as shall be designated by notice in writing to the Members pursuant to this Section.

The Bylaws, as hereby amended, are in all respects ratified and confirmed and shall remain in full force and effect. If any provision of this First Amendment is found to be in conflict with the Bylaws, as amended, this First Amendment shall control.

ARTICLE XV

INSURANCE

Section 15.1. Liability Insurance. The Association shall obtain and continue in effect comprehensive public liability insurance for the Association, all mortgagees known to the Association and the members. Such policy shall cover the Common Property and shall contain a severability of interest provision and a notice of occurrence endorsement stating that the reporting of an occurrence is deemed to be done as soon as practicable if the Association reports the occurrence within thirty (30) days after it becomes aware of same. The scope of coverage may include all other coverage in the kinds and amounts commonly required by private institutional mortgage investors for projects similar to that located on the Property. Coverage shall be in an amount not less than Two Million Dollars (2,000,000.00) per occurrence for personal injury, including death, and/or property damage. The amount and types of liability coverage shall be reviewed by the Board annually. Each such policy shall contain provisions stating that the issuer of the policy shall deliver a duplicate original of the policy to any first mortgagee requesting same, and of any renewal thereof at least thirty (30) days prior to the expiration of the then current term thereof, and that such issuer must notify all named insureds at least thirty (30) days in advance of any material change to or cancellation of the policy.

Section 15.2. Property Insurance. The Association shall obtain and continue in effect appropriate property insurance coverages for the Common Property as determined by the Board to insure the walls, fences and landscaping against casualty and other injury as may be deemed prudent and economically reasonable by the Board. No casualty or property insurance coverage needs to be carried on any of the alley ways.

By our signatures hereto, the undersigned being all of the initial Directors of the Association, hereby adopt the foregoing Bylaws for the Association as of the 16th day of 3anuary, 1986.

Original signed

PATRICK A. McCOWEN

Original signed

B. CARL KLINKE

Original signed

J. FRANK MILLER, III

FIRST AMMENDMENT APPROVED BY:

Original signed

James McClain, Director
May 11, 2015

Original signed

Tom Tannehill, Director
May 11, 2015

Original signed

Robert Imler, Director

May 11, 2015

Original signed

Beverly Gray, Director

May 11, 2015

CERTIFICATION

I, the undersigned do hereby certify:

That I am the Secretary of the Village at MacArthur Commons Home Owners Association, a Texas non-profit corporation;

That the foregoing First Amendments to the Bylaws was adopted by a majority of the Board of Directors on May 11, 2015 at a duly held meeting at which a quorum was present.

IN WITNESS WHEREOF, I have hereunto subscribed my name on this the 29th day of May, 2015.

Original signed

Beverly Gray
Secretary

STATE OF TEXAS §
COUNTY OF DALLAS §

BEFORE ME, on this day personally appeared Beverly Gray, the Secretary of the Village at MacArthur Commons Home Owners Association, Inc., a Texas non-profit corporation known by me to be the person whose name is subscribed to this instrument, and acknowledged to me that s/he executed the same for the purposes herein expressed and in the capacity herein stated, and as the act and deed of said corporation.

Given under my hand and seal of office, this 29th day of May, 2015.

Original signed and stamped

Keith A. Russell
Notary Public – State of Texas

FLAG DISPLAY POLICY

STATE OF TEXAS §
 §
 COUNTY OF DALLAS §

WHEREAS, the property encumbered by this Flag Display Policy (“Policy”) is that property restricted by the Declaration of Restrictive Covenants and Home Owners Association for Village at MacArthur Commons, Dallas County, Texas, recorded under Dallas County Real Property Records Volume 86015, Page 3773, as same has been or may be amended or supplemented from time to time (“Declaration”), and any other property which has been or may be annexed thereto and made subject to the authority of the Village at MacArthur Commons Home Owners Association, Inc. (“Association”); and

NOW THEREFORE, pursuant to the authority granted in Section 202.0 12 of the Texas Property Code, the Board of Directors (“Board”), hereby adopts this Policy, which shall run with the land and be binding on all owners and lots within the subdivision. This Policy replaces any previously recorded or implemented policy that addresses the subjects contained herein.

I. FLAG DISPLAY

1. The display of flags is permitted under the following parameters:
 - 1.1. Number of Flagpoles:
 - (A) Owners may have a total of one (1) flagpole per lot.
 - 1.2. Types of Flags:
 - (A) The following flags may be displayed in accordance with this Policy:
 - (1) United States flag
 - (2) Texas flag
 - (3) Official or replica flag of a branch of the United States armed forces
 - (B) Sports, college, school and seasonal decorative flags are allowed.
 - 1.3. Type/Location of Flagpole:
 - (A) The flagpole may be either freestanding or mounted to the residential structure under the following parameters:
 - (1) A freestanding flagpole:

- (a) must not be taller than twenty feet (20') when measured from the ground level (including the pole ornamentation);
 - (b) must be mounted on an appropriate footing;
 - (c) is subject to Board approval and any and all applicable zoning ordinances, easements and setbacks of record; and
- (2) may be placed in either:
- (a) the back yard (preferred location); or
 - (b) the front yard. if the lot has a front building setback line with a setback of not less than 15 feet, extending the full width of the lot between the front lot line and the front building setback line. If front building setbacks of record are greater than 15 feet, then the greater setbacks will control.
- (3) A flagpole mounted to the residential structure:
- (a) must be no greater than five feet (5') in length; and
 - (b) may be attached to the front or rear of the residential structure.
- (B) Owners are prohibited from placing a flagpole within an easement on an owner's lot, or in a location that encroaches on a setback on an owner's lot;
- (C) Owners are prohibited from locating a flag or flagpole on property owned or maintained by the Association; and
- (D) Owners are prohibited from locating a flag or flagpole on property owned in common by the members of the Association.

II. MATERIALS, MAINTENANCE AND ETIQUETTE:

1. All flagpoles must be constructed of permanent, long-lasting materials, with a finish appropriate to the materials used in the construction of the flagpole and harmonious with the dwelling;
2. All flagpoles must be installed per the manufacturer's guidelines;
3. All flags and flagpoles must be properly maintained at all times, including, but not limited to, immediate replacement of faded, frayed or torn flags and

replacement of poles that are scratched, bent, rusted, faded, leaning or damaged in any way:

4. The size of the flag must be appropriate for the length of the flagpole, and the Board shall have sole discretion as to this determination;
5. Flagpole halyards must be securely fastened at all times and must not make noise under any conditions;
6. Telescoping flagpoles must not make noise under any conditions;
7. The United States flag must be displayed in accordance with federal law, and the Texas flag must be displayed in accordance with Texas state law:
8. If evening display of the flag is desired, the flag may be lit from the base of the flagpole (maximum of two bulbs) with a total of no more than 150 watts. The light must shine directly up at the flag, and cannot cause any type of light spillover onto adjoining properties.
9. All exterior lighting must be submitted to the Board for prior approval;
10. Flags must be attached to a flagpole in order to be displayed; and
11. A flagpole mounted to the residential structure must be removed from view when no flag is displayed.

III. BOARD APPROVAL

1. A flagpole mounted to a residential structure does not require approval from the Board if it complies with the terms of this Policy.
2. Freestanding flagpoles require prior written approval from the Board. Completed applications must be submitted to the Board in accordance with the following:
 - 2.1. If a back yard location is desired, an application must be submitted with a copy of the applicable plat or survey showing the proposed location of the freestanding flagpole along with pictures showing the location of the improvement and the manufacturer's brochures or sample of material, if applicable;
 - 2.2. If a front yard location is desired, an application must be submitted with a copy of the applicable plat and/or survey indicating the front lot line, front building setback line, and proposed location of the freestanding flagpole, along with pictures showing the location of the improvement and the manufacturer's brochures or sample of material, if applicable;
 - 2.3. Locations closer to the dwelling are typically preferred; and

- 2.4. Regardless of desired location, the color of the materials being used in relation to house color, the location of the flagpole in relation to the dwelling and any noise created are of specific concern.
3. Any installation not in compliance with this Policy will be considered a violation of the dedicatory instruments governing the subdivision.
4. This Flag Display Policy does not apply to property that is owned or maintained by the Association.

CERTIFICATION

I hereby certify that, as Secretary of the Village at MacArthur Commons Home Owners Association, the foregoing Flag Display Policy was approved on the 11th day of May, 2015, at a meeting of the Board of Directors at which a quorum was present.

DATED this the 29th day of May, 2015.

Original signed

Beverly Gray
Secretary

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

BEFORE ME, on this day personally appeared Beverly Gray, the Secretary of the Village at MacArthur Commons Home Owners Association, Inc., a Texas non-profit corporation known by me to be the person whose name is subscribed to this instrument, and acknowledged to me that s/he executed the same for the purposes herein expressed and in the capacity herein stated, and as the act and deed of said corporation.

Given under my hand and seal of office, this 29th day of May, 2015.

Original signed and stamped

Keith A. Russell
Notary Public – State of Texas

DISPLAY OF RELIGIOUS ITEMS POLICY

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

WHEREAS, the property encumbered by this Display of Religious Items Policy is that property restricted by the Declaration of Restrictive Covenants and Home Owners Association for Village at MacArthur Commons, Dallas County, Texas, recorded under Dallas County Real Property Records Volume 86015, Page 3773, as same has been or may be amended from time to time (“Declaration”), and any other property which have been or may be subsequently annexed thereto and made subject to the authority of the Village at MacArthur Commons Home Owners Association, Inc. (the “Association”).

NOW THEREFORE, pursuant to the authority granted in Section 202.018 of the Texas Property Code, the Board of Directors (the “Board”), hereby adopts this Display of Religious Items Policy (“Policy”), which shall run with the land and be binding on all owners and lots within the subdivision. This Policy replaces any previously recorded or implemented policy that addresses the subjects contained herein.

I. DISPLAY OF RELIGIOUS ITEMS

1. Owners and residents are generally permitted to display on their property or affix one or more religious items on the entry to their dwelling, the display of which is motivated by the owner’s or resident’s sincere religious belief.
2. The display or affixing of a religious item on the owner’s property, entry, or dwelling is prohibited under the following circumstances:
 - 2.1. The item threatens public health or safety;
 - 2.2. The item violates a law;
 - 2.3. The item contains language, graphics or any display that is patently offensive to a passerby;
 - 2.4. The item is in a location other than the entry door or door frame or extends past the outer edge of the door frame of the owner’s or resident’s dwelling; and
 - 2.5. The item, individually or in combination with other religious item(s) displayed or affixed on the entry door or door frame, has a total size of greater than 25 square inches, not including seasonal religious displays or statues not exceeding three feet in height which are permitted.
3. These restrictions do not apply to currently displayed items as of May 11, 2015.

4. The Association, pursuant to Section 202.018 of the Texas Property Code, may remove an item displayed in violation of this Policy.
5. This Policy in no way authorizes an owner or resident to use a material or color for an entry door or door frame of the owner's or resident's dwelling or make an alteration to the entry door or door frame that is not authorized by the Declaration.

CERTIFICATION

I hereby certify that, as Secretary of the Village at MacArthur Commons Home Owners Association, the foregoing Display of Religious Items Policy was approved on the 11th day of May, 2015, at a meeting of the Board of Directors at which a quorum was present.

DATED this the 29th day of May, 2015.

Original signed

Beverly Gray
Secretary

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

BEFORE ME, on this day personally appeared Beverly Gray, the Secretary of the Village at MacArthur Commons Home Owners Association, Inc., a Texas non-profit corporation known by me to be the person whose name is subscribed to this instrument, and acknowledged to me that s/he executed the same for the purposes herein expressed and in the capacity herein stated, and as the act and deed of said corporation.

Given under my hand and seal of office, this 29th day of May, 2015.

Original signed and stamped

Keith A. Russell
Notary Public – State of Texas

SOLAR ENERGY DEVICES AND ROOFING MATERIALS POLICY

STATE OF TEXAS §
 §
 COUNTY OF DALLAS §

WHEREAS, the property encumbered by this Solar Energy Devices and Roofing Materials Policy is that property restricted by the Declaration of Restrictive Covenants and Home Owners Association for Village at MacArthur Commons, Dallas County, Texas. recorded under Dallas County Real Property Records Volume 86015, Page 3773, as same has been or may be amended from time to time (“Declaration”), and any other subdivisions which have been or may be subsequently annexed thereto and made subject to the authority of the Village at MacArthur Commons Home Owners Association, Inc. (the “Association”); and

WHEREAS, the development period has terminated.

NOW THEREFORE, pursuant to the authority granted in Sections 202.010 and 202.011 of the Texas Property Code, the Board of Directors (the “Board”), hereby adopts this Solar Energy Devices and Roofing Materials Policy (“Policy”), which shall run with the land and be binding on all owners and lots within the subdivision. This Policy replaces any previously recorded or implemented policy that addresses the subjects contained herein.

IV. SOLAR ENERGY DEVICES

Pursuant to Texas Property Code §202.010, solar energy devices, including solar panels, shall be restricted in the following manner:

1. Prohibited Solar Energy Devices
 - 1.1. Solar energy devices, as referred to herein, shall be defined as set forth in the Texas Tax Code, § 171.107. Solar energy devices are prohibited in the following circumstances:
 - (A) It has been adjudicated by a court that the solar energy device is a threat to public health or safety, or violate a law;
 - (B) Solar energy devices that are located on property owned or maintained by the Association;
 - (C) Solar energy devices that are located on property that is owned in common by the members;
 - (D) Solar energy devices that are located on the owner’s property, other than:
 - (E) On the roof of the dwelling or another permitted structure;
 - (F) In a fenced yard or patio owned & maintained by the owner;

- (G) Roof-mounted solar energy devices that extend higher than or beyond the roofline;
- (H) Subject to Item 7 below, if roof mounted, is mounted in an area other than the back of the home;
- (I) Roof-mounted solar energy devices that are located in an area *other* than an area designated by the Association, unless the alternate location increases the estimated annual energy production by more than 10% above the area designated by the Association (as determined by a publicly available modeling tool provided by the National Renewable Energy Laboratory);
- (J) Roof-mounted solar energy devices that do not conform to the slope of the roof and have a top edge that is not parallel to the roofline;
- (K) Roof-mounted solar energy devices having frames, support brackets, or visible piping or wiring containing colors other than silver, bronze, or black tones;
- (L) Solar energy devices located in a fenced yard or patio that are taller than the fence;
- (M) Solar energy devices that, as installed, void material warranties; and
- (N) Solar energy devices that were installed without prior approval by the Association's Board.

- 1.2. After completion of the development period, if the proposed solar energy devices do not fall within one of the above-prohibited categories, the Association or the Board may not withhold approval of the installation of solar energy devices unless the Association or the Board determines in writing that placement of the solar energy devices, as proposed by the owner, constitutes a condition that substantially interferes with the use and enjoyment of land by causing unreasonable discomfort or annoyance to a person of ordinary sensibilities. The written approval of the owner's proposed location by all owners of adjoining property constitutes prima facie evidence that such a condition does not exist.

V. ROOFING MATERIALS

1. Pursuant to Texas Property Code §202.011, the installation of the following roofing materials is permitted:
 - 1.1. Wind or hail resistant roofing materials;

- 1.2. Materials that provide heating and cooling efficiencies greater than those provided by customary composite shingles; or
- 1.3. Materials that provide solar generation capabilities.
2. The above-enumerated acceptable materials, when installed, must:
 - 2.1. Resemble the shingles used or otherwise are authorized for use within the subdivision;
 - 2.2. Be more durable than, and are of equal or superior quality to, the shingles authorized for use within the subdivision; and
 - 2.3. Match the aesthetics of the property surrounding the owner's property.

VI. BOARD APPROVAL

1. Applicant's submission of plans must include a completed application for Board review, a site plan and/or roof plan showing the proposed location of the improvement, along with pictures showing the location of the modification and the manufacturer's brochures or sample of material, if applicable. The color of the materials being used in relation to the roof or house color, the visibility from public streets and neighboring properties/common areas and any noise created and/or light reflected are of specific concern to the Association and the Board.
2. Any installation not in compliance with this Policy will be considered a violation of the dedicatory instruments governing the subdivision.
3. This Solar Energy Devices and Roofing Materials Policy does not apply to property that is owned or maintained by the Association.

VILLAGE AT MACARTHUR COMMONS HOME OWNERS ASSOCIATION, INC.

CERTIFICATION

I hereby certify that, as Secretary of the Village at MacArthur Commons Home Owners Association, the foregoing Solar Energy Devices and Roofing Materials Policy was approved on the 11th day of May, 2015, at a meeting of the Board of Directors at which a quorum was present.

DATED this the 29th day of May, 2015.

Original signed

Beverly Gray
Secretary

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

BEFORE ME, on this day personally appeared Beverly Gray, the Secretary of the Village at MacArthur Commons Home Owners Association, Inc., a Texas non-profit corporation known by me to be the person whose name is subscribed to this instrument, and acknowledged to me that s/he executed the same for the purposes herein expressed and in the capacity herein stated, and as the act and deed of said corporation.

Given under my hand and seal of office, this 29th day of May, 2015.

Original signed and stamped

Keith A. Russell
Notary Public – State of Texas

RAIN BARREL POLICY

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

WHEREAS, the property encumbered by this Rain Barrel Policy is that property restricted by the Declaration of Restrictive Covenants and Home Owners Association for Village at MacArthur Commons, Dallas County, Texas, recorded under Dallas County Real Property Records Volume 86015, Page 3773, as same has been or may be amended from time to time (“Declaration”), and any other property which has been or may be subsequently annexed thereto and made subject to the authority of the Village at MacArthur Commons Home Owners Association, Inc. (the “Association”); and

NOW THEREFORE, pursuant to the authority granted in Section 202.007(d) of the Texas Property Code, the Board of Directors (the “Board”), hereby adopts this Rain Barrel Policy (“Policy”), which shall run with the land and be binding on all owners and lots within the subdivision. This Policy replaces any previously recorded or implemented policy that addresses the subjects contained herein.

An application must be submitted for review by the Board, and formal written approval from the Board shall be required before installation may begin.

I. RAIN BARRELS

4. Prohibited Rainwater Harvesting Systems/Rain Barrels

4.1. Rainwater harvesting systems or rain barrels (collectively referred to herein as “Rain Barrels”) are prohibited in the following circumstances:

- (A) Rain Barrels that are located on property owned by the Association;
- (B) Rain Barrels that are located on property that is owned in common by the members of the Association;
- (C) Rain Barrels that are located between the front of the owner’s home and an adjoining or adjacent street;
- (D) Rain Barrels that are of a color not consistent with the color scheme of the home; and
- (E) Rain Barrels that display language or content other than the manufacturer’s typical display.

5. Rain Barrels Located in Area Visible from a Street, Lot, or Common Area:

- 5.1. Rain Barrels that are located on the side of a house or at any other location that is visible from a street, another lot, or a common area must comply with the following:
- (A) Rain Barrels must have adequate screening, as determined by the Board;
 - (B) Only commercial and professional grade Rain Barrels are permitted;
 - (C) All Rain Barrels must be fully enclosed and have a proper screen or filter to prevent mosquito breeding and harboring; and
 - (D) Rain Barrels may not create unsanitary conditions or be of nuisance to any neighboring properties.

VII. BOARD APPROVAL

1. Applicant's submission of plans must include a completed application for Board review and a site plan showing the proposed location of the improvement, along with pictures showing the location of the modification and the manufacturer's brochures or sample of material, if applicable. The color of the materials being used in relation to the house color, the visibility from public streets and neighboring properties/common areas and any noise created are of specific concern to the Association and the Board.
2. Any installation not in compliance with this Policy will be considered a violation of the dedicatory instruments governing the subdivision.
3. This Rain Barrel Policy does not apply to property that is owned or maintained by the Association.

VILLAGE AT MACARTHUR COMMONS HOME OWNERS ASSOCIATION, INC.

CERTIFICATION

I hereby certify that, as Secretary of the Village at MacArthur Commons Home Owners Association, the foregoing Rain Barrel Policy was approved on the 11th day of May, 2015, at a meeting of the Board of Directors at which a quorum was present.

DATED this the 29th day of May, 2015.

Original signed

Beverly Gray
Secretary

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

BEFORE ME, on this day personally appeared Beverly Gray, the Secretary of the Village at MacArthur Commons Home Owners Association, Inc., a Texas non-profit corporation known by me to be the person whose name is subscribed to this instrument, and acknowledged to me that s/he executed the same for the purposes herein expressed and in the capacity herein stated, and as the act and deed of said corporation.

Given under my hand and seal of office, this 29th day of May, 2015.

Original signed and stamped

Keith A. Russell
Notary Public – State of Texas

ACCESS, PRODUCTION AND COPYING POLICY

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

WHEREAS, the property encumbered by this Access, Production and Copying Policy (“Policy”) is that property restricted by the Declaration of Restrictive Covenants and Home Owners Association for Village at MacArthur Commons, Dallas County, Texas, recorded under Dallas County Real Property Records Volume 86015, Page 3773, as same has been or may be amended from time to time (“Declaration”), and any other property which has been or may be subsequently annexed thereto and made subject to the authority of the Village at MacArthur Commons Home Owners Association, Inc. (the “Association”); and

WHEREAS, pursuant to Chapter 209 of the Texas Property Code, the Board of Directors (the “Board”) of the Association hereby adopts this Policy for the purposes of prescribing accessibility to Association books and records, the costs the Association will charge for the compilation, production and reproduction of information requested under Section 209.005 of the Texas Property Code; and

WHEREAS, the Board has determined that it is the best interest of the Association to establish this Policy concerning the production and copying of information, books, and records of the Association.

NOW, THEREFORE, BE IT RESOLVED THAT the Association does hereby adopt this Access, Production and Copying Policy, which shall run with the land and be binding on all owners and lots within the subdivision. This Policy shall become effective upon recording of same. After the effective date, this Policy shall replace any previously recorded or implemented policy that addresses the subjects contained herein.

I. ACCESS

1. The books and records of the Association, including financial records, shall be open to and reasonably available for examination by an owner, or a person designated in writing signed by the owner as the owner’s agent, attorney, or certified public accountant. An owner is entitled to obtain from the Association copies of information contained in the books and records. An owner, or the owner’s authorized representative, must submit a written request for access or information by certified mail, with sufficient detail describing the books and records requested, to the mailing address of the Association as reflected on the most current management certificate. The request must contain an election either to inspect the books and records before obtaining copies, or to have the Association forward copies of the requested books and records.
2. An attorney’s files and records relating to the Association, excluding invoices requested by an owner under Section 209.008(d) of the Texas Property Code are not records of the Association and are not subject to inspection by the owner, or

production in a legal proceeding. If a document in an attorney's files and records relating to the Association would be responsive to a legally authorized request to inspect or copy Association documents, the document shall be produced by using the copy from the attorney's files and records if the Association has not maintained a separate copy of the document. Any document that constitutes attorney work product or that is privileged as an attorney-client privileged communication is not required to be produced.

3. The Association is not required to release or allow inspection of any books or records that identify the dedicatory instrument violation history of an owner, an owner's personal financial information, including records of payment/nonpayment of amounts due the Association, an owner's contact information other than the owner's address, or information related to an employee of the Association, including personnel files. Information may be released in an aggregate or summary manner that would not identify an individual owner. These records may be made available only with (i) the express written approval of the owner whose records are the subject of the request, or (ii) if a court of competent jurisdiction orders the release of the records.
4. If inspection is requested, the Association, on or before the tenth (10th) business day shall send written notice of dates during normal business hours that the owner may inspect the requested records to the extent the records are in the possession or control of the Association. The inspection shall take place at a mutually agreed upon time during normal business hours.
5. If copies are requested, the Association shall produce the requested records for the owner on or before the tenth (10th) business day after the date the Association receives the request except as otherwise provided herein. The Association may produce the requested records in hard copy, electronic, or other format reasonably available to the Association.
6. If the Association is unable to produce the records on or before the tenth (10th) business day, the Association shall give the owner notice that it is unable to produce the records within ten (10) business days, and state a date by which the information will be sent or made available for inspection, on a date not more than fifteen (15) business days after the date the notice is given.
7. Notwithstanding anything contained herein to the contrary, all records shall be produced subject to the terms of this Policy as set out below. The Association may require advance payment of estimated costs per its adopted policy.

II. CUSTODIAN OF RECORDS

1. The Secretary of the Board or other person designated by the Board, is the designated Custodian of the Records of Association. As such, the Secretary of the Board is responsible for overseeing compliance with this Policy. Any questions regarding this Policy shall be directed to the Custodian of the Records of the Association.

III. PROCEDURES FOR RESPONDING TO REQUEST FOR INFORMATION

1. All requests for information must comply with the requirements set forth hereinabove. The dated and signed, written request must state the specific information being requested.
2. Requests for information will **NOT** be approved when the information regards pending legal issues, unless specifically required by law; information of personnel matters such as individual salaries; information about other members; information that is privileged or confidential.

IV. COST OF COMPILING INFORMATION AND MAKING COPIES OF RECORDS

1. The costs of compiling information and making copies shall not exceed those set forth in 1 TAC §70.3. The following fee schedules and explanations comply with this code section.
2. The following are the costs of materials, labor, and overhead which shall be charged to the owner requesting. The Association may require advance payment of the estimated costs of compilation, production, and reproduction of the requested information. If the estimated costs are lesser or greater than the actual costs, the Association shall submit a final invoice to the owner on or before the 30th business day after the date the information is delivered. If the final invoice includes additional amounts due from the owner, the additional amounts, if not reimbursed to the Association before the 30th business day after the date the invoice is sent to the owner, may be added to the owner's account as an assessment. If the estimated costs exceeded the final invoice amount, the owner is entitled to a refund, and the refund shall be issued to the owner not later than the 30th business day after the date the invoice is sent to the owner.

2.1. Copy Charge:

- (A) Standard paper copy. The charge for paper copies reproduced by means of an office machine copier or a computer printer is \$.10 per page or part of a page. Each side that has recorded information is considered a page.
- (B) Nonstandard copy: covers materials onto which information is copied and does not reflect any additional charges, including labor that may be associated with a particular request. Charges for nonstandard copies are:
 - (1) Diskette -\$1.00
 - (2) Magnetic tape — actual cost
 - (3) Data cartridge — actual cost

- (4) Tape cartridge — actual cost
- (5) Rewritable & non-rewritable CD - \$1.00
- (6) Digital video disc - \$3.00
- (7) JAZ drive — actual cost
- (8) Other electronic media-actual cost, including but not limited to PDF format
- (9) VHS video cassette- \$2.50
- (10) Audio cassette- \$1.00
- (C) Oversize paper (e.g. 11 x 17, green bar, blue bar, not including maps and photographs using specialty paper)- \$.50
- (D) Specialty paper (e.g. Mylar, blueprint, blue line, map, photographic)-actual cost

2.2. Labor Charge:

- (A) For locating, compiling, manipulating data, and reproducing public information, the following charges shall apply:
 - (1) Labor charge - \$15.00/hour. This charge includes the actual *time* to locate, compile, manipulate data, and reproduce the requested information:
 - (2) No labor charge to be billed for requests that are 50 or fewer pages of paper records, unless the documents to be copied are located in:
 - (a) Two or more separate buildings that are not physically connected with each other; or
 - (b) A remote storage facility;
 - (3) Labor charge may be charged when confidential information is mixed with public information in the same page, an attorney, legal assistant, or any other person who reviews the requested information, for time spent to redact, blackout, or otherwise obscure confidential information for requests of 50 or fewer pages.

2.3. Overhead Charge:

- (A) Whenever a labor charge is applicable to a request, the Association may include in the charges direct and indirect charges, in addition

to the specific labor charge. This overhead charge would cover such costs as depreciation of capital assets, rent, maintenance and repair, utilities, and administrative overhead. If the Association chooses to recover such costs, the charge shall be made in accordance with the methodology described hereafter:

- (1) The overhead charge shall not be made for requests for copies of 50 or fewer pages of standard paper records unless the request also qualifies for a labor charge;
- (2) The overhead charge shall be computed at 20% of the charge made to cover any labor costs associated with a particular request.

2.4. Miscellaneous Supplies:

- (A) The actual cost of miscellaneous supplies, such as labels, boxes, and other supplies used to produce the requested information, may be added to the total charge. Related postal or shipping expenses which are necessary to transmit the reproduced information may be added to the total charge.
- (B) If payment by credit card is accepted, if a transaction fee is charged by the credit card company, that fee may be added to the total charge.

V. DENIAL OF REQUESTED INFORMATION

1. If it is decided that a request for information is inappropriate or unapproved, the Board, or its designee, will notify the requesting member of that decision and the reason for it in a timely manner.
2. The Board, or its designee, will inform the member, in writing of their right to appeal to the Board.

CERTIFICATION

I hereby certify that, as Secretary of the Village at MacArthur Commons Home Owners Association, the foregoing Access, Production and Copying Policy was approved on the 11th day of May, 2015, at a meeting of the Board of Directors at which a quorum was present.

DATED this the 29th day of May, 2015.

Original signed

Beverly Gray
Secretary

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

BEFORE ME, on this day personally appeared Beverly Gray, the Secretary of the Village at MacArthur Commons Home Owners Association, Inc., a Texas non-profit corporation known by me to be the person whose name is subscribed to this instrument, and acknowledged to me that s/he executed the same for the purposes herein expressed and in the capacity herein stated, and as the act and deed of said corporation.

Given under my hand and seal of office, this 29th day of May, 2015.

Original signed and stamped

Keith A. Russell
Notary Public – State of Texas

COLLECTION POLICY AND PAYMENT PLAN GUIDELINES

STATE OF TEXAS §
 §
 COUNTY OF DALLAS §

WHEREAS, the property encumbered by these Collection Policy and Payment Plan Guidelines (the “Guidelines”) is that property restricted by the Declaration of Restrictive Covenants and Home Owners Association for Village at MacArthur Commons, Dallas County, Texas, recorded under Dallas County Real Property Records Volume 86015, Page 3773, as same has been or may be amended from time to time (“Declaration”), and any other property which has been or may be subsequently annexed thereto and made subject to the authority of the Village at MacArthur Commons Home Owners Association, Inc. (the “Association”); and

WHEREAS, pursuant to Chapter 209 of the Texas Property Code, the Board of Directors (the “Board”) of the Association hereby adopts these Guidelines for the purposes of establishing a uniform and systematic procedure to collect assessments and other charges of the Association and identify the guidelines under which owners may request an alternative payment schedules for certain assessments; and

WHEREAS, the Board has determined that it is in the best interest of the Association to establish these Guidelines.

NOW, THEREFORE, BE IT RESOLVED THAT the Association does hereby adopt this Collection Policy and Payment Plan Guidelines, which shall run with the land and be binding on all owners and lots within the subdivision. These Guidelines replace any previously recorded or implemented guidelines that address the subjects contained herein.

I. COLLECTION POLICY

1. Assessment Period

1.1. The Board has the duty of establishing and adopting an annual budget, in advance, for each fiscal year of the Association covering the estimated costs of operation of the Association during each calendar year.

2. Notice

2.1. The Board shall fix the amount of the annual assessment against each lot for the following year and shall, at that time, prepare a roster of the lots and assessments applicable thereto which shall be kept in the office of the Association and shall be open to inspection by any owner. Upon completion of the roster, written notice of the assessment may be sent to every owner subject to the assessment.

2.2. An owner may not escape liability or be entitled to a deferral of interest, fines or collection costs with regard to delinquent assessments on the basis of such owner's failure to receive notice, if such notice was sent via regular mail to the most recent address of the owner according to the records of Association. Each owner shall have the obligation to notify the Association in writing of any change in address which shall become effective five days after written notice has been received.

3. Due Date

3.1. All assessments are due on an annual basis, as determined by a majority of the Board for that assessment year. If any assessment due the Association is not paid on the date when due, then such assessment shall become delinquent thirty (30) days after the due date. Charges disputed by an owner are considered delinquent until such time as they are paid in full.

3.2. Payments received after the due date are considered delinquent and the entire amount due may be transferred to a Payment Plan as set forth in Section II of these Guidelines.

4. Interest

4.1. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the due date at the rate set forth in the Declaration until the assessment is paid in full.

5. Delinquency Notification

5.1. The Association may cause to be sent one or more of the following notification(s) to delinquent owners:

(A) **Past Due Notice:** In the event that an assessment account balance becomes delinquent, a Past Due Notice may be sent via regular mail to each owner with a delinquent account setting forth all assessments, interest and other amounts due. The Past Due Notice will contain a statement that the entire remaining unpaid balance of the Assessment is due and that the owner is entitled to a Payment Plan as set forth in Section II of these Guidelines. **In the event an owner chooses to enter a Payment Plan, a monthly charge may be added to each delinquent Owner's account balance for administrative costs related to the Payment Plan and such additional administrative costs will continue until the entire balance is paid in full.**

(B) **Final Notice:** In the event the entire assessment is not paid in full or there is a default on the Payment Plan, where an assessment account balance remains delinquent, a Final Notice may be sent via certified mail to each delinquent owner. The Final Notice will set

forth the following information and the result of failure to pay, including an explanation of:

- (1) Amounts Due: All delinquent assessments, interest and other amounts due;
 - (2) Hearing: Owners shall be given notice and opportunity for a hearing before the Board. A hearing shall be granted if a written request for a hearing is received by the Association not more than thirty (30) days from the owner's receipt of the Final Notice.
 - (a) If a hearing is requested within 30 days from receipt of the Final Notice, further collection procedures are suspended until the hearing process is completed. The Board shall set a hearing date not later than 30 days after receipt of owner's request for a hearing.
 - (b) Either party may request a postponement, which shall be granted for a period of not more than ten (10) days. Additional postponements may be granted by agreement of both parties. Further collection steps will be determined by the action of the Board;
 - (3) Common Area Rights Suspension: If a hearing is not requested within 30 days from receipt of the Final Notice, the owner's use of recreational facilities and common properties may be suspended; and
 - (4) Military Notice: If the owner is serving on active military duty, the owner may have special rights or relief related to the enforcement action under federal law, including the Service members Civil Relief Act.
- (C) **Notice of Turnover To Collection Agent/Attorney**: If a hearing is not requested within 30 days from receipt of the Final Notice, member privileges will be suspended, the account may be sent to a collection agent and/or the Association's attorney for collection and any fees and expenses will be charged to the owner's assessment account. An owner may not be charged fees of a collection agent (as same is defined in Property Code §209.0064) or legal counsel unless the Association first provides written notice to the owner by certified mail, return receipt requested, that:
- (1) Specifies each delinquent amount and the total amount of the payment required to make the account current;

- (2) Describes the options the owner has to avoid having the account turned over to a collection agent or legal counsel, including information regarding availability of a payment plan through the Association; and
- (3) Provides a period of at least thirty (30) days for the owner to cure the delinquency before further collection action is taken.

6. Referral Of Account To Association's Attorney

- 6.1. Upon referral of the account to the Association's attorney, the attorney is authorized to take whatever action is necessary, in consultation with the Board, including but not limited to: sending demand letters, filing a lawsuit against the delinquent owner for a money judgment, instituting an expedited foreclosure action; and, filing necessary claims, objections and motions in the bankruptcy court and monitoring the bankruptcy case in order to protect the Association's interests.
- 6.2. In the event the Association has determined to foreclose its lien provided in the Declaration, and to exercise the power of sale thereby granted, such foreclosure shall be accomplished pursuant to the requirements of Section 209.0092 of the Texas Property Code by first obtaining a court order in an application for expedited foreclosure under the rules adopted by the Supreme Court of Texas.

7. Bankruptcies

- 7.1. Upon receipt of any notice of a bankruptcy of an owner, the account may be turned over to the Association's attorney so that the Association's interests may be protected.

8. Required Action

- 8.1. Nothing contained herein, not otherwise required by the Declaration or by law, shall require the Association to take any of the specific actions contained herein. The Board of the Association shall have the right, but not the obligation, to evaluate each delinquency on a case-by-case basis as in its best judgment deems reasonable.

9. Payments Returned Non-Sufficient Funds

- 9.1. An owner will be assessed a service charge for any check that is returned or Automatic Clearing House (ACH) debit that is not paid for any reason, including but not limited to Non-Sufficient Funds (NSF) or stop payment order. The amount of the service charge assessed will be the customary amount charged.

II. PAYMENT PLAN

1. The Association hereby establishes a Payment Plan schedule by which an owner may make partial payments to the Association for delinquent regular or special assessments, or any other amount owed to the Association without accruing additional monetary penalties. Monetary penalties do not include interest or reasonable costs associated with administering the Payment Plan. The Payment Plan Schedule is as follows:
 - 1.1. The term for the Payment Plan is six (6) months;
 - 1.2. A Payment Plan shall require twenty percent (20%) of the delinquent amount to be paid at the inception of the Payment Plan, with the balance being due and payable in five (5) equal payments due on the first day of each month;
 - 1.3. Failure to pay the initial payment of twenty percent (20%) of the delinquent amount shall be considered a default of the Payment Plan;
 - 1.4. An owner, upon written request, may request a longer period of time;
 - 1.5. The Association is not required to honor the terms of a previous Payment Plan during the two (2) years following an owner's default under a previous Payment Plan;
 - 1.6. If an owner requests a Payment Plan that will extend into the next assessment cycle, the owner will be required to pay future assessments by the due date in addition to the payments specified in the Payment Plan.

III. APPLICATION OF PAYMENTS

1. Except as provided in subsection B immediately below, a payment received by the Association shall be applied in the following order of priority:
 - 1.1. Any delinquent assessment;
 - 1.2. Any current assessment;
 - 1.3. Attorney's fees or third party collection costs incurred by the Association associated solely with assessments or other charge that can be the basis of foreclosure;
 - 1.4. Attorney's fees not subject to "3" above;
 - 1.5. Fines;
 - 1.6. Any other amount owed to the Association.

2. If/when an owner defaults on a Payment Plan, the remaining delinquent amount will become due in full and the Association may begin further collection action as set out above in Article I(5)(b). Any payment(s) received by the Association after such default of a Payment Plan shall be applied in the following order of priority:
 - 2.1. Costs;
 - 2.2. Attorney fees;
 - 2.3. Interest;
 - 2.4. Late fees;
 - 2.5. Delinquent assessments;
 - 2.6. Current assessments; and
 - 2.7. Fines
3. As to each category identified in this subsection B, payment shall be applied to the most- aged charge first. The acceptance of a partial payment on an owner's account does not constitute a waiver of the Association's right to collect the full outstanding balance due on said owner's account.

CERTIFICATION

I hereby certify that, as Secretary of the Village at MacArthur Commons Home Owners Association, the foregoing Collection Policy and Payment Plans Guidelines was approved on the 11th day of May, 2015, at a meeting of the Board of Directors at which a quorum was present.

DATED this the 29th day of May, 2015.

Original signed

Beverly Gray
Secretary

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

BEFORE ME, on this day personally appeared Beverly Gray, the Secretary of the Village at MacArthur Commons Home Owners Association, Inc., a Texas non-profit corporation known by me to be the person whose name is subscribed to this instrument, and acknowledged to me that s/he executed the same for the purposes herein expressed and in the capacity herein stated, and as the act and deed of said corporation.

Given under my hand and seal of office, this 29th day of May, 2015.

Original signed and stamped

Keith A. Russell
Notary Public – State of Texas

DOCUMENT RETENTION POLICY

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

WHEREAS, the property encumbered by this Document Retention Policy (“Policy”) is that property restricted by the Declaration of Restrictive Covenants and Home Owners Association for Village at MacArthur Commons, Dallas County, Texas, recorded under Dallas County Real Property Records Volume 86015, Page 3773, as same has been or may be amended from time to time (“Declaration”), and any other property which has been or may be subsequently annexed thereto and made subject to the authority of the Village at MacArthur Commons Home Owners Association, Inc. (the “Association”); and

WHEREAS, pursuant to Chapter 209 of the Texas Property Code, the Board of Directors (the “Board”) of the Association hereby adopts this Policy for the purposes of prescribing the document retention policy pursuant to Section 209.005 of the Texas Property Code; and

WHEREAS, the Board has determined that it is in the best interest of the Association to establish this Policy concerning the retention of records of the Association.

NOW, THEREFORE, BE IT RESOLVED THAT the Association does hereby adopt this Document Retention Policy, which shall run with the land and be binding on all owners and lots within the subdivision. This Policy shall become effective upon recording of same. After the effective date, this Policy shall replace any previously recorded or implemented policy that addresses the subjects contained herein.

- I. This Policy provides for the future systematic review, retention, and destruction of documents received or created by the Association in connection with the transaction of the Association’s business. This Policy covers all records and documents, regardless of physical form, and contains guidelines for how long certain documents should be kept and how records should be destroyed.
- II. The Association retains specific documents for the time periods outlined in the attached Exhibit “A”. Documents that may not be specifically listed will be retained for the time period of the documents most closely related to those listed in the schedule. Electronic documents will be retained as if they were paper documents. Therefore, any electronic files that fall into one of the document types on the attached Exhibit “A” will be maintained for the identified time period.
- III. The Custodian of Records of the Association is responsible for the ongoing process of identifying the Association’s records which have met the required retention period and overseeing their destruction. Destruction of any physical documents will be accomplished by shredding. Destruction of any electronic records of the Association shall be made via a reasonable attempt to remove the electronic records from all known electronic locations and/or repositories.

CERTIFICATION

I hereby certify that, as Secretary of the Village at MacArthur Commons Home Owners Association, the foregoing Document Retention Policy was approved on the 11th day of May, 2015, at a meeting of the Board of Directors at which a quorum was present.

DATED this the 29th day of May, 2015.

Original signed

Beverly Gray
Secretary

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

BEFORE ME, on this day personally appeared Beverly Gray, the Secretary of the Village at MacArthur Commons Home Owners Association, Inc., a Texas non-profit corporation known by me to be the person whose name is subscribed to this instrument, and acknowledged to me that s/he executed the same for the purposes herein expressed and in the capacity herein stated, and as the act and deed of said corporation.

Given under my hand and seal of office, this 29th day of May, 2015.

Original signed and stamped

Keith A. Russell
Notary Public – State of Texas

EXHIBIT "A"			
DOCUMENT RETENTION POLICY			
DOCUMENT TYPE	DEFINED	TIME PERIOD	EXCEPTION
Account Records of Current Owners	Member assessment records	Permanently	
Audit Records	Independent Audit Records	Permanently	
Bylaws	And all amendments	Permanently	
Certificate of Formation	And all amendments	Permanently	
Contracts	Final contracts between the Association and another entity.	Permanently	
Financial Books & Records	Year End Financial Records and supporting documents	Permanently	
Minutes of Board & Owners Meetings	Board minutes and written consents in lieu of a meeting; Annual member meetings	Permanently	
Restrictive Covenants	And all amendments	Permanently	
Tax Returns	Federal and State Income, Franchise Tax Returns and supporting documentation	Permanently	