

	HIDDEN HILLS OWNERS ASSOCIATION A TEXAS NON-PROFIT CORPORATION BY-LAWS	Date Revised: July 8, 2023
--	---	---

These by-laws have been prepared by the Hidden Hills Owners Association; a non-profit corporation governed by the laws of the State of Texas. These by-laws supersede and replace all previous by-laws.

ARTICLE I

Corporation

The name of the corporation is Hidden Hills Owners Association (hereinafter the "Association").

ARTICLE II

Purpose

The purpose, for which the association is organized, is to act as a governing agent for the owners of property in Hidden Hills Harbor Subdivision in Henderson County, State of Texas

ARTICLE III

Definitions

Fiscal Year - The fiscal year ends September 30th, of each year.

Parliamentary Rules - Except as may be modified by the Board of Directors by resolution establishing modified procedures, Robert's Rules of Order (current edition) shall govern the conduct of the Association's proceedings when not in conflict with Texas Law, Articles of Incorporation, or these by-laws.

Member in Good Standing - A property owner who has all assessments paid in full.

Article IV

Membership

HIDDEN HILLS OWNERS ASSOCIATION
(A TEXAS NON-PROFIT CORPORATION)
BY-LAWS (cont.)

Section 1:

- A. Each owner of one or more lots in Hidden Hills Harbor Subdivision (hereinafter called the “Subdivision”) is a member of the Association. There shall be no initiation fees.
- B. All persons holding title, or vendee rights under a contract of sale, individually or jointly, shall be considered members of the Association. Lessees from members of the Association shall have the privileges of members, except the right to vote, provided that all annual assessments for their property are paid in full. All exceptions must be approved by the Board of Directors.
- C. In cases where more than one Person or an entity owns a fee interest in a Lot, those persons or the entity will arrange among themselves for one of them to exercise the voting rights attributable to their Lot. Membership of a member in the Association will automatically terminate when the Member ceases to be an Owner.
- D. The rights of membership will not be exercised by any Person until satisfactory proof has been furnished to the Secretary of the Association that the Person is qualified as a Member. This proof may consist of a copy of a duly executed and acknowledged deed or title-insurance policy evidencing ownership of a Lot. A deed or policy will be deemed conclusive in the absence of a conflicting claim based on a later deed or policy.
- E. The sole qualification for membership will be the ownership of a Lot.

Section 2:

- A. Members are bound to pay assessments to the Association in accordance with the restrictive covenants for the Subdivisions now and hereafter recorded in Henderson County State of Texas.
- B. Each rental property owner will be assessed at the current annual assessment rate for each separate rental property. This will enable the renter to use all the association amenities. In the event the property owner does not pay the annual assessments, the renter will be allowed to pay the annual assessment and use the amenities. The duty to pay all annual assessments is not contingent upon any member or renter’s use of Association amenities.

Section 3:

A member in good standing is a property owner who has all assessments paid in full.

Section 4:

- A. Members must notify the Association in writing before selling, conveying, or otherwise transferring ownership of any lot located within the Subdivision. Before closing any sale of real property located within the Subdivision, the selling Member must provide the Secretary of the Association with a true and correct copy of the fully executed real estate sales contract.

HIDDEN HILLS OWNERS ASSOCIATION
(A TEXAS NON-PROFIT CORPORATION)
BY-LAWS (cont.)

- B. All assessments, fines, fees, and other charges from the Association will be charged to the record owner as listed on the Association's roll of members. Failure to pay such assessments, fines, fees, and other charges from the Association may result in a lien against the real property associated with the unpaid assessments, fines, fees, and other charges. Moreover, all unpaid assessments, fines, fees, and other charges are subject to interest at a rate of eighteen percent (18%) per annum.

Section 5:

- A. All members in good standing, their families and authorized guest, shall have the right to use the Association's amenities and common areas, to the extent permitted by and in accordance with the terms and conditions that may be set out in the Association's rules which may from time to time be established by its Board of Directors.
- B. Authorized guests must be accompanied by a member in good standing.
- C. Association members who are not in good standing are prohibited from using the Association's amenities and common areas and cannot be considered as a guest.
- D. Only members in good standing will be allowed to use the Association amenities.

Section 6:

No member who is in arrears for more than thirty (30) days in respect to the monthly assessments set forth in the restrictions of record in respect to Hidden Hills Harbor Subdivision, or in any other dues and/or accounts as approved by the Board of Directors of the Association, shall be eligible to use any of the Association's amenities.

Section 7:

All Members have the primary responsibility to safeguard and promote the standards, interest, and welfare of the Association

Article V

Voting

Section 1:

Each member, being a legally recorded property owner of legal voting age, shall be entitled to one (1) vote at all meetings of members, provided that such member is the full owner of, or is purchasing at least one (1) lot.

Section 2:

HIDDEN HILLS OWNERS ASSOCIATION
(A TEXAS NON-PROFIT CORPORATION)
BY-LAWS (cont.)

Where two (2) or more members are the owners or purchasers of the same lot, those members may only cast one vote between them, and they may decide between themselves which of the joint owners will cast the vote.

Section 3:

The annual election of the members to the Board of Directors will be held on the second (2nd) Saturday of August each year, at the Association's office during posted hours.

Article VI

Board of Directors

Section 1:

- A. The affairs of the Association shall be governed by a Board of Directors who shall be comprised of no fewer than five (5) and no more than nine (9) eligible property owners in Hidden Hills Harbor, which Board shall have full power and authority to carry out the purposes of the Association and to do all lawful acts as necessary or proper thereto.
- B. No two (2) members of the same household may serve on the Board of Directors at the same time.
- C. Eligible property owners are those members in good standing who have not been removed from the Board of Directors according to Article VI, Section 4 of the by-laws.

Section 2:

- A. The Board of Directors shall be elected at the Annual Election held in August, by a majority of the votes cast by members, either in person or by written proxy, and shall assume office immediately.
- B. Directors shall serve for a term of three (3) years until their successors are elected and have qualified.
- C. The terms of the Directors shall be staggered as such so that no more than (3) Director positions will be voted upon at any annual meeting,
- D. Every Director must be a member in good standing.
- E. Directors may serve any number of terms, including any number of consecutive terms, so long as he or she is duly elected at the appropriate Annual Election.
- F. Upon the death, resignation, or removal of a Director, a successor shall be appointed for the remainder of the term by a majority vote of the remaining Board of Directors.

Section 3:

HIDDEN HILLS OWNERS ASSOCIATION
(A TEXAS NON-PROFIT CORPORATION)
BY-LAWS (cont.)

- A. A majority of the Directors shall constitute a quorum at any meeting. The act of a majority of Directors present in person or by proxy at a meeting at which a quorum is present at the time of the act will be the act of the Board unless any provision of any of the Restrictions requires the vote of a greater number.
- B. Meetings of the Board of Directors may be held at any place within Hidden Hills Harbor Subdivision, or in the immediate vicinity thereof.

Section 4:

- A. Should a Director of the Association be charged with conduct detrimental the Association the charge must be formally made at a meeting of the Board of Directors.
- B. The Board of Directors shall cause a formal charge in writing of misconduct to be presented at the next regular monthly meeting of the membership.
- C. The so charged Director may be removed from office by a majority vote of the members in good standing who are present at such meeting.
- D. Such removal from office shall be effective immediately upon canvass of the vote.
- E. A director removed from office according to this section shall not be eligible to hold another board position at any time.

Section 5:

Except as provided below, a board may take action outside of a meeting, including voting by electronic or telephonic means, without prior notice to owners if each board member is given a reasonable opportunity to express the board member's opinion to all other board members and to vote. Any action taken without notice to members must be summarized orally, including an explanation of any known actual or estimated expenditures approved at the meeting, and documented in the minutes of the next regular or special meeting. Where action is allowed outside of an open meeting, electronic vote through email is sufficient.

Notwithstanding anything to the contrary in these bylaws, the board may not consider or vote on any of the following matters outside of an open meeting for which proper notice was given to all members:

- (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 control approval;

HIDDEN HILLS OWNERS ASSOCIATION
(A TEXAS NON-PROFIT CORPORATION)
BY-LAWS (cont.)

- (8) a suspension of a right of a particular member before the owner has an opportunity to attend a board meeting to present the member's position, including any defense on the issue;
- (9) lending or borrowing money;
- (10) adoption or amendment of a dedicatory instrument;
- (11) the approval of an annual budget or the approval of an amendment of an annual budget;
- (12) the sale or purchase of real property;
- (13) the filling of a vacancy on the board;
- (14) the construction of capital improvements other than the repair, replacement, or enhancement of existing capital improvements; or
- (15) the election of an officer

The Association must provide notice of all regular and special meetings to the members in one of the following ways:

- (a) mail to each member sent at least 10, but not more than 60, days before the meeting;
- (b) by posting notice at least 6 days before the start of a regular meeting and least 3 days before the start of a special meeting:
 - (1) in a conspicuous manner reasonably designed to provide notice to members in a place located on the Association's common property;
 - (2) on an internet website available to members that is maintained by the Association; or
 - (3) sending notice by email to each member who has registered an e-mail address with the Association

Section 6:

- 1. Any Director may be removed by majority vote of the Board of Directors for:
 - A. Missing without cause more than three (3) meetings in a twelve (12) month period.
 - B. Delinquent in payment of assessments on property for more than thirty (30) days
 - C. Any cause agreeable by the Board of Directors.
- 2. Any board member who commits a felony or other crime of moral turpitude may be immediately dismissed without further presentation of cause or voting. For this provision to control, the board must be presented with evidence from a database or other record maintained by a governmental law enforcement authority showing that the director in

HIDDEN HILLS OWNERS ASSOCIATION
(A TEXAS NON-PROFIT CORPORATION)
BY-LAWS (cont.)

question was convicted of a felony or crime involving moral turpitude within the past 20 years, or the board member in question may voluntarily admit that he or she was convicted of a felony or crime involving moral turpitude within the past 20 years. In all other circumstances cause must be shown before a Board member can be removed from office.

Section 7:

1. **Regular Meetings.** Regular meetings of the Board will be held monthly at a place within the Subdivision or at any other place permitted by law and designated at any time by resolution of the Board. Notice of the time and place of regular meetings will be posted at a prominent place within the Common Area and Amenities.
2. **Special Meetings.** Special meetings of the Board will be held when called by written notice signed by the President of the Association or by any two (2) directors at a place within the Subdivision or at any other place permitted by law and designated at any time by resolution of the Board. The notice will specify the time and place of the meeting and the nature of any special business to be considered. Written notice of a special meeting must be given to each director not less than three (3) days or more than fifteen (15) days before the date fixed for the meeting. The written notice must be delivered personally, sent by mail, or sent by email to each director at the director's email address or physical address as shown in the records of the Association. A copy of the notice will be posted in a prominent place or places in the Common Area and Amenities of the Subdivision at least three (3) days before the date of the meeting.
3. **Open Meetings.** Regular and special meetings of the Board will be open to all members of the Association; however, members who are not members of the Board may not participate in any deliberation nor discussion unless expressly authorized to do so by the vote of a majority of a quorum of the Board.
4. **Executive Session.** The Board may, with the approval of a majority of a quorum, adjourn a meeting and reconvene in executive session to discuss and vote on personnel matters, litigation in which the Association is or may become involved, contract negotiations, enforcement actions, confidential communications with the Association's attorneys, matters involving the invasion of privacy of individual members, other business of a confidential nature involving a member, and matters requested by the involved parties to remain confidential. The nature of any business to be considered in executive session will first be announced in open 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 owners, 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 the executive session.

HIDDEN HILLS OWNERS ASSOCIATION
(A TEXAS NON-PROFIT CORPORATION)
BY-LAWS (cont.)

5. **Meeting Minutes.** The Board will keep a record of each regular or special meeting of the Board in the form of written minutes of the meeting. The Board will make meeting records, including approved minutes, available to the members for inspection and, copying on written request to the Manager at the address appearing on the most recently filed management certificate, or if there is not a Manager, to the Board.
6. **Notice to Members.** Except for actions taken by the Board without a meeting under Article IV Section 5, members will be given notice of the date, time, place, and general subject of all regular or special meetings of the Board, including a general description of any matter to be brought up for deliberation in executive session. Except for any portion of a meeting conducted in executive session, if a meeting is held by telephone conference or other electronic communication, notice will include instructions for how members will access any telephonic or electronic communication. The notice must be (1) mailed to each member no earlier than sixty (60) days and no later than ten (10) days before the meeting, or (2) provided at least one hundred forty-four (144) hours before the start of a regular meeting of the Board and at least seventy-two (72) hours before the start of a special meeting of the Board by (a) posting the notice in a conspicuous manner reasonably designed to provide notice to the members (i) in a prominent place or places in the Common Area and Amenities of the Subdivision or, with the consent of the applicable owner, on other conspicuously located privately owned property within the Subdivision, or (ii) on any internet website that is available to members and maintained by the Association or by a management company on behalf of the Association, and (b) sending the notice by electronic mail (e-mail) to each member who has registered an e-mail address with the Association. Each member must keep an updated e-mail address registered with the Association. If the Board recesses a regular or special meeting of the Board 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 the notice requirements of this Section. If a regular or special meeting of the Board is continued to the following regular business day, and on that following day the Board continues the meeting to another day, the Board will give notice of the continuation in at least one manner prescribed by this Section within two (2) hours after adjourning the meeting being continued. Any action taken without notice to the members under this Section must be summarized orally, including an explanation of any known actual or estimated expenditures approved at the applicable regular or special meeting, and documented in the minutes of the next regular or special meeting of the Board.

Section 8:

1. **No Personal Liability.** To the fullest extent permitted by applicable law, a Director or Officer will not be liable to the Association or its members for monetary damages for any act or omission in the Director's or Officer's capacity

HIDDEN HILLS OWNERS ASSOCIATION
(A TEXAS NON-PROFIT CORPORATION)
BY-LAWS (cont.)

as such, except that this Section does not eliminate or limit the liability of a Director or Officer to the extent the Director or Officer is found liable for any of the following:

- i. A breach of the Director's or Officer's duty of loyalty to the Association or its members;
- ii. An act or omission not in good faith that constitutes a breach of duty of the Director or Officer to the Association or an act or omission that involves intentional misconduct or a knowing violation of the law;
- iii. A transaction from which the Director or Officer received an improper benefit, whether or not the benefit resulted from an action taken within the scope of the Director's or Officer's office;
- iv. An act or omission for which the liability of a Director or Officer is expressly provided by an applicable statute.

2. **Indemnification**. The Association will indemnify any Person who was, is, or is threatened to be made a named defendant or respondent in a proceeding (as defined in Section 8.3) because the Person (a) is or was a Director or Officer of the Association or (b) while a Director or Officer of the Association, is or was serving at the request of the Association as a director, officer, partner, venturer, proprietor, trustee, employee, agent, or similar functionary of another foreign or domestic corporation, partnership, joint venture, sole proprietorship, trust, employee-benefit plan, or other enterprise, to the fullest extent that a corporation may grant indemnification to a Director or Officer under the Texas Business Organizations Code, as it exists or may later be amended. This right will be a contract right that will run to the benefit of any Director or Officer who is elected and accepts the position of Director or Officer of the Association or elects to continue to serve as a Director or Officer of the Association while this Section is in effect. Any repeal or amendment of this Section will be prospective only and will not limit the rights of any Director or Officer or the obligations of the Association with respect to any claim arising from or related to the services of a Director or Officer in any of the foregoing capacities before any repeal or amendment of this Section. This right will include the right to be paid or reimbursed by the Association for expenses incurred in defending any proceeding in advance of its final disposition to the maximum extent permitted under the Texas Business Organizations Code, as it exists or may later be amended. If a claim for indemnification or an advancement of costs of defense under these Bylaws is not paid in full by the Association within ninety (90) days after a written claim has been received by the Association, the claimant may bring suit against the Association to recover the unpaid amount of the claim, and if successful in whole or in part, the claimant will also be entitled to be paid the

HIDDEN HILLS OWNERS ASSOCIATION
(A TEXAS NON-PROFIT CORPORATION)
BY-LAWS (cont.)

expenses of prosecuting the claim. It will be a defense to any action that the indemnification or advancement of costs of defense is not permitted under the Texas Business Organizations Code, but the burden of proving this defense will be on the Association. Neither the failure of the Association (including the Board or any committee of the Board, special legal counsel, or members) to have made its determination before the commencement of an action nor an actual determination by the Association (including the Board or any committee of the Board, special legal counsel, or members) that the indemnification or advancement is not permissible will be a defense to the action or create a presumption that the indemnification or advancement is not permissible. If any Person having a right of indemnification under the foregoing provisions dies, the right will inure to the benefit of his or her heirs, executors, administrators, and personal representatives.

3. **Definition of Proceeding**. As used in these Bylaws, the term “proceeding” means any threatened, pending, or completed action, suit, or proceeding (whether civil, criminal, administrative, arbitrative, or investigative); any related appeal; and any inquiry or investigation that could lead to such an action, suit, or proceeding.

Article VII

Officers

Section 1:

- A. The officers of the Association will be members in good standing and consist of a President, a Vice President, a Secretary and Treasurer.
- B. The President, Vice President and Secretary shall be elected by a majority vote of the Board of Directors.
- C. More than one office may be held by the same person, except those of President and Secretary.
- D. All officers shall be elected annually by the Board of Directors immediately following the annual meeting of the members.
- E. All officers shall hold office for a period of one (1) year, or until his or her successor is duly elected and qualified.
- F. All officers shall be required to be members of the Association and of the Board, except the Treasurer.
- G. Officers may serve for multiple and consecutive terms so long as they are duly elected to each term.

HIDDEN HILLS OWNERS ASSOCIATION
(A TEXAS NON-PROFIT CORPORATION)
BY-LAWS (cont.)

H. Upon the death, resignation or removal of an Officer, a successor shall be appointed for the remainder of the term by a majority vote of the Board of Directors

Section 2:

- A. The President shall be the chief executive officer of the Association and shall preside over meetings of the membership.
- B. The Vice President shall exercise the functions of the President in his absence.

Section 3:

The Secretary shall keep, or cause to be kept, the minutes of all meetings and a complete list of members and their addresses and email addresses, shall give the notices required herein, and perform all duties normally required of a secretary, and such duties as the Directors may prescribe.

Section 4:

- A. The position of Treasurer for the Association may be filled by a duly elected member of the Board of Directors, or the Board of Directors, at its discretion, may offer to a duly qualified applicant, who is not an elected member of the Board of Directors, a one-year contract commencing with the Association's fiscal year (i.e., October 1) to function as Treasurer.
- B. Selection of the Treasurer on a contractual basis must be a unanimous decision of the Board of Directors. Compensation for this position will be on a contract basis and will not include insurance, workman's compensation, vacation, or sick leave benefits. Fees for the services of the Treasurer will be determined by the Board of Directors, taking into consideration the qualifications of the applicant, and the financial status of the Association.
- C. Duties of the Treasurer shall include but not be limited to the following:
 - 1. Attend all routine Board of Directors meetings.
 - 2. Always maintain and have available, accurate and current records of all fees, dues, charges made, and amounts received.
 - 3. Present to the Board of Directors monthly, a complete accounting report of all debits and credits for the preceding month.
 - 4. Assist an Audit Committee, comprised of three members of the Association, such members to be selected by the Board of Directors, in conducting an audit of the Association's financial records, and the results of the audit presented to the membership at the Annual Meeting.
 - 5. Prepare all checks for monies disbursed by the Association, with each check requiring the signature of two (2) authorized Board members. Authorization to

HIDDEN HILLS OWNERS ASSOCIATION
(A TEXAS NON-PROFIT CORPORATION)
BY-LAWS (cont.)

sign checks for the Association shall be determined as needed by unanimous vote of the Board of Directors.

Article VIII

Committees

Section 1:

The board of Directors, or the President may appoint such committees as may be needed, from time to time, and delegate to such committee such duties as it or he may deem proper.

Section 2:

The President shall be an ex officio member of the committees.

Article IX

Powers and Duties of Board of Directors

Section 1:

The Board of Directors may do all acts and things in accordance with the Articles of Incorporation, the Restrictive Covenants of the Subdivision, or these by-laws.

Section 2:

In addition to the duties imposed by these by-laws or by any resolution of the Association that may be hereafter adopted, the Board of Directors shall have the power to be responsible for the following:

1. Adoption of an annual budget.
2. Adoption of the means and methods of collecting special assessments for any unforeseen expense outside the purview of the annual budget.
3. Provide for the operation, care, upkeep, and maintenance of all Hidden Hills Harbor common responsibilities.
4. Write policies and procedures for operations of the Board and the Association.
5. Shall approve opening of bank accounts on behalf of the Association and designate the signatories required.
6. Letting of contracts for the making of major repairs, additions, and improvements to or alterations of areas in Hidden Hills Harbor in accordance with the other provisions of the Declarations and these by-laws.

HIDDEN HILLS OWNERS ASSOCIATION
(A TEXAS NON-PROFIT CORPORATION)
BY-LAWS (cont.)

7. Enforce by legal means the provisions of the Declaration, these by-laws and the rules and regulations adopted by it and bringing any proceedings which may be instituted on behalf of or against the owners concerning the Association.
8. Obtaining and carrying insurance against casualties, liabilities, and providing bonding insurance on the officers and directors and paying the premium cost thereof.
9. Shall have the power to borrow moneys for the purpose of repair or restoration of the common area and amenities only with the approval of the members of the Association present at a regular monthly meeting.
10. Shall be responsible for personnel necessary for the maintenance, operation, repair, and replacement of its property, and the area of common responsibility and for the purchase of supplies and materials to be used by such personnel in the performance of their duties.

ARTICLE X

Management Standards of Performance

The following management standards of performance will be followed unless the Board of directors specifically determines otherwise by resolution.

1. Cash Accounting, as defined by generally accepted accounting principles, shall be employed.
2. Accounting and controls should conform with established American Institute of Certified Public Accountants guidelines and principles, a segregation of accounting duties should be maintained and disbursements by check shall require two (2) signatures which will be the Secretary/Treasurer, the Director of Finance, or the President.
3. Cash accounts of the Association shall not be commingled with any other accounts.
4. No remuneration shall be accepted by the officers, employees, or directors from vendors, independent contractors, or others providing goods or services to the Association, whether in the form of commissions, finders fees, service fees, prizes, gifts or otherwise; anything of value received shall benefit the Association.
5. Any financial or other interest which the officers or directors may have in any firm providing goods or services to the Association shall be disclosed promptly to the Association.
6. An income statement reflecting all income and expense activity monthly.
7. Disbursement limits shall be set by the Board of Directors at their meeting after the annual elections.

HIDDEN HILLS OWNERS ASSOCIATION
(A TEXAS NON-PROFIT CORPORATION)
BY-LAWS (cont.)

Article XI

Meetings

Section 1:

- A. The members of the Association shall have one (1) regular meeting each year.
- B. Such meeting shall be held at 10:00 a.m. on the second (2nd) Saturday in August of each year and shall be called the "Annual Meeting."
- C. At such meeting the Directors shall be elected.

Section 2:

Special meetings of the members may be called by the President or by majority of the Board of Directors.

Section 3:

- A. Written or printed notice, stating the place, day, and hour of any meeting of the members, shall be given to each member entitled to vote, at the address of such member as shown on the records of the Association.
- B. Such notice shall be given by or at the direction of the President or Secretary, or by the person(s), calling the meeting.
- C. Written notice of all members' meetings will be given by mailing, e-mailing, personally delivering a copy of the notice, or posting notice on any internet website available to Association members that is maintained by the Association or by a management company on behalf of the Association, at least ten (10) but no more than sixty (60) days before the meeting to each member. The notice must be addressed to the member's address or e-mail address last appearing on the books of the Association or supplied by the Member to the Association for the purpose of notice. The notice must specify the place, day, time, and, for special meetings, general subject of the meeting.
- D. When mailed, the notice of a meeting shall be deemed to be delivered when deposited in the United States Mail, addressed to the member at his or her address as it appears on the records of the Association, with postage thereon prepaid.

Section 4:

The vote of a two-thirds (2/3) majority of the total votes by members present, in person or by written proxy, shall decide any question brought before such meeting.

Section 5:

HIDDEN HILLS OWNERS ASSOCIATION
(A TEXAS NON-PROFIT CORPORATION)
BY-LAWS (cont.)

All meetings of the Board of Directors shall be held at a place situated in Hidden Hills Harbor subdivision, or in the immediate vicinity thereof, as determined by the Board of Directors from time to time.

Section 6:

Any action that must or may be taken at a meeting of the members, other than the election of Directors, may be taken without a meeting if a consent in writing, setting forth the action to be taken, is signed by the requisite number or voting power of the members and filed with the Secretary of the Association. A member can consent to an action to be taken by electronic mail (e-mail). Consent by e-mail is considered to be written, signed, and dated for the purposes of this Section if the e-mail sets forth or is delivered with information from which the Association can determine that the e-mail was transmitted by the member and the date on which the member transmitted the e-mail. The date of the e-mail is the date on which the consent was signed. Consent given by e-mail may not be considered delivered until the consent is reproduced in paper form and the paper form is delivered to the Association at its registered office in this state or its principal place of business, or to an officer or agent of the Association having custody of the book in which proceedings of member meetings are recorded. Consent given by e-mail may be delivered to the principal place of business of the Association or to an Officer or agent of the Association having custody of the book in which proceedings of member meetings are recorded to the extent and in the manner provided by these Bylaws. Any photographic, fax, or similarly reliable reproduction of a consent in writing signed by a member may be substituted or used instead of the original writing for any purpose for which the original writing could be used, if the reproduction is a complete reproduction of the entire original writing.

Article XII

Miscellaneous

Section 1:

These By-Laws or any part thereof may be amended, modified, or repealed only by the unanimous vote and approval of all Board of Directors of the Association.

Section 2:

HIDDEN HILLS OWNERS ASSOCIATION
(A TEXAS NON-PROFIT CORPORATION)
BY-LAWS (cont.)

- A. The Association shall not enter into any contract to pay, and shall not pay, any salary or other remuneration to any Officer, Director or committee member of the Association for their services as such, except that the Directors may, by unanimous vote at any meeting, provide for the payment of a salary to the Treasurer of the Association, in the event that the Directors elect to fill that position on a contract basis.
- B. Acting as an Agent of the Association, any Officer, Director, or committee member shall be entitled to reimbursement for any expense incurred by him or her when such expense has been pre-approved by the Directors. A receipt for the expense must accompany the request for reimbursement.

Article XIII

Payment of Dues

Section 1:

- A. All dues are payable on an annual basis, on October 31st of each year.
- B. Any dues not paid by November 30th will have a \$5.00 late fee added per lot and will be obligated to pay an annual interest rate of eighteen percent (18%) on the amount of the Assessment from the Assessment's due date, together with all costs and expenses of collection, including reasonable attorney fees.
- C. Any dues not paid by February 1st of the following year will have a lien filed against the property that corresponds to the unpaid dues. If within thirty (30) days of February 1st, no arrangements have been made with the Association for payment of the back dues, the Association has a right to pursue foreclosure procedures and any other legal remedies.

Section 2:

Hidden Hills Owners Association (POA) dues will be imposed as set out in the Subdivision Covenants, Conditions and Restrictions (SCCR) Line Item V, incorporated herein by reference.

**HIDDEN HILLS OWNERS ASSOCIATION
(A TEXAS NON-PROFIT CORPORATION)
BY-LAWS (cont.)**

**UNANIMOUS CONSENT OF THE DIRECTORS OF
HIDDEN HILLS OWNERS' ASSOCIATION**

The undersigned, being all of the duly elected and qualified Directors of Hidden Hills Owners' Association, a Texas non-profit corporation, in accordance with the laws of the State of Texas and with the Articles of Incorporation and Bylaws of said Corporation, do hereby that when all of said Directors have signed this consent or an exact counterpart thereof, the Bylaws set forth hereinbefore shall be deemed to have been adopted as amended to the same extent and to have the same force and effect as if adopted at a formal meeting of the Board of Directors of said Corporation, duly called and held for the purpose of acting upon proposals to adopt such amended Bylaws.

Date: _____

Board Member: _____

President: _____

Board Member: _____

Vice President: _____

Board Member: _____

Secretary: _____

Board Member: _____

Treasurer: _____

Board Member: _____